March, **2015**

Newsletter of the "BROWN COUNTY TAXPAYERS ASSOCIATION."

Volume 30. Issue 5

OUR LEGACY OF DEBT.

What grandparent would steal from a grandchild's piggy bank? Seems like a foolish question, doesn't it? Unfortunately, this is a very serious question. Grandparents and parents are stealing from future generations at an alarming pace;

How can this be?

The United States government has three ways to raise money to fund its spending. It can raise taxes, an unpopular and sometimes counterproductive action. It can borrow money, increasing our \$18 trillion national debt. With China reducing its US bond holdings, there appear to be limitations to this alternative. The remaining option, creating (printing) money, is popular with some government officials and politicians, but it has the potential for serious consequences such as runaway inflation.

When my five-year-old grandson was born, his share of the national debt was about \$40,000. Now his share of the national debt has increased to almost \$57,000.

The Social Security trust fund is one example of hidden debt being passed on to future generations. Employers deposit employees' payroll collections to the Social Security trust fund. Benefits are paid from the trust fund. Excess funds are invested in non-negotiable government securities. The cash for the securities goes into the general fund of the US Treasury. Essentially, IOUs are placed in the trust fund and the cash is spent by the US Government. Since the cash has been spent, the IOUs have become a component of the national debt. When the time comes to redeem these IOUs, the US Government will have its three basic choices to pay them off: raise taxes, borrow the money, or print the money. None of these choices work to the advantage of our children and grandchildren.

I am particularly incensed by some politicians' zeal to "protect Social Security" from those who raise legitimate questions about its long-term solvency. I suspect these politicians are far more interested in scaring their constituents into voting for them than providing a viable long-term future for the Social Security program. In fact, these politicians seem fervently dedicated to continue the unsustainable spending of the Social Security program. With the arrival of the baby boomers, Social Security collections no longer cover payment of Social Security benefits. Benefit payments will need to be reduced to about 75 percent in about a decade if this situation is not resolved.

Unintended consequences add to the national debt problem. The Administration's executive amnesty action allows issuing Social Security numbers to illegal immigrants being granted work permits. With a valid Social Security number, many illegal immigrants will be able to file federal income tax returns and receive Earned Income Credits (up to \$6,000) as heads of households. Then, they can file federal income tax returns for the preceding three years, obtaining up to \$18,000 more. These gratuitous payments will be additions to the national debt.

"There is no way that six years of unprecedented money printing will work out well. In fact, it can only end in an even greater depression and financial crisis...so be forewarned!" - David Stockman

It's up to us to hold ourselves and our elected officials accountable.

Dave Nelson = Secretary

The BROWN COUNTY TAXPAYERS ASSOCIATION

In our 30th Year of Promoting Fiscal Responsibility in Government.

The TAX TIME\$ - March, 2015

Free Casinos and Arenas.

What is going on? Are we really getting a Free Casino and a Free New Milwaukee Arena!

What on earth are we thinking? There is no such thing as free anything. The Casino will be paid for by the hard work of thousands of regular people throwing away their money. It will not be paid for by manna falling down from heaven. That money would be far better spent on their homes, kids, food, clothes, and gas.

Remember the Kenosha vote for the Casino, was not a runaway. Lots of community leaders were against it. They are waking up to the fact that Casinos do not bring prosperity. Look around the Atlantic City neighborhoods, especially the ones where the Casinos went broke. Slums, no development there. Some people are inhaling Fairy dust.

I suppose we should think that it is <u>their</u> money, so they get to throw it away. That money could be far better spent to fix up the play grounds for kids and get lots of reading instructors for third graders.

There is a basic debate here, for or against gambling. Is Gov. Walker occupying the moral high ground? I would believe so, but he has booted the problem around.

Can they make enough money to pay the bills, especially if the parties hold back their money while this thing sits in court for decads or more? Think gambling is always big money? Look around Atlantic City.

All gambling does is move some money around, does not create wealth, just takes it from one pocket to another's pocket.

Is this what we have come to? Instead of addressing the real problems in SE Wisconsin like: Milwaukee Public Schools, Crime, Human trafficking, 57% youth unemployment, poverty, worst managed cities and schools, corruption by the DA, heroin, and abandoned houses. We are going to run around whining about Casinos, trolleys, and Arenas.

Society starts in the neighborhoods, not downtowns, ask Detroit about that. Gambling is not some sort of Cure All. Ask Atlantic City.

Where is all the prosperity that Casinos have brought us in Milwaukee? Fact is that Casinos are not good for society. Our Wisconsin fore fathers knew that, so they put it into our state constitution, but stupidly we pulled it out.

In 2010, Scott Walker told everyone that he would not accept any new, net increase in gambling. That is what he is doing. He could have handled it a lot better but that is where we are. There should not be any new, net gambling. Let the people take care of their families and communities first.

I know that the money people, who believe people should be able to destroy themselves and their families with drugs, alcohol, and or gambling are very vocal. Money is not everything. Morals and ethics are far better measures of a real society.

And the new Arena? There is little to no support for this turkey. Outstate they are 98% against.

Will any Democrats vote for it, or will they crucify the GOP for voting Bucks for Billionaires, while taking pennies from our kids schools? This could cost GOP 15 seats in Senate and Assembly. Remember Petak? Drezwicki? I remember 1969, when we lost 24 seats, not pretty.

Why would any sane people, from this state, want to put 300 million, including interest into a play pen for 20 or so tall, overpaid guys to run around and toss balls through nets? Take the money from the schools, as we are in the budget? They will kill us next year.

If the state puts up the money for a new Arena, what do you think people in Crandon, are going to get? We must establish our priorities and we must start with teaching kids to read. Attack the real problems in society, not kibbitz about a bunch of toys and worse send good money after mirages.

Bob and Jean Dohnal, Wisconsin Conservative Digest.
Wauwatosa, WI. Rdohnal@earthlink.net

February Meeting Notes.

NWTC Referendum Explained to BCTA.

Monthly Brown County Taxpayers Association meeting held Feb. 19, 2015.

Karen Smits, NWTC Vice President for College Advancement, presented an overview of the \$66.5 million referendum that will be on the April 7, ballot in the nine counties served by NWTC. She stated that the 10 year bonds from the 2001 referendum have been paid off. Approval of this referendum will increase the tax levy by \$7.50 for a \$150,000 home. It will increase capacity to generate 1,000 full-time equivalent students.

Ms. Smits noted that Associate Degree holders have greater wages and lower unemployment than high school graduates.

Ninety-three percent of 2013-14 NWTC graduates were employed within six months of graduation. Eighty percent of NWTC graduates are employed in the fields in which they were trained.

Community feedback supports creating a high tech workforce for the 21st century, programs focused on high tech skills, and expanded training for information technology and digital media. Reducing shortages of skilled workers in manufacturing, engineering, health care, and construction are is also a community concern.

The referendum plan addresses workforce shortages in industry clusters and immediate needs for public safety training facilities. It will provide for construction of 161,000 square feet of new space and for renovation of 240,000 square feet of existing space. Major components of the construction/renovation plan are:

Green Bay Trades & Engineering Technology \$29.5 million Green Bay Public Safety \$5.5 million

Green Bay Business/Information Technology \$12.0 million Green Bay Student Success Center \$2.0 million

Marinette Campus \$11.0 million

Sturgeon Bay Campus \$4.0 million

Acquisitions \$2.0 million

Details about the NWTC referendum can be found at: http://www.nwtc.edu/Pages/lead-the-way.aspx

The next BCTA meeting is scheduled for March 19, 2015 at Titletown Brewing Annex, with a debate incumbent Brown County Executive Troy Streckenbach and candidate Tim Nowak. Details on back page.

Dave Nelson - Secretary

"One man with courage makes a majority."

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BROWN COUNTY
Taxpayers Association

National Debt Update.

As of March 1, the U.S. National Debt stood at \$18.140,753,310, 559., or an increase of about \$35 Billion since Feb. 1. Fortunately February is a short month, and tax returns are starting to come in. Estimates are that interest alone on the debt amounts to about \$1.2 Billion daily. This could get worse fast.

In recent years,. Whenever the economy or employment rate needed a shot in the arm, the method of choice would be for the Treasury Dept, and Federal Reserve simply lower the interest rate to borrow money a few points and miraculously business would borrow money to expand and hire more people who would have more money to spend.

Problem was that interest rates got so low that people no longer were saving their money in banks as it was a poor investment.

Now that the economy and employment are showing some signs of improvement, there has been talk of starting to raise interest rates again. We note that most loans with low rates are usually only for a limited length of time.

What would happen to someone with \$18 Trillion in outstanding loans will remain to be seen. JF

County Executive Debate Scheduled for Meeting.

There are only a couple of contests scheduled for the April 7, general elections, but they are important.

Green Bay Mayor and Brown County Executive. The Brown County Taxpayers Association has scheduled a debate between County Executive Troy Streckenbach and Candidate Tim Nowak at our March 19, meeting. Details on the last page of this TAX TIMES.

Articles and views appearing in the "TAX TIMES" do not necessarily represent the official position of the Brown County Taxpayers Association. We want to encourage discussion and input on current issues of taxpayer interest and invite your comments or articles suitable for future "TAX TIMES." Please send them to the BCTA, P.O. Box 684, Green Bay, WI 54305-0684. or call Jim Frink at 336-6410. EMail BCTA@ExecPC.Com.

Things That Make Us Wonder.

Claiming the support of business, the Milwaukee City Council has approved Mayor Barrett's dream plan for a 2.5 mile, \$122 Million track trolley system to their downtown area.

While this could prove to be a stimulus and attraction to the area by relieving parking and traffic congestion as promised, laying tracks and providing power for such a system will take time, causing disruption's, and opening the door to massive cost overruns.

Debate on approval has been going on for some time, while a public referendum to gain taxpayer support has been avoided. The question seems to be that with the highest crime rate and lowest school achievement rate in the state is a trolley system with questionable value the best way to spend the publics money

Money.com reports that the IRS uncovered \$24.4 Billion in attempted tax fraud during 2014, but paid out over \$5 Billion in tax refunds to identity thieves. While these are rather insignificant amounts to the Federal Government, they do support the importance of the IRS. While none of us appreciates their picavunish rules and regulations, and complete lack of customer friendliness, it is always nice to know they are around to catch the other guy, Whatever happened to the 400 new agents Obama wanted to hire to enforce his Obamacare mandates?

Maybe some day we will have a Congress and President who can agree on a totally fair tax system everyone can agree with and understand.

* * * * *

There has been talk of eliminating the offices of State Treasurer and Secretary of State from Wisconsin Government. While established by the State Constitution, their duties have become ceremonial in recent years and mostly performed by other offices. Truth is, there probably are a lot of employees and departments that could be trimmed but that's not the way government seems to work.

Not much was said during recent discussion of the pros and cons of the state budget and what was or not included, but plans are underway for a \$197 Million expansion of the Hill Farms State Office complex in Madison. Is this a necessary expenditure for the state in this point in time?

What seems ironic is that while they want to eliminate the State Treasurer and Sec. of State to save a few dollars and perhaps streamline government a little, the Dept. of Administration authorizes construction to accommodate even more workers. What's going on down there?

* * * *

We acknowledge that trade unions represent a vital part of Americas work force, and their skills and services are all part of the system.

It seems that every once in a while, however, they manage to initiate actions demonstrating their power in order to have their own way regardless of the consequences to others. Recently west coast longshoremen in 29 western U.S. ports have been staging a "slowdown" causing delays in loading and unloading cargo ships coming and going, causing expensive problems for other business' depending on foreign trade to operate. We will probably even see some of the fallout of this in Wisconsin.

While some of their gripes may be legitimate, their average annual salary is already listed at \$142,000 which we are all paying for.

Since the days of Theodore Roosevelt, the government has tried to prevent business monopolies that could dictate prices and supply and demand on the people. In 1997, Staples and Office Depot which were probably the two largest office supply chains tried to merge, but the anti-trust regulators said no. Since that time, Office Max and Office Depot merged leaving cities like Green Bay with one choice.

Now Office Max and Staples are merging, and the Government says OK. The moral of the story is probably

Continued on next page —

The TAX TIME\$ - March, 2015

that government should keep their hands out of business as long as they pay their taxes and obey other laws. Whenever a business gets too big, there will always be a viable competitor appear to get their share. Even Amazon and Walmart could tell you this.

* * * * *

Governor Walker and Pres. Obama quite possibly have the two most opposing political and philosophical beliefs as anyone else in the country. If there is any common ground it is that each firmly believes in their own convictions. and take actions on these convictions accordingly.

One other similarity is they both seem to be having problems with presenting budgets consistent with their beliefs but acceptable to their legislatures or Congress representing the voters.

While the Presidents problems seem to be from concentrating on his own personal agenda and disregard for the consequences of ignoring the National Debt, he is finding you can't do everything for everyone.

Governor Walker on the other hand is accused of reducing spending to various state agencies who have no trouble publicizing they would like more rather than funding

We all realize things really aren't quite as simple as that, but can you keep partisan politics out of the equation and still have a democracy?

* * * * *

Do you ever get the impression that the local and national news broadcasts are intended more as an advertising medium than a source of information? Yes, we realize that is what pays the bills for the broadcast stations, and they do give us vital breaking news from time to time, but when they say we'll be right back after this, when "this" is nothing but more commercials it becomes difficult to take them seriously.

* * * * *

After a stint as an apartment facility, and the realization it is a treasure to the city, the iconic Hotel Northland is undergoing a \$44 Million restoration project and is scheduled to reopen later this year. It was built for \$1

Million in 1924.

Hopefully this will provide the needed catalyst to get the downtown area moving and we wish the new owners success with their investment.

* * * * *

A recent "Forbes" magazine article mentions that since 2009 the Pentagon's civilian work force has increased about 7%, while the number of active-duty military personnel has been cut by about 8%.

While reducing the number of employees is a good way to reduce costs. In this case we might feel safer if these numbers were turned around.

* * * * *

Depending on how things finally sort out, there likely will be some big, really big, winners and losers from the Kenosha Casino Saga. There are a number of players involved, including several Indian tribes including the Seminoles from Florida, the State of Wisconsin, a new Milwaukee arena, old promises, broken treaties, and likely a few law firms waiting in the wings anxious to offer their services to those with deep pockets.

What really makes us wonder is that the Menominee Tribe, which is behind the project, has offered \$220 Million to help finance a new sports arena in Milwaukee. Considering they claimed the casino was intended to provide economic aid to tribal members, and this could be \$220 Million less that they would receive.

Looking back, it may have been a good idea if all of the Wisconsin tribes were able to work together with the state and shared the profits from the casinos on an equal basis.

We acknowledge the casinos have been a good source of income for the tribes, accepted and enjoyed by many but there seems to be some inequalities in distribution of profits.

* * * * *

The Packers have raised their ticket prices the sixth year in a row. We can appreciate that they are an expensive luxury to operate, and that ticket revenue is only a small item in their operating income. It is impossible to put a price tag or value on the publicity and great reputation they

bring to Green Bay and Wisconsin.

The University of Wisconsin System has been all over Gov. Walker and his budget proposals to limit their spending ability. UW Chancellor Rebecca Blank even sent out a memo to all students, faculty and staff in five different languages advising of meetings to discuss how budget cuts will effect the systems ability to function. It was specified UW employees could attend the meetings without loss of pay. Taxpayers were not invited.

We are all proud of our UW System and the recognition graduates and other achievements bring to our state. Higher education is being touted as a necessity these days for both the country to compete and individuals to prosper and we all agree.

The UW system is huge, consisting of 13 separate colleges and 26 campuses located throughout the state with a average enrollment of 180,000 students and over 30,000 employees. Their \$6 Billion annual budget is met by a combination of state funding, student tuitions, various grants, etc.

Perhaps the success of the University is part of the problem. Like all of the top-notch schools in the country, they have been constantly expanding through the years, adding new facilities, providing for more students, and with the best Instruction in order to produce a quality product.

To us as outside observers, it seemed that spending money without restraint in the name of higher education was the standard mode of operation. Annual cost increases both to students and taxpayers have been accepted and absorbed. Education is the answer to the future at any cost, so we are told. In more recent years, however, it seems that inflation has grown faster than the ability to pay for everything we want or that our government wants to give us.

As part of the state budget including highways and other infrastructure, public schools, law enforcement, environment, natural resources, healthcare, and many other high priority items citizens expect for their tax dollars the UW has had to stand in line with their hands out asking for more.

The TAX TIMES - March, 2015

Most state agencies seem to have adapted by generally "Operating more efficiently." While sometimes painful, this has meant consolidating jobs, cutting offices and positions. holding off on purchases, or construction projects, while still offering their intended services.

Has the UW System taken serious steps to reduce costs? While we assume ves, they somehow have never successfully presented themselves as other than "The Emerald City" rather a model cost-efficient operation largely supported by taxpayers.

Is their massive list of degree courses necessary for the State of Wisconsin, or to attract more students from elsewhere? Is all of the instructional staff justifying their reputation and expense? Are there other ways to cut expenses and still provide customer services such as much of private business is forced to do? If the answer is yes, their public relations people should get the word out rather than constantly demand more of the states budget money.

We might be wrong, but while marches on the Capitol get attention and keep people busy, better and more open PR work might do a better job of convincing the Legislature and taxpayers of their problems.

At this time, the Legislature seems ready to make Wisconsin a "Right to work state." While we can't deny any employees the right to maximize their incomes and improve working conditions. it is still a matter of employers doing whatever necessary to keep their troops happy.

About half ;the states now have these laws, and whether it would work in Wisconsin remains to be seen.

Somewhat related, we read that various interests are pressuring the Legislature to consider repealing Wisconsin's "Prevailing Wage :Laws."

Simply put, these laws require that employees working on publicly funded construction projects be paid "prevailing wages," which usually means union scale whether the employer is a union shop or not.

kinds of winners and losers, both to workers and their employers if the laws were changed. While the laws were probably established to protect unionized employers from losing bids on taxpayer funded jobs, it is probably a reason these jobs always seem to cost so much in the first place.

While competitive bids are a way of controlling costs, it has been pointed our that quality workmanship is the primary factor. So far the trade groups representing both union and non-union contractors have agreed to talks so a decision may take a while.

In December, 2014, unemployment was at 6.7%, and despite Pres. Obama's strong opposition, Congress allowed emergency extended unemployment benefits to expire.

One year later, December of 2014, the unemployment rate was a more manageable and normal rate of 5.6%. While there are probably a many factors involved in this improvement, looking a little harder for work because your unemployment benefits expired could be one of them.

So far, President Obama has been able to block construction of the Keystone Pipeline even though it was to be built with private funding, provide jobs, and supposedly serve the interests of the country as a whole.

There are already thousands of miles of pipelines delivering natural gas and petroleum products from one end of the country to the other with few environmental or safety problems.

Presently most of the crude oil from Canada and the Dakotas is shipped by rail, which is dangerous, expensive, and slow. We read most of it is shipped via the Burlington Northern Santa Fe (BNSF) owned by Berkshire Hathaway, who's chairman, Warren Buffet is known as a big Obama donor. Probably just a coincidence.

For years the people of Green Bay and Brown County have been waiting patiently for Renard Island to stabilize to the point it could become a public use attraction. Now that this

Technically, there would be all time is approaching the *Press-Gazette* reports the city and county are squabbling over access rights. While the city, county, and Corps of Engineers have all contributed time and money to this project, lets hope it doesn't remain an eyesore for another 20 years.

While speaking to a group at the AARP headquarters in Washington, President Obama used the occasion to point out that some financial advisors were offering "bad advice" to their clients by tactics such as offering investments with higher annual fees.

He claimed this was costing retirees as much as \$17 Billion a year as a result and he was instructing the Labor Dept. to write new rules forcing investment advisors to better educate their customers on investment matters...

We don't know where he got the \$17 Billion figure, but do guestion his qualifications to offer investment advice considering several Trillion dollars of taxpayer money have vanished

As usual, lots of things to wonder about. Jim Frink

"Things That Make Us Wonder," consists of taxpayer related thoughts that occur to us from daily news events. We use reliable, published information and statistics. Some items are unimportant and probably not worth commenting about while others could easily be expanded to full length feature articles worthy of future study and action to protect our interests as taxpayers. We try to cover a wide variety of subjects in limited space and perhaps put a different spin on items from what you read in the papers or see on TV. We acknowledge that our perspective on some items in this column may be contrary to some of our readers. However, one of our purposes is to encourage debate, as we realize there are two sides to every question. Comments or suggestions are welcome for inclusion in future "TAX TIMES."

"How lucky can we be to have such brilliant minds in charge of our once great country." . . Nancy Pelosi {2010}

"The further a society drifts from the truth, the more it will hate those who speak it." . . . George Orwell

"I have wondered at times what the ten commandments would have looked like if Moses had run them through the U.S. Congress."

, , , Ronald Reagan

The TAX TIME\$

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Inside This Issue

OUR LEGACY OF DEBT.
Free Casinos and Arenas.
February Meeting Notes.
National Debt Update.
County Executive Debate Scheduled.
Things That Make Us Wonder.
And more . . .

The TAX TIME\$ - March, 2015

BCTA Meeting and Events Schedule - MARK YOUR CALENDARS.

Thursday - March 19. 2015, BCTA Monthly Meeting, 12:00 Noon.
Scheduled: Brown County Executive Candidate Debate.
Incumbent Troy Streckenbach, Candidate Tim Nowak.

Thursday - April 16, 2015, BCTA Monthly Meeting, 12:00 Noon. Program to be announced.

Thursday - May 21, 2015, BCTA Monthly Meeting, 12:00 Noon. Program to be announced.

Public officials and candidates for public office are cordially invited to attend any of our meetings and be recognized.

Unless otherwise notified, BCTA monthly meetings are held the Third Thursday of each month, 12:00 Noon, at Titletown Brewing Co. Annex, "TAP ROOM."

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: \$8.00, Payable at meeting. Includes lunch, tax & tip.

Call Tom Sladek – 499-7701 for information or to leave message.



March, 2015

You can't be for big government, big taxes, and big bureaucracy and still be for the little guy."

. . Ronald Reagan

"Good people do not need laws to tell then to act responsibly, while bad people will find a way around the laws." . . . Plato

SUPPORT THE BCTA

New Members are Always Welcome. Call 499-7701 Write us at P. O. Box 684 or visit our website

www.BCTAxpayers.Org