

FISCAL ESTIMATE FORM

1999 Session

- ORIGINAL UPDATED
- CORRECTED SUPPLEMENTAL

LRB # -1906/3

INTRODUCTION # SB-228

Admin. Rule #

Subject

Town board approval of certain annexations and prohibition on town islands

Fiscal Effect

State: No State Fiscal Effect

Check columns below only if bill makes a direct appropriation or affects a sum sufficient appropriation.

Increase Costs - May be possible to Absorb Within Agency's Budget Yes No

- Increase Existing Appropriation Increase Existing Revenues
- Decrease Existing Appropriation Decrease Existing Revenues
- Create New Appropriation

Decrease Costs

Local: No local government costs

- 1. Increase Costs
 - Permissive Mandatory
- 2. Decrease Costs
 - Permissive Mandatory

- 3. Increase Revenues
 - Permissive Mandatory
- 4. Decrease Revenues
 - Permissive Mandatory

5. Types of Local Governmental Units Affected:
- Towns Villages Cities
 - Counties Others _____
 - School Districts WTCS Districts

Fund Sources Affected

- GPR FED PRO PRS SEG SEG-S

Affected Ch. 20 Appropriations

20.505 (1)(a)

Assumptions Used in Arriving at Fiscal Estimate:

This bill places a number of limits and conditions on the authority of a city or village to annex town land. Under the bill, no annexation of certain land in the town may occur without the approval of the town board. Also under the bill, if a city or village annexes land that is adjacent to a town highway, the annexation must extend to the center of the highway. In addition, the bill limits the right of a municipality to extend sewer and water lines through the property of another municipality without that municipality's approval.

The municipal boundary review (MBR) unit within DOA reviews annexation and incorporation petitions and cooperative plans as defined in Chapter 66, Wis. Stats.

State Impact

This bill would reduce annexations (by 15-20%) from towns where multiple cities and villages exist in close proximity to one another because of the redefinition and resulting prohibition on the creation of town islands. The bill would have less effect on annexation practices pursued by isolated cities and villages.

Because the bill requires town approval before utilities, certain types of annexations, and other actions occur, MBR would see substantially more cooperative boundary agreement projects, which are more complex and time-consuming. MBR estimates that it will need 2 additional program and planning analysts to meet the increased workload. (\$9,200 one-time cost, \$104,500 annually for salary and fringe, \$31,500 annually for rent, phones, training, supplies, etc.)

Local Impact

This bill will have a major impact on villages and cities by increasing the amount of time spent working out problems with neighboring towns and by slowing annexation petitions.

In addition, annexation petitioners will likely incur additional costs because they will have to include unwilling owners in the annexation so as not to create town islands.

Long-Range Fiscal Implications:

Unknown

Prepared By: / Phone # / Agency Name
Tara Brunner/266-0016/Administration

Authorized Signature / Telephone No.
 Charles McDowell/267-3836

Date
Sept 21, 1999

FISCAL ESTIMATE WORKSHEET

Detailed Estimate of Annual Fiscal Effect

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I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):
 \$9,200 (Two workstations, software and office set-up)

II. Annualized Costs:	Annualized Fiscal impact on State funds from:	
	Increased Costs	Decreased Costs
A. State Costs by Category		
State Operations - Salaries and Fringes	\$ 104,500	\$ -
(FTE Position Changes)	(2.0 FTE)	(- FTE)
State Operations - Other Costs	31,100	-
Local Assistance		-
Aids to Individuals or Organizations		-
TOTAL State Costs by Category	\$ 135,600	\$ -
B. State Costs by Source of Funds	Increased Costs	Decreased Costs
GPR	\$ 135,600	\$ -
FED		-
PRO/PRS		-
SEG/SEG-S		-
State Revenues Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)	Increased Rev.	Decreased Rev.
GPR Taxes	\$	\$ -
GPR Earned		-
FED		-
PRO/PRS		-
SEG/SEG-S		-
TOTAL State Revenues	\$ 0	\$ -

NET ANNUALIZED FISCAL IMPACT

	<u>STATE</u>	<u>LOCAL</u>
NET CHANGE IN COSTS	\$ 135,600	Unknown
NET CHANGE IN REVENUES	\$ 0	\$ 0

Prepared By: / Phone # / Agency Name Tara Brunner/266-0016/Administration	Authorized Signature/Telephone No. Charles McDowell/267-3836	Date Sept 21, 1999
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