



ALEX A. DALLMAN

STATE REPRESENTATIVE • 41ST ASSEMBLY DISTRICT

Testimony in Favor of Assembly Bill 461

Assembly Committee on Ways and Means

January 4, 2024

Thank you, Chairman Macco and committee members, for allowing me to testify before you on Assembly Bill 461. I would also like to thank Senator Ballweg for her leadership on this legislation.

This legislation as amended by Assembly Substitute Amendment 1 to AB 461 would simply allow the City of Wisconsin Dells and the Village of Lake Delton to use their current PRT revenue to fund critical public safety expenses. This is currently prohibited under Wisconsin law, which restricts use of PRT revenue to “infrastructure expenses” such as costs of construction of physical buildings, transportation facilities, sewer, water, firefighting equipment and police or EMS vehicles.

Despite the Village of Lake Delton and the City of Wisconsin Dells only having a combined population of 6,695 residents, these two municipalities have a combined total annual public safety expenditure of approximately \$8.7 million, which is used to pay for 89 full-time employees and 50 part-time employees. To break down further, Lake Delton and Wisconsin Dells annually spend roughly \$6.2 million on 60 full-time police officers, \$1.6 million on 23 full-time EMS personnel, and \$850,000 on six full-time and 50 part-time fire department personnel.

Additionally, the Village of Lake Delton’s contract for police and EMS services expired on December 31, 2023. Their new contract for the years 2024 and 2025 will increase by an additional \$200,000 annually (\$400,000 over the next two years) in order to continue providing the same services they do currently.

Wisconsin Dells is known as the “Waterpark Capital of the World” and is a large economic driver for tourism within the State of Wisconsin. I believe this premier resort area tax will help pay for the already struggling public safety expenses and be able to offset some of the costs associated with the large influx of visitors from around the state, country and world on a daily basis.

Thank you again, Chairman Macco, for the opportunity to testify before this committee today and I would be happy to answer any questions you may have.



JOAN BALLWEG

STATE SENATOR · 14TH SENATE DISTRICT

Assembly Bill 461: Allowing certain municipalities to increase the rate of the premier resort area tax
Testimony of State Senator Joan Ballweg
Assembly Committee on Ways and Means
January 4, 2024

Thank you, members of the committee, for hearing this bill today.

Assembly Bill 461, as amended, will allow the City of Wisconsin Dells and the Village of Lake Delton to use their existing premier resort area tax for the purposes of covering public safety expenses. Public safety expenses are not currently a permissible expenditure of these dollars.

These two municipalities are home to an extraordinary tourist destination, welcoming visitors coming from outside Wisconsin and throughout the state. Together, the Dells is home to 6,695 permanent residents, yet they welcome over five million visitors each year, hosting nearly the state's entire population.

Despite having a small permanent population, the Dells must provide infrastructure and public safety supports for this large influx of people. This is why the premier resort area tax was implemented. Assembly Bill 461 would give these communities the opportunity to use their premier resort tax to help absorb the rising cost of public safety.

I'm joined today by leaders from Lake Delton, and appreciate their work on behalf of the community.

Thank you for your consideration, and I am happy to answer any questions.



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Village Administrator

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January 4, 2024

Chairman Macco and Members of the Committee, I want to thank you for your time today and for the work you do on the behalf of the residents of the State of Wisconsin. I also want to thank you for coming together on shared revenue. It is help that has been very helpful to our local units of government.

I am in the unique position of having worked with members of the Wisconsin Towns Association, the Wisconsin Counties Association as well as the League of Municipalities. As I have traveled the state, I am hearing from people that have truly benefited from the shared revenue increase and the village is appreciative as well. I say that as I do not want to diminish in any way the importance of the work you've done and the value of the shared revenue changes.

The Village of Lake Delton's payroll for salaries and benefits for police protection will increase to just under \$3.9 million in 2024 and accounts for 67% of the village's payroll. This increase is attributable to cost of living adjustments (COLA) of 4%, health benefits (15% increase), and the Wisconsin Retirement System (WRS) required contribution increase from 13.2% to 14.3% for police officers. Unfortunately, these increased expenses just for wages and benefits far exceeds the shared revenue and levy limit increases the village will receive in 2024.

We are asking the legislature for a change in PRT because our village of 3,500 residents will be unable to keep pace with the growing cost of public safety services simply because of its unique volume of annual visitors (over 5 million) and the revenue constraints we face. At the current pace of inflation and continuing rising costs, our growing expense to meet the public safety demand in Lake Delton is becoming unsustainable.

The Lake Delton Police Department is unique for a community our size simply due to the sheer volume of people in our village at any given time. In a simple snapshot comparison, the Village of West Salem with a population of 4,800 has 10 sworn officers compared to the Village of Lake Delton's community of 3,500 residents and 25 sworn officers. To quote our recently retired police chief, we are the unicorn in local government.

The Village of Lake Delton led Sauk County in net new construction for 2023 with \$25 million. That is more than the City of Baraboo or the City of Reedsburg. For the Village that means we can increase our tax levy by 1.3% allowing us to raise new taxes of \$66,555. This same growth in the City of Reedsburg would have given them an increase of net new construction of nearly 3%.

Here are the financial impacts of salary and benefits alongside the new revenue the village will receive in 2024:

Police Department Only – No other Village Staff included

Net New Construction	1.306%	\$66,555
Increased Shared Revenue		\$88,968
New Revenue for 2024		\$155,523

2024 PD Wage/Benefit Increases			
	2023	2024	Difference
Salaries & SS	\$2,730,991	\$2,902,176	\$171,185
WRS	\$326,891	\$369,112	\$42,221
Insurance (Health/Dental/Life)	\$476,076	\$624,294	\$148,218
Total	\$3,533,958	\$3,895,582	\$361,624
Budget Shortfall			-\$206,101

In 2022, the Department of Tourism reported that Sauk County was #2 in direct visitor spending with \$1.6 billion spent by tourists. This was second only to Milwaukee County. We know this is a direct reflection of the revenue generated by the Wisconsin Dells marketing area.

To protect this valuable economic asset for the region and the State of Wisconsin, we recognize that we need to provide the level of public safety and police protection people expect when taking their families to any tourist destination. This responsibility falls directly on the Village of Lake Delton and our Public Department, alongside the City of Wisconsin Dells, and we take this responsibility very seriously. But we need your help through legislation.

Assembly Bill 461, as amended by Assembly Substitute Amendment 1, will amend the statute to allow us to pay public safety salaries and wages through PRT and will take pressure off our local taxpayers. The advantage of using Premier Resort Tax for public safety is that it is paid primarily by the very visitors to the region who are creating the demand for services above what the local resident would normally require. Thank you for your consideration of this important issue.



Tim McCumber
 Village Administrator – Clerk - Treasurer