

The TAX TIMES

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Newsletter of the "BROWN COUNTY TAXPAYERS ASSOCIATION."

Volume 37, Issue 5

Press Release

Brown County Taxpayers Association
August 16, 2022 For Immediate Release

"Brown County Promise Broken"

As sent to the Brown County Board of Supervisors:

Brown County Supervisor:

As we did in 2017, the Brown County Taxpayers Association ("BCTA") respectfully and earnestly requests that, instead of taking affirmative action at this Wednesday's County Board meeting, you consider putting any extension of the County's current sales tax up for a referendum to the County's voters.

The current sales tax was represented to the public in 2017 as having a six-year life, expiring at the end of 2023. With the County Board now positioned to act on extending the sales tax, that representation now rings astonishingly hollow. This very likelihood was articulated by the BCTA at the time as a critical concern.

In 2017, the County enumerated a list of nine capital projects to be subsidized by the current sales tax. Unlike then, now the County has proffered an indefinite list of capital improvement projects ("CIP") totaling \$748M dollars from 2023 through 2028. The proposed sales tax extension cannot subsidize that CIP. Since the CIP far exceeds sales tax revenues, it would seem that the County will have to at some point in time bond for the difference. This flies in the face of state statute (WI stat 77.70) which explicitly states that sales taxes need to provide property tax relief. Ironically, this sales tax extension serves as a facilitating springboard for yet more borrowing, which is exactly the opposite of what the County claimed in court: the need for the current sales tax was to avoid

borrowing and pay down the debt.

Too many uncertainties and ambiguities are overlooked, underestimated or simply unanswered. For example, capital improvement projects often bring with them additional operating and maintenance expenses. What will those be and how will they be paid for? The 2017 sales tax had a date -certain by when the tax ended. This resolution to extend the sales tax provides no assurance that the tax will *ever* end. Why should the County become a lender for broadband projects, and who will get the loans, and at what terms? County government is not a bank.

Finally, the nation's current inflation rate and economic environment mandate that every entity - from families to corporations to non-profits - make difficult and tough budget decisions and priorities. Why should government be any different? The County has arguably more budget options now than ever before: *significant tax base expansion within the County's individual municipalities, federal ARPA funds, and newly reassessed property values.*

Prior to bringing suit against the County in 2017, we tried to inject public deliberation into consideration of a sales tax. We are attempting the same again now. Rather than simply bringing this to a simple majority vote at Wednesday's County Board meeting with minimal public debate and less than one month's deliberation, we encourage you to put off a vote on this extension at your August 17th County Board meeting until such time that questions have been considered, answers provided, and the sales tax extension be effectively decided by public referendum.

We thank you for your consideration.

On behalf of the Brown County Taxpayers Association,

Richard R. Heidel, BCTA President

The BROWN COUNTY TAXPAYERS ASSOCIATION
In our 37th Year of Promoting Fiscal Responsibility in Government.

July Meeting Notes

Fred Krumberger, Chairman of the Village of Suamico Public Works Commission, presented his concerns about spending and rate increases by NEW Water for sewerage treatment.

NEW Water is a government sanctioned monopoly. It does not answer to the voters or to any elected officials. It does not answer to the Public Service Commission. It has no regard for its ratepayers. It is out of control.

Now NEW Water is promoting a 20-year, \$470 million capital projects plan, with most of the spending front-loaded early in the plan. The Facilities Plan proposes spending up to \$370 million on its two treatment plants plus another \$100 million on sewers. There are three drivers of this spending:

1) \$100 million - Replacement of assets that have reached the end of their useful lives.

2) \$50 million - Alleged energy savings projects, a second driver of spending, represent 13% of total spending.

3) \$220 million - Capacity expansion is 59% of planned spending. The justification for capacity spending is flawed.

Almost 60% of the planned spending is to expand capacity. To understand the issue regarding the capacity needs of NEW Water, we need to think about the components that contribute to the flow into NEW Water, or any other municipal waste treatment facility.

There are four components to the volume of sewage that reaches NEW water:

- Base Municipal Sewage Flow, which is about 70-80% of supplied water.

- Industrial Flows which may start with water extracted from a river or another source independent of the municipal water company,

- Infiltration of groundwater into the laterals, sanitary sewer mains, and interceptor lines. A design factor for infiltration is 5-10% of base sewage flow.

- Inflow is the stormwater that gets into the system from leaking sewer covers, cross-connected storm water drains (Illegal), incorrectly connected sump pumps (also illegal), damaged pipes, etc.

We don't know how much inflow of rainwater got to NEW Water in 2021, but we can calculate a pretty good estimate. By this calculation, total I&I (infiltration plus inflow) was 29.2% of total flow to NEW Water. It was probably even more. That is a big problem.

The factor that is consuming the capacity of NEW Water is not growth in residential flows, it is not industrial flows, and it doesn't seem to be infiltration of groundwater. The big problem is stormwater inflow and it is getting worse.

Spending \$220 million for capacity to accommodate I&I is about the most expensive way to deal with the issue. It does not fix the problem. I&I growth will lead to another need for more capacity before the end of this 20-year plan. A plan is needed to fix the I&I problem. I&I is a problem in virtually all municipalities served by NEW Water.

It would cost a lot to eliminate all of the I&I problems in Brown County, but taking an 80/20 approach, addressing 20% of the situations that cause 80% of the I&I would be a good way to start. This is likely to be a long-term effort.

Dave Nelson, Secretary

August Meeting Notes

Jesse Brunette, Green Bay Common Council president, commented about allocating the \$23 million ARPA grant. He represents District 12 (far west side) on the Common Council.

Green Bay received this large sum of ARPA money, \$23 million. And so late fall, when that was announced, the mayor, to his credit, did engage the community and he put out a survey, perhaps the survey could have been a little better, but it allowed public comment and it allowed a number of core areas for citizens to prioritize.

From that survey, it was proposed to the council that out of the \$23 million, other than the administrative costs that we can write off as part of the grant, they decided on \$10 million for capital needs and organizational priorities, \$6 million for affordable housing and small business support, \$3 million for stormwater and green infrastructure, climate resilience, \$2 million for crime prevention and neighborhood enhancement. And then \$1.5 million for arts, tourism, and culture. When things were starting to be finally allocated by folks on the council, we had a bit of a different council at that time. It was a lot of the mayor's things that he was proposing to us passed. He voted for many of them, not all of them, but the issue that he had that really started to reveal itself to him is that the administration was giving the projects to them a few at a time.

The biggest issue for him, one of the biggest issues, is flooding. We have significant issues with flooding in our city. He argued that a million dollars could go a long way to fixing the flooding issue rather than green infrastructure.

The problem with green infrastructure as proposed is we really have no analysis as to what green infrastructure would do.

What passed was the rain barrel program which was \$60,000. That was one of the first allocations. That passed six to six with the mayor breaking the tie. He said that he is not trying to be critical of the mayor and city staff. He doesn't always agree with them, but he also respects the position of mayor and that you kind of defer a little bit to the administration. It's their full-time job. It's up to them to propose projects that staff vets, but the challenge that council members ran into and this became very apparent was meeting after meeting. We were getting a few projects here or there, not the big picture.

The city staff set up tours of two fire stations, Fire Station One downtown, which is administrative, and Fire Station Three on West Walnut Street. They are both very old buildings. The firefighters are living in not the best situation. There is flooding. One of the buildings is collapsing and the women don't have separate quarters to change and sleep in. So it makes sense to consider them. They received a lot of pushback from city hall. And so he advocated for them; it's not that he thinks the fire stations would be a hundred percent the best thing to do, but we should consider them.

Dave Nelson, Secretary

WHY INFLATION NOW?

Scott Liddicoat, BCTA Member

We should give the government credit for a change. This time, they altered the definition of inflation before inflation really hit the news cycle. This is unlike their recently changed definitions for “vaccine” and “vaccination.” Those definitions changed after the pandemic was well underway.

But here we'll use the old-school definition of inflation instead of the government's. It's a definition that lasted for a few hundred years. It's a definition that permits us to understand the causes and effects of inflation. Most important, it's a definition of inflation that enables us to make reasonable predictions of future events. Then we can check to see if our predictions followed. That's a trademark of good science. This definition will help us answer the question *Why Inflation Now?* And by extension, why not before? The answers are easy, and it's all in the definition.

Before getting to the definition, let's quickly acknowledge that we've had continuous, chronic inflation for decades. It's robbed you of roughly 3% of your income every year for forty years. So when I pose the question *Why Inflation Now?*, I'm talking about the kind of crushing inflation that takes your breath away. It takes your money away too, in large percentages.

More than 10% of your income has been taken away from you this year through inflation. It's been taken away from everyone else too, including the poor.

So *Why (such oppressive) Inflation Now?* It's all in the definition. *Inflation is an increase in the supply of money without a corresponding increase in goods and services. This causes a decrease in the value of money resulting in a general increase in prices.*

Government has been increasing the supply of money circulating in the economy for more than five decades without letup. It's called deficit spending. Every deficit dollar harms the economy. However, they haven't been able to cripple the economy with deficit spending until now. This is partly because freely enterprising American businesses compete to keep their prices down. But it's more—much more—because of the incredible vitality of free enterprise. Freely enterprising businesses have always managed to increase the supply of goods and services going into the economy. They've done this despite a plague of unrelent-

ing deficit spending.

However, massive deficit spending during the last few years while our economy was handcuffed and shut down changed everything. Suddenly a dynamic free enterprise system was prevented from increasing the supply of goods and services going into the economy. At the same time, the economy was flooded with deficit dollars in record numbers. How much deficit spending? Close to \$6 trillion in the last two years. More deficit spending in that time than income tax collections!

There were plenty of people predicting that inflation—and not little inflation, but big time, take your breath away inflation—would result from this. And that it would happen quickly. You probably never heard them at the time because they were ignored by the media.

Are you surprised?

So *Why (such oppressive) Inflation Now?* When you throw \$6 trillion deficit dollars into the economy at the same time you've prevented the economy from expanding, it's guaranteed to happen. That's. Why. Now.

There are no excuses for any level of inflation, large or small. Period. But now it's easier than ever for everyone to pin responsibility for this oppressive round of inflation exactly where it belongs.

It's all on the government.

Part 1 of a 3 part series by Scott Liddicoat

Part 2 Apr-Mar BC Tax Times

Part 3 May-Jun BC Tax Times

2022 United States Citizen Inflation Combat Guide

Scott Liddicoat

1. Why Inflation Now

Why such oppressive inflation appeared now.

2. The Peculiar Institution

How inflation is created and its terrible effects.

3. The Great Reset

How we defeat systemic inflation.

Monthly Meetings @ The Village Grille

Monthly meetings are held at **The Village Grille**, corner of **Hoffman and East River Drive**, Allouez. The location has no stairs or steps, convenient parking, and a room to better accommodate speakers and conversation. There will be three selections from which to choose lunch - each one will be priced at \$12 (including tip.) Lunch is at 12:00 noon with monthly speakers presenting.

SUPPORT THE BCTA

New Members Welcome

www.BCTAxpayers.Org

The Brown County Taxpayers Association is a local group working to bring information and awareness to issues that affect tax policy or impose regulatory burdens.

The TAX TIMES

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Meeting Location

The Village Grille, Allouez

BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

Thursday - Sept 15, 2022 BCTA Monthly Meeting.
12:00 at The Village Grille, Allouez
Green Bay Area Public Schools (GBAPS)
Leadership Team—School Referendum \$92.6 Million

Thursday - Oct 20, 2022 BCTA Monthly Meeting.
12:00 at The Village Grille, Allouez
Elaine Willman, Federal Indian Policy Consultant

Tuesday - Nov 8, 2022 Fall Election - Please Vote

BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at , at The Village Grille, Allouez.

Meetings are open to the public. BCTA Members, their guests and other interested parties are cordially invited to attend and participate in our open discussions.

**COST: \$12.00, Payable at meeting. Includes lunch, tax & tip.
Call Tom Sladek – 499-7701 for information or to leave message.**

Sept - Oct 2022



www.BCTAxpayers.Org