

Frequently Asked Questions on the 2009 Town of Osceola Budget

What is the property tax levy freeze? The State of Wisconsin presently limits the amount of increase in property tax levy to the greater of 2.0% or the percent increase in new construction (2.3% for the Town).

What is the Town of Osceola's increase in property tax levy limit? Since the Town's increase in new construction of 2.3% exceeded the levy limit of 2%, it is 2.3%.

What amount of money can the Town increase its property tax levy and how much did it actually increase? \$10,445 was the maximum allowable levy increase amount with an actual increase of \$10,084

What is the debt service of \$50,308 for the Dresser-Osceola-Garfield fire hall? In 2005/06, the D.O.G. fire department needed to construct a new fire hall. The Town of Osceola borrowed the necessary funds and is reimbursed for the loan payment. The loan payment does not directly affect the Town's property tax levy.

What is the Town's reserve account? At the end of each year, the difference between the budgeted and actual expenses is considered to be held in reserve. The funds either remain in the money market/general checking or are transferred to a designated equipment reserve fund. The funds cannot be spent without approval by Town residents.

Is the Town proposing to spend any reserve funds in the 2009 budget? Yes, \$2,000 has been budgeted for the addition of a dock at Dwight Lake. The money is being allocated from the park and recreation reserve fund.

What are the major changes for 2009 that affect the levy?

- Increasing fuel costs
- Correcting defects on 205th Street increased the public works budget. However, the corrections will primarily be funded by the developer who will reimburse the Town.

With public safety making up such a large percentage of the Town's expenses, how are the costs allocated?

- Osceola Police: Contracted rate of \$33/hr. Number of hours to be determined as needed.
- Osceola Area Ambulance: Joint service with Villages of Dresser and Osceola, Towns of Farmington and Alden. Assessment is based on 2/3 of the Town at a rate of \$8/person.
- Lifelink Ambulance: Contracted service for 1/3 of Town. Lifelink attempted to increase the per capita rate from \$6/person to \$11/person. When contracting for ambulance service, the assessment is actually a requested donation. The Town decided to pay an amount equal to that of the Osceola Ambulance service of \$8/per person.

- Dresser-Osceola-Garfield Fire Department: Joint service with Village of Dresser and Town of Garfield. Contract is based on assessments. The Town of Osceola pays approximately 48% of the Department's costs.

What impact has the price of oil had on the Town? Like its residents, the Town is impacted through higher utility bills and higher costs to operate its vehicles. However, the greatest impact is on the price of highway construction. The cost to pulverize and re-pave a road has substantially increased from \$65,000/mile in 2004 to \$165,000/mile in 2008. The highway construction budget has not (nor can it) keep pace with increased cost for paving services.

With the cost of road construction increasing faster than the budget, what can the Town do to ensure a satisfactory roadway system? The Town is purchasing traffic counters to study traffic patterns and is trying to prioritize the roadwork to ensure the available money is being spent where the needs are the greatest.

What authority do the Town residents have at the budget hearing? The residents attending the budget hearing actually approve or disapprove the amount of the property tax levy. Therefore, the residents have a direct impact of the expenditures of a given year.

Why are road expenditures separately authorized at the budget hearing? The state of Wisconsin allows the Town Board to perform highway construction without voter approval up to \$5,000 per mile. With \$353,993 proposed in public works costs and 62.63 miles of road, the per mile cost of \$5,652 exceeds the \$5,000 limit and special voter approval is required.