



## Transportation Maintenance Fee, Village of Weston, Wisconsin

The Village of Weston, Wisconsin is a modest, but growing, suburban community that was incorporated in 1996. Located just to the east of Wausau in Marathon County, its approximately 16,000 residents enjoy top-ranked schools, a state-of-the-art hospital system, attractive neighborhoods, and diverse recreational opportunities.

### Financing Challenges and Indicative Solution

Although having an attractive amenities, at the same time, traditional revenue sources were being reduced. Without more funding for operations and maintenance, the transportation system would deteriorate until it could no longer serve those who relied on it.

While raising taxes seemed an obvious option, tax levy limits meant the Village could not raise taxes to generate transportation revenue without a referendum. Wisconsin law, however, allows municipalities to establish utilities for specific needs on a charge-for-service basis. The Village could impose a Transportation Utility Fee (TUF), which does not qualify as a tax, to supplement tax revenue.

### Transportation Utility Fee

The Village's TUF helps pay for maintenance and operation of the transportation system, which includes streets, curbs and gutters, street lights, traffic signals, signage, public transportation, summer maintenance, snow plowing, and equipment.

The TUF is designed for all residents to help pay for it because everyone, including renters and property owners, benefits from access and use of the transportation system. Each TUF depends on access and usage. Access is determined by street frontage—the square footage of a property that faces a street. The more footage a property takes up, the higher the fee because it uses more street space. For corner lots, the dimension of the longest side is used. Usage is determined by the estimated traffic generated to and from the property, based on one-way trips. This is established by a trip generation model developed by the Institute of Transportation Engineers.

For simplicity and equity, a three-tiered billing rate was proposed. Based on annual rates, properties with one to 200 feet of footage would pay \$9.20, ones with 200 to 400 feet would pay \$15.40, and those with over 400 feet would pay \$29.20. If the storm water utility fee is split among multiple units, the TUF would be split in the same proportions.

Because the Village TUF is associated with a property's use of the transportation system, it is classified as a utility fee and included in monthly utility bills. This means that even if a property is tax-exempt, it will receive a TUF because it is not a property tax. Only properties with existing



development will receive a TUF and, if a property does not receive a storm water utility bill, it will not receive a TUF.

The Village's TUF is not exclusively used for transportation costs and does not cover all of them. For instance, in the 2013 transportation funding shortfall of \$112,000, about \$51,000 (45 percent) was recovered through the TUF. Of this amount, less than 3.5 percent went toward public transportation. The remaining \$61,000 came from budget reductions. This represents the balanced approach the Village has taken—a combination of tightening purse strings and using the TUF to ease financial burden.

Sources:

[Village of Weston, WI - FAQ](#)

[Village of Weston, WI](#)

[Village of Weston, WI - Fee Schedule](#)

[Village of Weston, WI - 2020 Adopted Ordinances](#)