

## Overcoming RSS (and Other Related Disorders)

There is a way out...without drama, posturing, or confusion

Scott Liddicoat, BCTA

This year Wisconsin politicians will use billions in surplus cash to frame a budget for the next biennium. It's not hard to do a budget when you're swimming in other people's money. You can be certain they'll use some of that surplus to style politically advantageous "once in a generation investments" in Wisconsin. After that, and amid much political fanfare, they may refund a drop or two of the surplus that we produced to us.

Federal politicians are simply out of control. Raising debt ceilings. Inflation Reduction Acts that increase inflation. Using their own statistics, they'll overspend what they collect in taxes by \$1.5 trillion (\$1,500,000,000,000) this year. They've overspent tax collections (deficit spending) 58 out of the last 60 years.

For these reasons, I don't think politicians really know how to balance a budget, or for that matter, how to set up a budget in the first place. So I'm here to recommend a method for balancing a budget that's much more important than theirs, our family budget. This approach works perfectly every year. It'll work for politicians, too. Even those with RSS—Reckless Spending Syndrome.

Around Thanksgiving each year I begin thinking about our financials and cataloging important figures. What's our income going to be? How much will our expenses increase? What about charitable giving? How much will we invest each month, and in what? Are there any major projects that should be done, or that we want badly enough to be done? Politicians please note. This is called planning.

After Christmas, there are always a few days of quiet, just before the new year starts. During that time I work further with our plans. We never go through the year just paying bills as we go. That would be stupid. We take our plans and fit what we're going to do (and what we've decided we won't do) within a yearly, and then monthly budgets. This way we always have money to pay for our needs, wants, projects, investments, charities, and so on. Before the new year begins, our budgeting for the year is always done. And the budget always balances. And our income always covers our outgo.

Because we balance our budget, several things are demanded of us.

First, we work to keep expenses down. Of course, this means finding ways to get things done effectively at a lower cost or done more efficiently.

Second (but more critical) we rank our spending by importance. Naturally, we budget food before cell phones. But where does vacation fit into our plans? Is it more important than finishing the basement renovation? This process forces us to place a value on each and every kind of expenditure in our budget. Rather than discouraging, it's a liberating experience!

As a consequence, we can be assured all of the truly important things will be cared for within our budget. In a similar fashion, we easily uncover the items that are clearly not important, or not important enough for us to make a part of our budget plan. Things of lesser importance that fall beyond our ability to pay for drop out of the budget. Reconciling our spending by owning up to the limits of our income is an exceptionally healthy exercise in determining what is truly valuable. Budget limits enable us to determine genuine worth.

Also, as a consequence of this process, we never take on needless debt. On principle we spend our money  
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and not other people’s money or money we don’t have.

Finally, this process provides us with comfort and satisfaction. We know our financial capital will be directed to the most effective use of resources available. This by the way, is almost the textbook definition of “economics.”

As the year unfolds, we know some bills won’t come due every month. For instance, the auto insurance bill comes in August, and it’s a pretty big one. To handle it, we set aside what we need to pay it, month to month, until August arrives. This way there’s always money to pay every bill, and there’s never any panic. It’s called managing money through an accrual system.

We put a pretty large sum of money into one special account within our monthly budgets. We designate the money in this account to be used for unanticipated expenses, unexpected repairs, and the like. We know unexpected things can be expected to happen. Since we plan for it, we don’t have to raid our assets or borrow money to handle the unexpected. We don’t even think of an unexpected event as an emergency, or crisis. But we call our account what most people call it, an emergency account.

Of course, things don’t always go exactly according to plan. For example, sometimes a big project we budgeted for proves to be more costly than anticipated. When this happens, we don’t overspend, let the bills pile up, stop our investing or charitable giving, or drive the budget into the ditch. Instead we don’t do the project, or we don’t do another project we’d planned for. Maybe we do the project over two years instead of one. This is called knowing and dealing with priorities. Sometimes this is really hard because competing priorities are usually important. But we let reason, not our emotions, drive our decisions.

In the end, none of this is very hard because we know the importance of balancing our budget. We can’t create money at the touch of a button. We can’t take money from other people. Instead we plan, we budget, and we spend within our means. We minimize debt and do the things we value economically and efficiently. We’ve become wealthy—without harming anyone in the process.

Politicians—you can budget responsibly too! And you can do it without drama, posturing, and confusion. No interventions, counseling, or therapy are required. Just use the methods described here and you’ll never have spending problems or run a deficit again. Your budget can, your budget should, and your budget will balance every year.

**R** Scott Liddicoat

## April 2023 Meeting Notes

Guest Speaker: Brett Healy

President Schwalbach introduced our speaker, Brett Healy, President of the John K. MacIver Institute for Public Policy. The MacIver Institute is a Wisconsin-based think tank that promotes free markets, individual freedom, personal responsibility and limited government. Mr. Healy spoke about WI fiscal policy and the budget process. He pointed out that we have seen a larger increase in per capita spending on K-12 education than on highway funding. On the subject of highway funding, he noted there are multiple sources of revenue, but some of it is being diverted to other purposes, some of which are political. Last year, Wisconsin received an additional \$800 million in federal transportation funds, and Governor Evers proposed that 40% of this go to 9 road programs. This would give them flexibility to allocate funds to projects such as high-speed rail, climate change, and maintaining the roads in towns and villages. However, there are concerns that this money will be

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### 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 **\$15 (includes tax and tip)**. Lunch is at 12:00 noon with monthly speakers presenting.

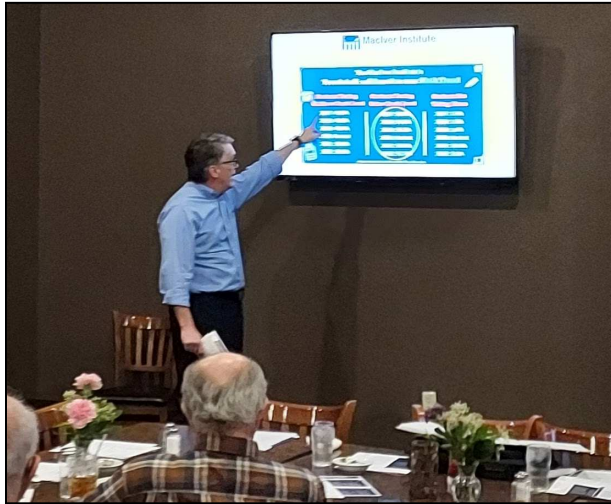
### SUPPORT THE BCTA

**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.

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**Brett Healy talks to BCTA**

spent on political purposes instead of its intended use. It is possible that the Joint Finance Committee could review this proposal under the A1310 process. If they objected and put in their own plan, there might be a constitutional challenge. Mr. Healy stated The Joint Finance Committee has unique power to tax and spend, and the budget business is always done there. Ways & Means Committees do not have real authority; they can hold a hearing on whatever they want. There is a bit of input in the way decisions are made, but the real business of the state budget is done in the Joint Finance Committee. Green Bay is one of the few cities for which we have partial crime data from the FBI website. Violent crime is up 31% from 2010 to 2020, but it has come down somewhat from the latest numbers in 2021.

The group had an active discussion about election integrity, ranging from the role of election observers and the training they receive to the how well the WI Elections Commission is doing, or not doing, their job. People expressed concerns about the accuracy of the voter lists, relative to deceased voters and people who have left the state and are no longer legal residents. Multiple members shared their personal experiences in these areas.

## May 2023 Meeting Notes

President Schwalbach developed and presented a summary of the “Taxpayers cost for Renewables from the Inflation Reduction Act of 2022”. The Institute for Energy Research forecasts the Inflation Reduction Act to cost taxpayers triple the initial government estimates. Financial groups concur that the program will likely cost \$1.2 trillion over 10 years vs the government estimate of \$400 billion. The Biden administration’s goal is 50% of all new vehicles being

electric by 2030. From the latest available Government Energy Information Administration report(2010), governmental subsidies for coal and gas were \$.23 and \$.24 per MWH, while solar and wind received \$23 and \$24. So, renewables received 100 times more in taxpayer subsidies. In 2021 renewables accounted for 20 of the U.S. electricity generation, with solar and wind being just over half of that. Natural gas accounted for the highest percentage of non-renewables at 38%. Significant investment tax credits and production tax credits are extended to renewable energy projects. Additional costs will be shifted to ratepayers due to additional assets being needed, more transmission lines, back up generation protection, abandonment of coal plants, and reliability protection. The catastrophic power outage in Texas in 2021, resulting in 57 deaths and \$195 billion in property damage were largely attributed to wind, gas, and coal plants having trouble in cold weather. Gas plants with cold weather features could have prevented the problems.

There were numerous questions from the audience about the tax credits and the negative worldwide impacts of mining for battery materials for electric vehicles. Also, the negative health impacts of wind turbines associated with the Shirley wind farm. Other questions centered on the reluctance to consider nuclear energy options.

President Schwalbach shared the list of potential speakers for future meetings to include discussions of the County Broadband project, the new Green Bay Metro Fire Chief, Joint Finance committee, and others.

During committee and other updates, Director Litticoat shared his ideas about increasing membership by identifying potential members to include on our newsletter distribution. Treasurer Sladek updated the group about adding the registration of our group as a Uniform Unincorporated Nonprofit Association with the Department of Financial Institutions. President Schwalbach provided an update on bills and debate before the legislature. Secretary Goldhahn updated the group on the Green Bay Schools Facility Committee report and community reaction. Through a joint agreement with the GB Schools financial group, we will discuss future budget matters with them as they start their annual budget process. President Schwalbach also shared a document he penned for the Wrightstown community dealing with the interrelations between the School District Board and the Village Board and the need for cooperation.

# The TAX TIMES

Brown County Taxpayers Association  
P. O. Box 684  
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Apr Meeting Notes

May Meeting Notes

### Meeting Location

**The Village Grille, Allouez**

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### BCTA Meeting and Events Schedule – MARK YOUR CALENDARS.

**Thursday - July 20, 2023** BCTA Monthly Meeting.  
12:00 at The Village Grille, Allouez  
**State Senator Eric Wimberger**

**Thursday - Aug 17, 2023** BCTA Monthly Meeting.  
12:00 at The Village Grille, Allouez  
**Scott Ebel**, I-41 Corridor Project Manager

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: \$15.00, Payable at meeting. Includes lunch, tax & tip.**  
Call Tom Sladek – 499-7701 for information or to leave message.

July - Aug 2023



[www.BCTAxpayers.Org](http://www.BCTAxpayers.Org)