



## Fiscal Estimate Narratives

DOA 3/12/2014

LRB Number 13-3666/2	Introduction Number AB-0798	Estimate Type Original
<b>Description</b> Department of Administration review of certain annexations		

### Assumptions Used in Arriving at Fiscal Estimate

2013 AB 798 would eliminate the requirement that the Department review annexations initiated by the electors and property owners of an area proposed for annexation. Currently, no city or village may annex town territory in a county with a population of 50,000 or more unless the Department reviews the proposed annexation. The Department reviews annexations for their shape, their contiguity and homogeneity with the annexing jurisdiction, proposed municipal services, and accuracy of the legal description and scale map and issues a finding that the annexation is either in the public interest or against the public interest. The finding is advisory upon the annexing jurisdiction; however, a city or village must review the Department's determination prior to final action and passing an ordinance to annex the territory.

The Department currently reviews approximately 80 requests to annex town territory in a county with a population of 50,000 under s. 60.0217, Stats. and collects approximately \$64,000 in fee revenue associated with the requests annually. Elimination of the requirement would result in a reduction in the workload for the Department of approximately .75 FTE positions, and an associated reduction of costs in the amount of \$65,000.

Currently, a municipality must review and consider the determination of the Department regarding a proposed annexation prior to final action. Without the findings/determinations of the Department, a municipality may encounter and need to address corrections to the annexation that are currently discovered by the Department as part of its review. The Department estimates that one-half of annexation requests it reviews require technical changes or corrections. The related fiscal impact to local governments is indeterminable.

### Long-Range Fiscal Implications

## Fiscal Estimate Worksheet - 2013 Session

Detailed Estimate of Annual Fiscal Effect

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 13-3666/2		<b>Introduction Number</b> AB-0798	
<b>Description</b> Department of Administration review of certain annexations			
<b>I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):</b>			
<b>II. Annualized Costs:</b>		<b>Annualized Fiscal Impact on funds from:</b>	
		Increased Costs	Decreased Costs
<b>A. State Costs by Category</b>			
State Operations - Salaries and Fringes	\$		\$-57,000
(FTE Position Changes)			(-0.8 FTE)
State Operations - Other Costs			-8,600
Local Assistance			
Aids to Individuals or Organizations			
<b>TOTAL State Costs by Category</b>	<b>\$</b>		<b>\$-65,600</b>
<b>B. State Costs by Source of Funds</b>			
GPR			
FED			
PRO/PRS			-65,600
SEG/SEG-S			
<b>III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, ets.)</b>			
		Increased Rev	Decreased Rev
GPR Taxes	\$		\$
GPR Earned			
FED			
PRO/PRS (annex review fees)			-64,000
SEG/SEG-S			
<b>TOTAL State Revenues</b>	<b>\$</b>		<b>\$-64,000</b>
<b>NET ANNUALIZED FISCAL IMPACT</b>			
		<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS		\$-65,600	\$
NET CHANGE IN REVENUE		\$-64,000	\$
<b>Agency/Prepared By</b>		<b>Authorized Signature</b>	<b>Date</b>
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