

Frequently Asked Questions on the 2010 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 3.0% or the percent increase in new construction (1.39% 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 1.39% did not exceed the state mandated levy limit of 3%, it is 3.0%.

What amount of money can the Town increase its property tax levy and how much did it actually increase? \$469,168 was the maximum allowable levy increase amount with an actual increase of \$461,868.

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, \$23,000 has been budgeted. Of this amount, \$3,000 is being used from a designated park and recreation fund for the addition of a dock at Horse Lake. The remaining \$20,000 is being used to offset the cost of a Town wide property re-valuation mandated by the State of Wisconsin Department of Revenue.

What are the major changes for 2010 that affect the levy?

- Town wide property re-valuation
- Expected legal fees associated with implementation of Chapter 14, Regulation of Non-Metallic Mines
- Continued implementation of the recommendations in the recently enacted Comprehensive Plan
- Increase in the Clerk/Treasurer position from ¾ time to full time

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.

Why does the Town have to revalue its property and why does it cost so much? The Wisconsin Department of Revenue requires that the assessed value of a property classification be within 90% of its fair market value. If it exceeds this level for more than 5 years, the Town is required to re-value all properties within the Town. The woodland classification has exceeded its range for more than five years and the Town now has to re-value all properties. A contracted property assessor will need to visit each property within the Town. In 2009, The Town paid \$16,900 for the annual assessment maintenance. In 2010, the cost will increase to \$40,000 for the Town wide revaluation.

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 \$344,625 proposed in public works costs and 62.63 miles of road, the per mile cost of \$5,502 exceeds the \$5,000 limit and special voter approval is required.