ABOUT THE WISCONSIN POLICY FORUM

The Wisconsin Policy Forum was created on January 1, 2018, by the merger of the Milwaukee-based Public Policy Forum and the Madison-based Wisconsin Taxpayers Alliance. Throughout their lengthy histories, both organizations engaged in nonpartisan, independent research and civic education on fiscal and policy issues affecting state and local governments and school districts in Wisconsin. The Wisconsin Policy Forum is committed to those same activities and to that spirit of nonpartisanship.

PREFACE AND ACKNOWLEDGMENTS

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DOLLAR FOR DOLLAR
Where Does Wisconsin Rank in Local Government Spending?

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INTRODUCTION

The COVID-19 crisis has raised the curtain on one of the central dilemmas facing local governments in Wisconsin. When the coronavirus struck, those governments were asked to act quickly to respond to citizens in need. However, the imperative to deliver expanded services conflicted with the challenge of funding them amid an economic downturn, and with the reality that many local governments faced sharp budget constraints even prior to the pandemic.

In 2019, the Wisconsin Policy Forum published “Dollars and Sense,” a report that took a comprehensive look at the revenue side of the municipal finance equation. The report found Wisconsin municipalities lean much more heavily on the property tax than the vast majority of states. Meanwhile, Wisconsin has imposed perhaps the tightest state limits on annual property tax increases among the states in which municipalities are most reliant on this source of revenue.

Ironically, Wisconsin’s heavy reliance on the property tax to fund its cities and villages has been a benefit for local governments during the pandemic because of the relative stability of this form of taxation. Nevertheless, this tax can be difficult during a downturn since it does not factor in a property owner’s ability to pay and the greater reliance on it still may not be sustainable over the long term. “Dollars and Sense” noted the possibility that without action Wisconsin “municipalities would grow more reliant on property taxes and fees and remain outliers in the Midwest...Municipalities may also lean more heavily on borrowing to skirt (state) limits.”

To fully explore local government finances in Wisconsin, we also need to examine their spending – a task that has become more urgent in light of the additional spending demands created by COVID-19. This report, sponsored by the League of Wisconsin Municipalities, the Wisconsin Realtors Association, and the Greater Milwaukee Committee, looks not only at municipal expenditures in Wisconsin and across the United States, but all local spending in key functional categories. Though the available data reflect pre-pandemic conditions, the analysis still provides important insights into how both the nature and scope of Wisconsin’s local government spending compares to other states.

Our analysis seeks to answer the following fundamental questions:

- How is local spending allocated among various public services in Wisconsin right now?
- How has local spending in Wisconsin – especially at the municipal and county level – changed over time? Have constraints such as state property tax limits gradually limited that spending?
- How do Wisconsin’s local spending habits compare to local spending in the rest of the country and, where possible, how can we explain the differences?
- What can be done to ensure the best services for the public at the lowest possible cost?

As with all Forum research we do not advocate for specific proposals or initiatives. Instead, we attempt to provide a clear picture of the characteristics of local spending in Wisconsin to complement our previous analysis of municipal revenues and to inform local and state policymaking, particularly as the governor and state lawmakers prepare to debate the 2021-23 state budget.

Methodology

To make comparisons across states, this report uses the U.S. Census Bureau data compiled in Willamette University’s “Government Finance Database.” Specifically, the report uses “Census of
Governments’ data that is gathered in full every five years on the years ending in “2” and “7.” Though surveys are given to certain governments in other years, the five-year census features complete revenue and expenditure figures from every state government, municipality, town, county, school district, and special district across the 50 U.S. states and various territories.

In order to get a complete picture of local government spending, we look at the past 40 years of data, specifically focusing on the years ending in “7” (1977, 1987, 1997, 2007, and 2017). The 2017 data was published in mid-2019\(^2\). We use this historical data first to look at how local spending in Wisconsin has changed over time, before using just the 2017 data to compare Wisconsin to the rest of the country. The available data do not allow for reviewing the impact of the COVID-19 crisis but provide the fullest possible picture on local government spending in the years leading up to it.

Throughout the report, we refer to specific spending categories that are used by the Census Bureau to classify spending. These categories are specific to this data set, and do not match up perfectly to similar definitions used by state data sources such as the Wisconsin Department of Revenue (DOR). Full definitions for each spending category can be found in Appendix A.

Additionally, as a “total spending” metric, we use what the Census Bureau refers to as “Direct General Expenditure.” This measure includes all spending categories except for municipal utilities (water, electric, gas, and mass transit), government-owned liquor stores operating in some states, and insurance trust benefits (withdrawals and benefit payments on pensions, unemployment compensation, workers’ compensation, etc.) It includes current (operating) spending as well as all capital spending, but does not include payments made by the government to other local governments, the state, or the federal government. Direct General Expenditure (DGE) is the most commonly used way to analyze governmental spending, because it looks generally at services that are funded by taxes, fees, and charges, as opposed to services that are self-funding through charges to users. For more on the distinction between DGE and “total direct expenditure,” see Appendix C.

Where applicable, we also use outcome data from various sources to analyze how the level of spending on a particular category has translated to service delivery in Wisconsin compared to the rest of the country. This report begins with an analysis of how Wisconsin’s local spending has changed over time, before moving into an in-depth comparison with the rest of the country by spending category.
HOW WE GOT HERE

Before making comparisons with other states, we first seek to understand what local spending looks like in Wisconsin and how it has changed over time. The Government Finance Database categorizes local spending into five distinct areas: municipal, town or township, county, school, and special district. It is important to remember that services such as law enforcement and public health could be delivered at a similar total cost in different states but at varied costs among different levels of local or even state government. To make a fair comparison of spending across states, we must account for those differences and that is why this report looks at spending in each category across every level of government.

In doing so, we find Wisconsin traditionally has relied more on public services and spending at the local rather than state level. Yet this mix in spending has been shifting gradually over time, a trend that may reflect in part the significant constraints on the key sources of local government revenue in this state. We also find at least some shift in spending over the past 40 years toward some types of local services such as public welfare, health, law enforcement, and corrections; and away from others such as highways.

Both counties and municipalities in Wisconsin rely heavily on a combination of two revenue streams to finance a majority of their budgets: the property tax and aid, or intergovernmental revenue, from the state. In “Dollars and Sense,” we found that the proportion of general revenue that municipalities received from state aid has been declining since the mid-1980s, from a little more than 40% then to around 20% now. At the same time, the property tax has seen a reverse of that trend, going from around 20% in the mid-1980s to above 40% now. The Legislative Fiscal Bureau found that from 2009 to 2019, the state’s county and municipal aid and utility aid payments, even before accounting for inflation, declined by 8.5% for municipalities and by 14.7% for counties.

We also found, in “Dollars and Sense,” that “among the 10 states most reliant on municipal property taxes, Wisconsin appears to have the tightest cap on increases.” In 2006, Wisconsin placed limits on how much the levy could be increased each year. Since 2011, the increases in taxes used for operations in municipalities and counties have been restricted in general to the rate of net new construction in the jurisdiction. Past WPF reports have noted that since the Great Recession net new construction for the majority of communities has not kept pace with inflation.

These trends likely have played a role in shifting longtime spending patterns in Wisconsin. As the growth in both state aid and property taxes has slowed for municipalities and other local governments, and as state revenues such as the income tax have increased, state spending levels have come ever closer to those of all local governments in Wisconsin combined (see Figure 1).

Over this period, both state and local tax burdens (defined as taxes as a share of personal income in Wisconsin) have fallen. In U.S. Census data available since the 1990s, the state’s rankings for both taxes and spending have gradually fallen from among the top 10 highest states in the country to more in the middle of the pack.

In the data used for this report, total local direct general spending in 1977 was $4.1 billion, or the equivalent of about 12.0% of statewide personal income at that time.³ By 2017, local spending increased to $28.2 billion, but declined to 9.9% of personal income, which had grown more rapidly. Again, restraints placed on local government revenues are a likely contributor to this trend.
Interestingly, combined state-local spending increased over the same time period, from 18.1% of personal income in 1977 to 18.8% in 2017.

The perception has persisted in some quarters that Wisconsin is a high-tax and high-spending state. We have noted previously that one reason may be that the state relies less on revenues such as fees and sales taxes that may receive less notice from the public and more on salient taxes such as property and income taxes that are paid in large amounts no more than a few times each year.

This report provides another potential reason: Wisconsin delivers some key services at the local level – such as law enforcement and parks – to a greater degree than most states, which tend to provide them more at the state level. Consequently, while Wisconsin’s local government spending in such categories appears on the high side in relation to other states, its lower spending at the state level leaves Wisconsin average or at least in the middle of the pack with regard to total spending.

Defining Wisconsin’s Local Governments

As we documented in a recent report, in 2017 Wisconsin had 3,096 local governments – the 11th-highest in the country in absolute numbers and the 15th-highest on a per capita basis. Those totals include 72 counties, 422 school districts, 16 technical college districts, 734 special districts such as sewerage district and housing authorities, and 1,852 towns, villages, and cities.

In general, the number of local governments has remained fairly steady since the 1970s. One major exception, however, is the substantial growth in the number of special districts.

This high number of local governments is related to a concurrent phenomenon: the state’s population is widely dispersed. Wisconsin has two major population centers (Milwaukee and Madison), but has significant population in areas such as the Fox Valley, Eau Claire, La Crosse, Rock County, and more. This level of population dispersal may impact expenditures on roads, sewers, and other services and infrastructure.
In the context of spending, Wisconsin’s large number of local governments is worth remembering – particularly in the case of both municipalities and special districts, which deliver some of the same kinds of services. For some services such as sewerage, the large number of local governments might increase their overall costs for infrastructure such as treatment plants. For other services such as fire protection, the use of volunteer fire departments by small communities may lower overall costs.

**How Local Spending has Changed**

Spending levels on public services change over time for a variety of reasons. Some of this reflects shifting priorities and policies, but it may also reflect changes in demographics such as an aging population and rising or falling poverty levels. The cost of some services such as health care may rise much more rapidly than inflation while other costs such as handling payrolls may rise more slowly or even fall due to advances in technology. Though there were major changes in the 1970s and 1980s, the makeup of Wisconsin’s local government spending has been relatively consistent over the past 20 years. In 2017, schools were the biggest local government spender, at 46.0% of all local spending. (Schools are also subject to a different state law limiting combined revenues from property taxes and certain state aid payments.) Municipalities (22.8%) and counties (23.0%) accounted for the bulk of the remaining local spending, while towns (2.9%) and special districts (5.3%) combined for less than one out of every 10 local dollars spent (see Figure 2).

![Figure 2: Schools, Special Districts Grow in Importance](chart.png)

Over the past generation, counties, towns, and municipalities have shrunk somewhat in their makeup of overall local spending – the three made up 66.5% of total direct spending in 1977 but just 48.7% in 2017. Schools, meanwhile, were second in spending in 1977 but jumped quickly afterwards to first. The main contributor to both trends is that about a quarter of spending on K-12 schools – by far the highest individual spending item – happened at the municipal level in that year. The reason for this is a quirk of Wisconsin history: legislative changes were made in the state in the early 1980s to eliminate what were referred to as “city school districts.” These districts – of which there were only around 40 – did not themselves have the power to levy property taxes. Instead, the
school board served only as an advisory entity to either a city council or “fiscal control board,” which levied a property tax (a “city school tax”) as part of the municipality. Today, these districts are all either common or unified.

Special districts also increased spending as a percentage of all local spending over this time. Special districts tend to be single-purpose governments focused on providing one main service. While some have taxing authority, others such as housing authorities do not. In Wisconsin, services provided by these districts include lake management, sewerage, sanitation, and, in more recent years, long-term care for the elderly and disabled.

In 1977, Wisconsin had 189 special districts, and those districts accounted for $65.9 million in spending – just 1.6% of the $4.1 billion spent by all local governments that year. By 2017, the number of special districts in the state had more than tripled to 680, and spending had increased to $1.5 billion, or 5.3% of the $28.2 billion spent by all local governments in the state.

As seen in Figure 2, between 2007 and 2017 the county share of local spending fell while the special district percentage rose by a proportional amount. This is likely attributed in part to the creation of four new “long-term care” districts to provide this service to the elderly and disabled in place of counties.

Towns in Wisconsin are essentially what other states may consider “unincorporated” land, representing all of the area in the state not within a city or village. Though nearly every county has at least one town, they tend to be more common in less populated areas in the northern and western parts of the state. The proportion of Wisconsin’s population that lives in a town has declined slightly from 29.9% in 1977 to 28.5% in 2017. Accordingly, their makeup of spending dropped from 4.5% to 2.7% in the same span of time, as Wisconsin’s rural population has aged or moved to more populated areas.

One factor that may have helped limit local government spending in this state more than others over the past decade is the passage of 2011 Wisconsin Act 10. The legislation eliminated most collective bargaining for state and local employees and required or helped lead to them contributing more for their health care and pension benefits.

For example, the Forum recently noted how this legislation contributed to lower K-12 school spending on employee benefits. However, Act 10 did not apply to local police and firefighters or their unions and that may be one factor among many that has contributed to ongoing spending increases in those areas of local budgets.

### Spending by Category

Table 1 shows the top 10 categories of local government spending in 1977 versus 2017 for all types of local governments in Wisconsin combined (school districts, municipalities, counties, towns, and special districts). K-12 schools received the highest amount of spending in both years, staying steady around 37% of all local spending.

Combined operating and capital spending on highways has remained a priority but declined somewhat from 9.6% of all spending in 1977 to 8.8% in 2017. As we will discuss throughout this report, Wisconsin tends to spend more on roads and highways in general than most states. One reason may be that Wisconsin has some of the harshest winters in the country, which can increase costs for roads. Other historical factors may be the miles and prevalence of paved rural roads and
the need for continued upkeep to support certain users such as dairy farms that must move their product on a daily basis.

Table 1: Top Local Spending Categories in Wisconsin, 1977 vs. 2017

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>1. K-12 Schools</td>
<td>$1.5 billion (36.9%)</td>
<td>1. K-12 Schools</td>
<td>$10.4 billion (37.0%)</td>
</tr>
<tr>
<td>2. Highways</td>
<td>$291.2 million (7.1%)</td>
<td>2. Public Welfare</td>
<td>$2.1 billion (7.6%)</td>
</tr>
<tr>
<td>3. Other</td>
<td>$264.3 million (6.4%)</td>
<td>3. Police</td>
<td>$1.7 billion (6.1%)</td>
</tr>
<tr>
<td>4. Assistance and Subsidies(^5)</td>
<td>$244.6 million (6.0%)</td>
<td>4. Highways</td>
<td>$1.4 billion (5.0%)</td>
</tr>
<tr>
<td>5. Police</td>
<td>$189.3 million (4.6%)</td>
<td>5. Health</td>
<td>$1.2 billion (4.3%)</td>
</tr>
<tr>
<td>6. Hospitals</td>
<td>$170.6 million (4.2%)</td>
<td>6. Higher Education</td>
<td>$1.2 billion (4.2%)</td>
</tr>
<tr>
<td>7. Public Welfare</td>
<td>$154.9 million (3.8%)</td>
<td>7. Highways (Capital Spending)</td>
<td>$1.1 billion (3.8%)</td>
</tr>
<tr>
<td>8. Highways (Capital Spending)</td>
<td>$104.2 million (2.5%)</td>
<td>8. K-12 Schools (Capital Spending)</td>
<td>$935.8 million (3.3%)</td>
</tr>
<tr>
<td>9. K-12 Schools (Capital Spending)</td>
<td>$102.4 million (2.5%)</td>
<td>9. Sewerage</td>
<td>$869.6 million (3.1%)</td>
</tr>
<tr>
<td>10. Interest on Debt(^6)</td>
<td>$99.4 million (2.4%)</td>
<td>10. Interest on Debt</td>
<td>$762.9 million (2.7%)</td>
</tr>
</tbody>
</table>

Other items have taken on increased importance over time. Health and public welfare combined for only about 5.7% of spending in 1977, but now account for nearly 12% of all local spending in the state. Police now is the third highest spending category for local governments, rising from fifth in 1977. Higher education (representing the state’s technical college system), health, and sewerage entered the top 10 spending categories by 2017, whereas hospital spending dropped out of the top 10.

Overall, since 1977, education, public health, and public safety have all increased as proportions of local budgets, while administrative and financial spending have declined (see Figure 3). Increases to public safety are mostly driven by both corrections and police, as both have seen spending jumps in conjunction with an emphasis on “law and order” during the past few decades.

Public welfare and health spending increases likely reflect a number of factors, including Wisconsin’s aging
population. UW-Madison’s Applied Population Lab, in an analysis of the 2010 Census, put it this way: “The aging of the Baby Boom generation is fueling the aging of Wisconsin. Because the number of people born between 1946 and 1964 is so large, the overall age of the state gets older as this generation ages.

Below, we look at how priorities have changed for Wisconsin’s local governments over time, and what they look like as of 2017 (the most recent data available). We discuss schools, special districts, and towns briefly, but keep our focus on municipalities and counties.

**Municipalities**

Beyond school districts, municipalities – in Wisconsin, synonymous with cities and villages – are the biggest local spender. We focus here on four core areas of spending for Wisconsin’s municipalities: police, sewers, highways/roads, and fire protection (see Figure 4).

While not an area of focus here, municipalities do the vast majority of spending in Wisconsin on libraries, parks, parking, and solid waste management. Combined, operating and capital spending on parks, recreation, and libraries account for 9.3% of municipal spending in Wisconsin (for a more extensive conversation on parks and libraries, see pages 21 and 22).

**Police.** In a report released in June 2020, we discussed how police were the number one spending priority for Wisconsin’s municipalities. This has been the case since 1987; in fact, police operating spending has increased in each year of our analysis as a share of municipal budgets, from 9.6% in 1977 to 18.0% in 2017. Besides school district spending on K-12 school operations and county spending on public welfare operations, no type of local government in Wisconsin spends more on one item than municipalities’ $1.2 billion on police operations.
On average, Wisconsin municipalities spent $200 per capita on police operations in 2017, the most of any individual line item even when combining highway operations and capital spending. This is even more true for large cities (see Figure 5).

Sewerage. The “provision, maintenance, and operations of sanitary and storm sewer systems,” as well as sewage disposal and treatment facilities, has become a growing line item in city and village budgets. In 1977, sewerage operating spending was the 9th-highest spending category for Wisconsin municipalities at just 3.3% of total spending; it rose to second-highest and 10.4% of municipal spending in 2017. At $666.3 million, cities and villages in Wisconsin spend more on sewerage than all other items besides police.

Notably, Madison and Milwaukee spend less on sewerage operations per capita than both the statewide average and other large cities. One explanation is the existence of large, metropolitan sewerage districts. Some, such as the Milwaukee Metropolitan Sewerage District, can levy their own property taxes and are not subject to limits put on their home municipalities.

Highways. Wisconsin’s climate and geography – with population pockets in nearly every part of the state - contribute to a high level of spending on roads and highways. Since 1977, operating spending on roads and highways has been a top-five priority of municipalities, and has hovered between 6-10% of all municipal spending. Capital highway and road spending has not been far behind, at around 8% in each year of analysis since 1987. Total highway spending comprised 17.9% of Wisconsin’s municipal spending in 2017, nearly equaling the $1.2 billion spent on police operations. This translates to $199 per capita spent by municipalities on roads and highways throughout the state.

Fire Protection. Fire and other emergency medical services remain a critical local service but one that has slipped as a spending priority. In 2017, $551.5 million was spent on fire protection and EMS operations, making it the fourth-highest spending category, down from second in 1997. It has also declined slightly as a makeup of municipal budgets: 9.5% of all municipal dollars spent in 1987 were dedicated to fire protection and EMS operations, a number that dropped to 8.6% by 2017. Capital spending on fire protection and EMS was at 0.9% of all municipal spending in 2017, at just
under $60 million. In 2017, Milwaukee spent $108.4 million on fire protection and EMS operations, accounting for nearly one-fifth of all municipal spending in this category.

**Counties**

In Wisconsin, counties provide a number of varied functions including health and welfare, public safety, courts, and roads. Over time, both the public safety and health functions have taken up a higher share of overall county spending, while roads have slightly declined.

Wisconsin has 72 counties, but the 10 most populous account for the near majority of spending: Milwaukee, Dane, Brown, Waukesha, Outagamie, Racine, Winnebago, Rock, Kenosha, and Washington. In 2017, these counties combined for 48.0% of all spending by counties in the state; this is down from 1977, when these counties comprised 55.9% of total county spending.

Though counties provide a wide range of services, five spending categories accounted for more than half of all county spending in 2017: public welfare, health, police (i.e. sheriff’s departments), highways, and corrections (see Figure 6). Among local governments, counties also spend the most on airports, public buildings, and natural resources.

![Figure 6: Infrastructure, Health, Public Safety Top Priorities for WI Counties](image)

**Public Welfare.** Public welfare is a broad spending category delineated by the U.S. Census Bureau. It includes everything from federal or state-federal programs (such as social security for aged and disabled people, Temporary Assistance for Needy Families, and Medicaid), to cash payments made directly to individuals based on need, to payments made to private vendors, to the construction and maintenance of nursing homes and other institutions providing welfare services. In the context of local spending, therefore, the majority of dollars spent likely originate at the federal level.

Wisconsin’s counties spend more on public welfare than any other individual category. In 2017, counties combined to spend nearly $1.4 billion on their public welfare operations, representing 21.1% of all county dollars spent. This is down from 27.8% in 1997, but public welfare has been the number one source of spending for counties in the state since at least 1987.
Welfare programs underwent a major restructuring during the 1990s and since then some county programs have been shifted to the state or special districts. For example, Milwaukee County – the state’s most populous – once administered child welfare programs and eligibility determination for the Medical Assistance and FoodShare programs on behalf of the state but turned both over to the state Department of Health Services during the past two decades. In 2007, Milwaukee County spent nearly $185 million on public welfare; by 2017, that number had dropped to just $72 million. Additionally, between 2007 and 2017 four newly-created long-term care districts took over some public welfare operations that had been managed by counties and now spend over $750 million a year.

Many other potential factors could affect welfare spending, including the aging population and other demographic trends, levels of income, unemployment, and wealth, and the many changes made to welfare programs at both the state and federal level.

**Health.** Health spending captures general public health services provided by a government. The Census Bureau mentions items like public health administration, vital statistics, research, and drug abuse prevention and rehabilitation as examples of functions that might meet this definition. In 1977, just 5.6% of county spending went towards health operations ($64.4 million). However, this had reached 15.5% by 2017, and encompasses just over $1 billion in operating spending. One important cause of the increase is a shift over time of the public health function from municipal to county governments.

**Law Enforcement.** In Wisconsin, county sheriff’s offices comprise a large proportion of all county spending each year. Operating spending for law enforcement has risen as a percentage of all county spending in each of the years we analyzed, increasing from 4.1% in 1977 to 8.3% in 2017. In 1977, operating spending for law enforcement was the eighth-highest spending category at the county level; it is now third.

**Corrections.** County sheriff’s offices and corrections are closely linked, as the vast majority of local government spending on jails happens at the county level in Wisconsin. Like general law enforcement, corrections operating spending has risen as a proportion of total statewide county budgets in each year of our analysis: corrections operations were just 1.2% of county budgets in 1977 ($14.4 million), below items like parks and recreation (3.3%) and K-12 schools (1.7%). By 2017, they had reached 7.8% of all county spending, at $501.7 million, and easily surpassed those other functions.

**Highways.** Wisconsin’s spending on highways is among the top amounts in the country. In 2017, highway operating spending was the fourth-highest category of county spending, at $525.8 million and 8.1% of total county spending. Highway capital spending was not far behind, as the sixth-highest spending category ($379.7 million; 5.9%). No other capital spending category comprised more than 1% of all county spending.
Per capita spending on highways varies widely: most counties with the highest highway spending per capita in 2017 were located in either the northern or western part of the state, and the 13 highest per capita spenders had populations of less than 30,000 (see Figure 7). Door County, despite a population of just 27,554, spent more ($13.3 million) on highways than did La Crosse County ($12.6 million) and Rock County ($12.4 million), each of which have populations that exceed 115,000.

Schools

The 422 K-12, union high school, and elementary-only districts are responsible for nearly all public spending on primary and secondary education in Wisconsin. With regard to higher education, the state’s technical and vocational education spending is primarily overseen by 16 local technical college districts (their spending counts toward our local spending totals), while state government is responsible for administering the University of Wisconsin System. We do not devote significant space in this report to school spending, but it remains by far the largest source of local spending not only in Wisconsin but in many other states.

Special Districts

Special districts are single-purpose governments, some with taxing authority, and citizens often know little about them. In most cases, leaders of special district governments are appointed. These governments have increased in both number and responsibility in Wisconsin over time, as we laid out in our report “An Abundance of Government” in August 2019.

Relatively few special districts existed prior to the 1970s. Since that time, the state has facilitated the creation of an array of governments that serve a specific purpose such as:

- Metropolitan Sewerage Districts
- Town Sanitary Districts
- Lake Protection and Rehabilitation Districts
- Housing Authorities
In 1977, Wisconsin had 189 special districts, mostly focused on sewerage, housing, drainage, and lakes (see Figure 8). Sewerage districts accounted for more than three quarters of all spending at that time. Today, the state’s nearly 700 special districts still are dominated by those dedicated to housing, lakes, and sewerage. That said, four new “long-term care” districts alone account for a majority of special district spending. Despite their growth, special districts still account for less than one in 10 local dollars spent.

**Summary**

Our analysis of local government spending from 1977 to 2017 finds that in recent decades, Wisconsin has seen such spending diminish as a share of both personal income in the state and as a percentage of total state and local spending. Key takeaways include the following:

- Wisconsin has 3,096 local governments – the 11th-most in the country – including comparatively high numbers of municipalities and special districts. That may affect spending in different ways depending on the type of service.

- The breakdown in state and local government spending in Wisconsin has shifted since the 1970s, with state government expenditures gradually almost catching up to those of local governments: the state accounted for 33.7% of state-local spending in 1977 but 47.5% by 2017. That may reflect in part the effect of lower levels of state aid to local governments and state limits on local property taxes – the two key sources of general revenue for local governments in Wisconsin.
• The share of spending among types of local governments such as municipalities, counties, and school districts in Wisconsin has been fairly stable since the 1990s. One notable trend in recent decades is growth in special district spending, however.

• The state’s overall tax and spending rankings have fallen over time to the middle of the pack nationally. Yet Wisconsin’s local spending may appear higher in some areas because it continues to rely more on service delivery at the local level than most states, particularly in the case of some key municipal services like police.

• Some areas such as public welfare (3.8 percentage point increase), health (+2.3), police (+1.5), and corrections (+1.4) have risen as a share of local government spending over the past generation while others such as central staff (-0.3) and highways and roads (-2.1) have fallen. These changes reflect a confluence of factors that include federal policy changes, local spending restraint, technology, and other geographic, regional, and demographic trends.
In this section, we examine how local government spending in Wisconsin compares to that of the other 49 states. Interestingly, we find that Wisconsin’s local government spending can be deemed both average and unusual at the same time. While overall spending here is in line with the rest of the country at both the state and local level, individual spending categories break down in uncommon ways.

Overall, Wisconsin is somewhat below average in terms of per capita state spending, local spending, and state and local spending combined. In addition, though the state has almost caught up with local governments in Wisconsin in terms of spending, most other states still tend to route more of their public spending through state rather than local governments.

In 2017, Wisconsin’s local governments spent $4,881 per capita (operating and capital combined), 15th in the country but nearly $200 below the national average. The same year, the state spent $4,420 per capita, which ranked 31st in the country and about $50 below the national average. Combining state and local spending, Wisconsin ranked 20th in the country at $9,301 per capita – near the middle of the 50 states, and about 2.5% below the nationwide average of $9,537 per capita (see Figure 9).

In 2017, 52.5% of all state-local direct spending in Wisconsin happened locally. This is below the national average (53.1%) and two other Midwest states (Illinois, 56.5%; Minnesota, 53.2%), but Wisconsin still ranks relatively 14th on this measure.

In the remainder of this section, we dive deeper into the characteristics and comparative nature of Wisconsin’s local government spending by analyzing 2017 per capita figures for key spending categories in Wisconsin and nationally. As we will show, the trend of above-average local spending in Wisconsin and below-average state spending holds in a number of the individual functional categories we examine. Table 2 summarizes our findings.
In analyzing the Census Bureau data along with supplemental outcome and usage data, we also address questions such as whether higher spending at the local level may in some cases reflect a great share of the responsibility for the service being placed on local governments. When we refer to spending in this section, we are referring only to operating (current) spending except in the case of highways, where we combine both operating and capital spending.

Public Safety

By its nature, public safety is one of the most localized functions of government, both in Wisconsin and nationwide. In this section, we look at how spending on law enforcement, fire, and corrections in the state compares to the rest of the country.

Law Enforcement/Police. In Wisconsin, law enforcement is overwhelmingly delivered at the local level. The $200 per capita spent by Wisconsin’s municipalities on police operations in 2017 was the eighth-highest amount in the country, above the national average of $189. As is the case nationwide, about two-thirds of police and other law enforcement spending in Wisconsin came from municipalities and most of the remaining third came from counties. As a whole, Wisconsin’s local governments spent $299 per capita in 2017 on law enforcement operations, 12th overall and second in the Midwest only to Illinois ($369).

Wisconsin is unusual for how much of its city and village budgets go to police and for how widely they are involved in policing. Only seven states’ municipalities devoted a higher portion of spending to police operations than Wisconsin (18.0%), and only one of those states (Illinois) was in the Midwest. Out of 601 municipalities in Wisconsin’s, 494 (82.2%) spent at least some amount on police operations in 2017; this rate was the seventh-highest out of the 39 states with at least 100 municipalities, and the highest in the Midwest.
Nationwide, most police operations spending is local: in 2017, 82.9% of all state and local spending on police came from local governments. However, in Wisconsin, that makeup was 99.5%, highest in the country by nearly seven percentage points. Wisconsin spent just $44.3 million on police at the state level, which amounted to just $8 per capita, by far the lowest in the country (see Figure 10). More so than any other state, policing in Wisconsin is done at the local level.\textsuperscript{10}

![Figure 10: Wisconsin Police Spending is Average, But Highly Local](image)

The Census Bureau\textsuperscript{11} also tracks payroll and employment information for state and local governments nationwide. These data for 2017 showed that at just 9.1 state FTEs per 100,000 residents, Wisconsin ranked 49\textsuperscript{th} (above only Hawaii) for total sworn (persons with power of arrest) state police employment. State law enforcement agencies include the Wisconsin State Patrol,\textsuperscript{12} with 489 sworn officers according to their most recent annual report, the Division of Criminal Investigation within the state Department of Justice (DOJ), and the state Capitol Police.

Spending on police by municipalities and counties has increased both in terms of raw totals and makeup of budgets. That said, data from the FBI’s Crime Data Explorer show that on a per capita basis, the sworn strength levels of Wisconsin’s police forces have stagnated and started to decline since the late 2000s, after consistent increases in decades prior.

We noted in a June 2020 report and other publications that this apparent contradiction between rising police spending and shrinking sworn strength levels may be at least partially explained by rising salary and fringe benefit costs that have made the cost of each police employee increase substantially over time. Besides general rising labor costs, the potential contributors could include rapidly increasing pensions and other legacy costs in certain localities such as the city and county of Milwaukee, and collective bargaining authority for police and firefighter unions in Wisconsin that may have helped them secure year-over-year increases in overall salaries and benefits.

Though municipal spending on police in Wisconsin is relatively high, spending by county sheriff’s offices in the state looks much more like the rest of the country. The $94 per capita spent by counties in Wisconsin on police operations equals the average amount spent by counties nationwide, and ranks 16\textsuperscript{th} overall.
Fire. Fire departments were one of the only categories of spending we analyzed in which Wisconsin’s local governments ranked in the bottom half of all states in the country. Overall, Wisconsin’s $112 per capita spent on fire protection operations was well below the national average of $147 and 31st overall. One reason may be that the breakdown of state and local responsibility is less relevant for fire protection, which is the only purely local service among all of the Census Bureau spending categories. The data show no spending whatsoever done by state governments nationally on fire protection in 2017.

At $96 per capita, Wisconsin’s municipalities spent slightly higher than the national average ($94) on fire protection operations, and ranked 16th in the country for per capita spending. Wisconsin counties did not spend on fire protection in 2017, and only one special district (the North Shore Fire Department) spent in this category. Unlike in other parts of the country, fire departments in this state are almost solely operated by cities, villages, and towns. That left overall spending in Wisconsin below the national average.

National data on fire department staffing and structure might help to explain why Wisconsin’s spending rank in this category is slightly lower than its rank in most others. According to data from the U.S. Fire Administration (USFA), 92.5% of Wisconsin’s 763 registered fire departments are volunteer or mostly volunteer – the 14th-highest rate in the country. It is important to note, however, that some departments in Wisconsin use the term “volunteer” to refer to paid on-call staff who agree to respond in cases of need.

The use of volunteer fire departments is highly regional: according to local Census Bureau Annual Survey of Public Employment and Payroll (ASPEP data, as of 2017, there were only 86.7 FTEs per 100,000 Wisconsin residents employed in fire protection, which ranked 39th in the country, but was similar to neighbors Michigan (41st), Iowa (44th), and Minnesota (46th). Wisconsin’s five closest states to the west (Minnesota, the Dakotas, Nebraska, and Iowa) are also among the nine states where more than 95% of fire departments are volunteer or mostly volunteer.

It stands to reason that states making greater use of volunteers to staff fire and rescue services would spend less on those services on a per capita basis. The relatively strong relationship between high use of volunteers and lower per capita fire department local spending is shown in Figure 11.

Corrections. Corrections spending in Wisconsin was 14th-highest in the country across both local and
state governments; combined spending ranked 13th overall. Both Wisconsin and the country as a whole spent about double the amount on corrections operations at the state level compared to the local level, as local governments combined to make up just 34.5% of all state-local spending in this area. Despite ranking highly, Wisconsin’s local governments ($88) spent slightly below the national average ($90) in corrections operations since a few large states push up the average spending amount nationally.

Nearly all (98.7%) local spending on corrections is done by counties in Wisconsin, as is the case in the rest of the country (84.3%). Wisconsin counties ranked 10th in per capita corrections operating spending at $87. Each county in the state operates a county jail, whereas the state is responsible for managing prisons. Per Bureau of Justice Statistics (BJS) information, local jails nationally hold inmates with sentences less than a year or those who are awaiting trial, while prisons – mainly run by the state – “typically hold felons and persons with sentences of more than a year.”

The size of the inmate population is a key factor in corrections spending. Combining state prisons and local jails, Wisconsin had approximately 36,700 inmates as of the end of 2018, according to a BJS report. At a rate of 810 prisoners and local jail inmates per 100,000 residents age 18 or older, the state exceeded the national rate of 750 per 100,000, as well as neighbors Illinois (560), Minnesota (370), Iowa (580), and Michigan (690). Data originally from BJS and reported by the Prison Policy Initiative showed that as of 2013 (the most recent data available), Wisconsin had a local jail population of 11,858 – a rate of 206 per 100,000 state residents, 15th-highest in the country and third in the Midwest.

Education and Libraries

Nearly all K-12 education and library spending happens at the local level. We do not touch on higher education in this section, as all spending outside of the state’s technical college system happens at the state level.

**K-12 Schools.** We touch only briefly on K-12 schools, but Wisconsin was 22nd in local spending in this category in 2017, at $1,807 per capita. Because nearly all spending on schools happens locally nationwide (either with locally-derived funding or a pass-through of state and federal funds), Wisconsin was also in the middle of the pack – 23rd – in overall state-local spending per capita.

**Libraries.** Wisconsin spends highly on libraries relative to other states, coming in at sixth overall in terms of local per capita spending ($49; see Figure 12). Though they do not comprise a large portion of local budgets, Wisconsin’s nearly 400 central libraries serve citizens in all corners of the state.
In Wisconsin, nearly three-quarters (74.6%) of local spending on libraries comes from municipalities, compared to just 39.7% nationwide. This is likely because certain states allow libraries to levy their own taxes, thus qualifying them as special districts. Ohio, Indiana, and Missouri are all Midwest states that see the overwhelming majority of local library spending come from special districts. Notably, Wisconsin is one of just four states (besides Georgia, Minnesota, New Mexico) that had no state-level spending on libraries in 2017, though nationwide, nearly all library spending was still local.

Usage data suggest that libraries are highly valued in Wisconsin. The 2018 national Public Libraries Survey\(^\text{13}\) showed that Wisconsin had 378 central libraries – seventh-most in the country and 12\(^{th}\) per capita. As Wisconsin’s population is not as concentrated in one or a few large metro areas like other states, one potential explanation is that there is a greater need for libraries to be spread across the state to serve all Wisconsinites. We explored this phenomenon in our February 2020 Taxpayer, “By the Book.”

The library survey also shows Wisconsin libraries have above average levels of service and usage. The state ranks highly in terms of total staff per capita (53.2 FTEs per 100,000; 18\(^{th}\)), annual visits per capita (5.2; 10\(^{th}\)), annual circulation per capita (9.5 items; 10\(^{th}\)), and total annual program attendance per capita (0.49; 16\(^{th}\)). ASPEP shows similar employment data, with Wisconsin having 51.4 local library staff per 100,000 residents, 14\(^{th}\)-highest in the country.

**Natural Resources**

The “Natural Resources” category as defined by the Census Bureau includes both parks and recreation and natural resource management and protection activities. We address those categories separately below.

**Parks and Recreation.** Nearly all (96.2%) spending on parks and recreation in Wisconsin happens locally and this is true but to a lesser extent nationwide (86.6%). Wisconsin’s local share of parks spending ranks third, behind only Illinois and Alabama, providing another example of a functional category in which Wisconsin’s comparatively high local spending is balanced by lower state spending. In Wisconsin, about nine out of every 10

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**Figure 12: Midwest Among Highest Spenders on Libraries**

Per Capita Local Library Operating Spending Per Capita, 2017

![Image of Midwest Among Highest Spenders on Libraries Map](image-url)
local dollars spent on parks comes from either municipalities (49.6% of all local spending) or counties (40.1%).

Wisconsin’s local governments rank 21st overall in per capita parks and recreation spending. This rank jumps to seventh per capita for county spending, as Wisconsin is one of just five states (along with Georgia, Maryland, Nevada, and Virginia) where at least 40% of local spending in this category comes from the county. At $36 per capita, Wisconsin’s counties spend more in this area than any other state in the Midwest. The Wisconsin Department of Natural Resources’ (DNR) website shows that 62 of Wisconsin’s 72 counties have an office that manages the county’s parks, forests, or trails. Municipalities in Wisconsin spend $44 per capita on parks and recreation, ranking 31st in the country and ninth in the Midwest.

Though overall local spending on parks and recreation ranks in the top half of all states, Wisconsin is seventh among Midwest states in terms of per capita parks and recreation spending at the local level, and dead last at the state level (see Figure 13). In fact, at just $4 per capita, Wisconsin ranks only above Alabama ($3) in terms of per capita state parks and recreation spending.14

Natural Resources.
Wisconsin is 14th in overall local per capita spending on operations for natural resources, at $33 per capita. This includes $11 per capita from municipal governments, the second-highest per capita rate in the country behind only Florida, as well as $17 per capita from county governments (10th overall). The natural resources category includes everything from management of water resources to conservation programs to geological surveying and mapping, making it an important category in a state with abundant rivers, lakes, forests, wetlands, and more.

Combined with $69 per capita in operating spending from the state (24th overall), Wisconsin ranks 19th in state-local spending on natural resources. On the whole, natural resources are generally handled at the state level, as only 28.6% of all nationwide state-local spending is local (32.5% in Wisconsin); we thus keep the discussion about local spending here brief.

Locally, 51.7% of natural resources spending in Wisconsin comes from counties – likely in the form of county forest operations - and another 33.4% comes from municipalities. In our June 2019 report
“Public Property,” we found that more than 2.5 million acres of public Wisconsin land was owned by municipalities, schools, or counties, and public land in the state tends to be concentrated in northern counties. Though the state ranks highly in terms of local spending on natural resources, it is only sixth in the Midwest, behind the Dakotas, Nebraska, Minnesota, and Illinois.

**Infrastructure and Housing**

From sewerage treatment plants to roads to public buildings, infrastructure is a major component of local spending in Wisconsin. In this section, we look at four individual infrastructure line items, giving special focus to roads and highways.

In general, infrastructure spending in Wisconsin bucks the paradigm of high local spending balanced by low state spending that we have observed for other functions. In the case of sewers and roads, for example, Wisconsin shows comparatively high spending levels at both the local and state levels, which may be caused by the state’s geography, climate, and population distributions. On the other hand, spending levels by state and local governments on housing and community development in Wisconsin are among the lowest in the country and may be indicative of one area that has been constrained by tightening budgets. Overall, total infrastructure and housing spending decreased from a high of 20.7% of total direct spending done by Wisconsin’s local governments in 1987 to just 17.0% in 2017.

**Highways.** Wisconsin’s state and local entities combined to spend $952 per capita on highways and roads in 2017. Besides public welfare, K-12 and higher education, there is no single area in which Wisconsin spends more. Below, we examine combined capital and operating spending on highways because unlike almost all other spending categories delineated by the Census Bureau, there was more spent on capital than operations in 2017, both in Wisconsin and at the national level.

A 2019 LFB info paper lays out how responsibility for roads is delineated in the state:

- **Counties** “are responsible for collector roads, which serve short distance, intra-regional traffic or provide connections between arterial roads and local roads.”
- **Municipalities and towns** “are responsible for local roads, such as residential streets and town roads, which provide property access and short distance, local mobility services. Certain municipalities also have arterial streets under their jurisdiction that are marked as state highways, which are designed as connecting highways.”
- **The state** “generally has jurisdiction over arterial roads, which function as corridors for interstate and inter-regional travel.”

Wisconsin spent $427 per capita on roads and highways at the local level. As shown in Figure 14, that constituted the fourth-highest amount in the country behind only North and South Dakota and Minnesota. Of that $427, $200 (fifth overall) came from municipalities, $70 came from towns (ninth), and $157 came from counties (seventh). Wisconsin’s overall local spending was almost double the $224 spent locally at the national level.
The state spent $525 per capita total on roads, with most ($379) being spent on capital projects. Overall, combining local and state capital and operations spending on highways, Wisconsin ranked seventh in per capita spending, behind only the Dakotas, Alaska, Wyoming, Delaware and Vermont. These are the six least populous states, whose combined populations are less than that of Wisconsin.

Capital spending was highest in states whose northern location likely requires significant road upkeep amid frigid weather and changing seasons (“snow and ice removal and application of salt and sand” are included as part of the highways spending category, though this would impact both operating and capital spending). Wisconsin was sixth overall in this category, followed closely by neighbors Minnesota (seventh), Iowa (eighth), and Illinois (ninth). Unlike other services already discussed, highway spending in Wisconsin is high at both the local and state level.

According to the U.S. Department of Transportation (DOT), Wisconsin had more than 115,000 miles of roads in 2017, 12th highest in the country. Just under 80% of that amount was rural, higher than the national average of 70.7%. In fact, Wisconsin’s 91,695 miles of rural roads ranked eighth in the country, though neighbors Minnesota (third), Iowa (fifth), and Illinois (sixth) all ranked higher. Even in less populated areas, the state’s roadways are extensive; 63 of the state’s 72 counties have at least 1,000 miles of highways or road, according to the 2019-2020 Blue Book.

The Bureau of Transportation Statistics shows Wisconsin ranked 23rd in the country for the amount of roads that meet the “acceptable” definition as part of the International Roughness Index, at 83%. However, despite outpacing the U.S. average of 79%, Wisconsin still ranked ninth in the Midwest, above only Illinois, Michigan and Missouri.

Finally, the state employs a relatively high number of FTEs in this field. Census data for 2017 shows Wisconsin had 149.9 local FTEs per 100,000 state residents, seventh-highest in the country and far above the U.S. average of 86.8.

**Housing and Community Development.** Across all individual categories we analyzed, Wisconsin ranked lowest in per capita spending on housing and community development. At just $47 in
operating spending per capita, Wisconsin’s local governments rank 43rd in housing and community development, and the state’s spending is less than half the national average ($114). Similar to the rest of the country, a slight majority (56.9%) of local spending on housing and community development comes from special districts, with almost all of the rest (40.1%) coming from municipalities.

At the state level, Wisconsin’s $5 per capita of operating spending on housing and community development ranks 47th, above only Texas, Nevada, and Nebraska. Combined state and local operations spending on housing and community development was $52, ranking the state 48th (ahead of only Iowa and Wyoming).

**Sewerage.** At both the local and combined state-local spending levels, Wisconsin ranks fourth in terms of per capita spending for sewerage operations. More than three quarters (76.6%) of spending on sewerage operations comes from municipalities, with most of the rest (21.7%) coming from special districts. Wisconsin’s local governments spent $151 per capita on sewerage operations in 2017, behind only Michigan ($224), Washington ($176), and Pennsylvania ($155).

Sewerage spending comes almost entirely from local governments, both in Wisconsin (95.0%) and the country as a whole (97.0%). Wisconsin has 211 individual special districts that spend on sewerage operations, fifth-most of any state in the country behind California, Colorado, Pennsylvania, and Texas. Most (175) are classified as sewerage districts, including the Milwaukee Metropolitan Sewerage District (MMSD), which alone accounts for nearly half of all sewerage operating spending done by special districts in the state.

Interestingly, 564 of Wisconsin’s 601 municipalities in 2017 registered at least some spending on sewerage operations. This 93.8% rate was the fourth-highest in the country, and the highest among the 39 states with at least 100 municipalities. Two of the other top-four local spenders on sewerage, Washington (87.9%) and Michigan (87.8%), were the next two states below Wisconsin on that list.
There is a strong relationship between the total per capita spending done by municipalities in a state on sewerage operations and the percentage of municipalities that spend on sewerage (see Figure 15).

This trend is perhaps the most likely explanation for Wisconsin’s relatively high sewerage spending. Included in the Census Bureau definition of sewerage spending are treatment facilities, which may ratchet up costs for municipalities operating independently. Because of the age of many Wisconsin cities, costs to replace old sewer lines and fund treatment facilities are now coming due.

Administration and Courts

Local government spending on administrative and financial management can take many different shapes and forms, but here we look at two prominent areas of such spending: judicial/legal and central staff.

**Judicial and Legal.** Nationwide, spending in this category of courts and legal services is split evenly between the state and local governments; Wisconsin slightly favors local governments (54.0% of all operating spending), continuing aforementioned trends. Wisconsin’s local governments spent $62 per capita in judicial and legal operations in 2017, which was below the national average of $72 but ranked 17th in the country. On the whole, Wisconsin ranks 34th in judicial and legal operations at $115 per capita.

Wisconsin counties account for the majority of local judicial and legal spending (79.2% of local spending) as they shoulder most costs for circuit court costs as well as the Court of Appeals. The state, meanwhile, is responsible for the Wisconsin Supreme Court as well as the salaries of district attorneys and non-municipal judges. Nearly one out of every five local dollars spent on judicial and legal operations comes from the state’s municipalities, which have courts that handle ordinance violations.

**Central Staff.** All costs associated with the main administrative functions of local and state governments fall into the category of central staff, including mayor’s offices, city councils, boards of supervisors, clerk’s offices, the state legislature, and more. As Wisconsin has a relatively high number of local governments, it is not surprising that those governments ($87 per capita in operations) outspend the national average ($81) in this category, and rank 19th in central staff operating spending per capita nationwide. Wisconsin’s breakdown of state and local spending in this category is similar to national averages, with a majority (68.3%) being spent by municipalities and towns and the rest coming from counties (32.7%).

Interestingly, the state government’s spending in this area ($61 per capita) is more than triple the nationwide average ($19). At the state level, Wisconsin is the sixth-highest spender in the country (and highest in the Midwest).
Health and Welfare

The Census Bureau’s “Health and Welfare” category encompasses several different components. Here, we focus on two that are most pertinent to local spending in Wisconsin: health spending, which primarily speaks to public health programs and services; and spending on “public welfare,” which largely involves government assistance programs that are provided to vulnerable populations. In Wisconsin, state-local spending on health and welfare tends to rank slightly above average overall. That said, how these services are delivered in the state is unusual.

Health. The Census Bureau definition of health spending is expansive: all healthcare spending that does not have to do with assistance programs, long-term care, or hospitals likely falls in the health category. This includes the delivery of public health – a notable facet in the context of 2020.

In Wisconsin, delivery of health spending is highly local: the state ranks sixth overall (and second in the Midwest) in local spending on health operations, at $210 per capita. The vast majority of that spending (82.6%, $174 per capita) comes from counties, where Wisconsin ranks fifth in per capita spending; the state’s municipal governments also spend $33 per capita on health operations, which ranks sixth overall.

Relatively little spending on health is done at the state level in Wisconsin. At just $59 per capita, Wisconsin ranks 48th, above only Iowa ($43) and California ($35), in state-level operating spending. Consequently, 78.1% of all state-local health spending on health operations is at the local level, which ranks second only to California (94.0%). Similar to police, relatively high health spending at the local level in Wisconsin is balanced by lower state spending and produces a combined ranking that is close to the middle of all states at 22nd.

Public Welfare. The overwhelming majority of health and welfare-related spending comes in the Census Bureau category of public welfare. In 2017, the state and all local governments in Wisconsin spent $2,137 per capita on public welfare, making it the single largest state-local spending item – even larger than K-12 schools ($1,807). This is because public welfare encompasses high-spending programs, such as SSI, TANF, and Medicaid, as well as long-term care facilities and services for the elderly and persons with physical and intellectual disabilities.

Overwhelmingly, public welfare is more of a state than a local function across the nation: only 6.9% of all state-local operating spending in this category is done directly by local governments, and in no individual state does this percentage reach above 20%. However, at 17.4%, spending on public welfare is more local in Wisconsin than in any other state. At $372 per capita, Wisconsin’s local governments are the second-highest spender on public welfare of any state in the country, behind only New York ($488) and almost triple the national average ($134).

Even with the second-highest level of per capita spending on public welfare from local governments, Wisconsin ranks just 18th overall for combined state-local spending because the state government’s $1,764 per capita spending ranks 26th. This represents yet another example of Wisconsin’s unusual approach to arriving at a fairly typical level of spending.
Essentially all of Wisconsin’s local public welfare spending is done by just two types of governments: counties (63.7%) and special districts (35.7%). Of particular note are Wisconsin’s four “public welfare” special district governments: Community Care of Central Wisconsin, Southwest Wisconsin Care Management Coalition, Lakeland Long Term Care District, and Inclusa. Together, these four institutions comprised nearly two-thirds (more than $765 million) of all spending done by public welfare special districts in the country in 2017 (see Figure 16).

It could be argued that the data fail to appropriately represent the role of the state in public welfare spending, as counties and special long-term care districts are the recipients of pass-through dollars from the state and federal government through the Medicaid program and operate under state and federal rules. For example, Inclusa, one of the four special districts, notes that it “receives 100% of its funding from the state of Wisconsin.” Still, the large role that counties and (increasingly) special districts play in delivering public welfare services in Wisconsin is notable.

Summary

In this section, we compared Wisconsin’s local spending levels to those in the other 49 states in several primary local government service categories. Our analysis yields the following insights:

- Wisconsin’s spending essentially is average when compared to other states. This pattern holds not only at the overall state-local spending level (20th out of 50 states), but also in the majority of individual spending categories.

- For the most part, Wisconsin’s local governments spend more in key individual service areas than the state, and it is that higher level of local spending that offsets lower-than-average
state spending and maintains Wisconsin’s “middle of the pack” status when compared to other states. This is true across quite different spending categories, from police to public welfare.

- In certain cases, when Wisconsin deviates from its average state-local spending level, the state’s northern climate may be a major factor. This is especially salient in the area of road and highway spending, where Wisconsin joins its Midwestern neighbors in being among the highest per capita spenders in the country.

- In other cases, history dictates Wisconsin’s spending rank. Sometimes – as is the case with sewerage – a history of settling all corners of the state and having many local units has resulted in a very decentralized system, and spending appears to be larger because more governments results in more spending.
Wisconsin’s national rank in per capita spending on prominent local services such as law enforcement (23rd), health (22nd), public welfare (18th), and K-12 schools (23rd) show the state is neither a “high” nor a “low” spender. Instead, Wisconsin lies close to the national average.

Wisconsin arrives at this common destination by an unusual route, however, leaning on local governments to deliver a number of services with little participation from the state. Of the 14 individual spending categories we examined in this report, in just two (fire and housing & community development) did Wisconsin’s local governments rank below 21st in per capita spending. At the state level, Wisconsin ranked below 21st in half of the 14 categories, and in three others (K-12 schools, fire, and libraries) the state had no direct spending whatsoever.

These findings carry significant implications given that the state has placed more ongoing restrictions on local government revenues than it has placed on its own. State shared revenues have fallen over the past decade while property taxes for operations have been largely limited to the rate of net new construction, which on a statewide basis has not topped 2% in 13 years.

In recent months, a national debate has emerged on calls to “defund” the police. Yet the state could already be seen as pursuing such a strategy indirectly, by depending so heavily on local governments to deliver this service but restricting their funding.

With a tumultuous economy, ongoing pandemic, and little indication of additional aid for local governments from either the federal government or state, Wisconsin appears to be reaching a tipping point. Should nothing change, the state’s cities and villages at a minimum can expect continued cuts to or at least limits on services such as law enforcement unless voters choose to exceed levy limits. Regardless, the status quo promises greater reliance on the property tax and other locally-derived revenues such as service charges and fees.

While we do not recommend a specific course, the following frames the available options for local and state officials to consider if they wish to sustain local government service levels going forward:

1. **State government takes on more responsibilities.** Direct spending at the state level in Wisconsin ranked 31st in the nation in per capita terms in 2017, with a majority of that spending directed to just two categories: education and public welfare. That said, unlike most local governments, the state is able to generate revenue from varied sources. Census Bureau data show that the state received $14.0 billion (53.8%) of its own source general revenue from general sales, individual income, and corporate income taxes combined. Local governments received just $386.3 million (2.6%) from those taxes, as only counties can levy general sales taxes of 0.5% and the income tax is not an option at the local level.

While state government phased out its use of the property tax in 2017, the state still has more ways to raise revenue, and does not face the same constraints on existing revenue streams as local governments. The state may also have more ability to find efficiencies in its large enterprise than a small local government would.
One option for state lawmakers is to have state government take on more responsibilities now shouldered by local governments, though it would likely need to raise state taxes or limit spending on current programs to do so. Parks and recreation (49th in state per capita spending), health (48th), and housing and community development (47th) are areas that would appear to be most logical to consider in this regard.

2. **Rethink local finance.** In “Dollars and Sense,” we pointed out the challenges embedded in a local government finance structure that “relies heavily on the property tax but also places significant restrictions on its growth.” With state shared revenues also down from their peak before the Great Recession, Wisconsin’s local governments are likely to struggle to keep services at current levels. Even if that’s not the case, most will be limited in their ability to expand service capacity in key areas like public health and emergency medical services to address the impacts of the pandemic and recession.

State leaders who are troubled by this paradigm may wish to reconsider the local government revenue structure in Wisconsin, particularly if they are not inclined to have the state assume more service responsibility or provide annual increases in state aids. In early 2020, members of the Assembly Ways and Means Committee heard testimony from local leaders seeking a binding referendum on whether Milwaukee County and its various municipalities could collect and share a new 1% sales tax. Both the sales and income tax are currently unavailable to local governments in Wisconsin outside of the optional county 0.5% sales tax – either of those could be explored.

Other options include increasing state shared revenue payments or providing more flexibility for local governments to impose fees or charges for services. Lawmakers have so far proved resistant to loosening state limits on property tax levies by allowing for some minimal level of growth in revenues even in communities with little to no new construction. However, doing nothing may lead to the same result – higher property taxes – as more municipalities start to explore the idea of voter referenda to exceed state limits.

3. **More local collaborations.** Regardless of whether they are relieved of some service responsibilities or afforded the opportunity to consider new revenue options, current economic conditions make it incumbent upon local governments to consider more seriously their various options for sharing or consolidating services with neighboring jurisdictions. This approach is especially important in a state like Wisconsin that gives more responsibility to local governments and that has an unusually high number of such governments.

The Forum has written extensively about the opportunities that exist to maintain or enhance service levels at lower cost through consolidation of fire, public safety dispatch, and emergency medical services. Many of the spending categories we outline in this report also show potential for collaboration, including health, libraries, highways, sewerage, and even central staff functions.

The League of Wisconsin Municipalities has suggested that city, village, and county governments consider the concept of the Cooperative Educational Service Agency, or CESA, as an example of ways that administrative functions might be efficiently shared. Twelve CESAs exist statewide to allow school districts to undertake “collaborative efforts to pool resources and expertise, share costs, and accelerate progress.” This is but one example of
the possibilities that may exist for local governments to generate efficiencies and streamline staff without necessarily sacrificing service levels or quality.

4. **More tools.** Facing the fallout from the last recession, state officials cut funding for local governments but also approved 2011 Wisconsin Act 10, which repealed most collective bargaining for state and local employees and required them to contribute more for their pensions and health care. Though highly controversial, the legislation helped local governments cope with their financial challenges.

Today it is worth asking again whether state government could do more to help local governments lower their own costs. Such discussion should include reviewing state mandates and reporting requirements as well as any state formulas or regulations that may impede local officials from working with neighboring communities to share services or cut costs. Likewise, re-examining economic development incentives in ways that might help local governments attract development could boost local budgets by increasing tax base.

Some local officials have pointed to the fact that Act 10 specifically exempted police and firefighters from its provisions. Including them, they say, would give them greater control over one of the largest parts of their budgets. However, any such change would have to be balanced against the impacts to recruitment and retention of workers doing inherently difficult and even dangerous jobs.

5. **Do nothing.** Change always involves risk, and some may see benefits to the status quo. Even with strict levy limits and decreasing state aid, Wisconsin’s local governments fall somewhat above average in per capita direct spending and the state and local governments combined fall in the middle of all states. Some may even wish to see these rankings continue to fall.

In addition, there are advantages to Wisconsin’s current approach to funding local services. We noted in April that property taxes are among the more resilient taxes in a recession. Unlike the sales tax, which relies on people having the means and willingness to make purchases, and the income tax, which may falter when millions lose their jobs, there is less chance that property tax revenue will decline. That may actually leave local governments here in somewhat better shape for now than their peers in other states that are more dependent on sales and income taxes.

Still, policymakers and the public should understand the tradeoffs of the present system, which may not be able to sustain the current level of services, particularly in the case of cities such as Milwaukee and rural communities with less growth.
CONCLUSION

The present crisis facing local governments in Wisconsin is unlike anything in the modern era, both validating the need for their services and raising the question of how they will be funded going forward. The pandemic and the economic turmoil around it have added urgency to some of the financial challenges that were building even before the arrival of COVID-19.

In Dollars and Sense, we concluded that “most other states, especially in the Midwest, use very different approaches” from Wisconsin’s to fund their municipalities. There continue to be questions, however, about whether local governments in our state spend more compared to those in other states. We find that public spending in the state is roughly average – a reflection of Wisconsin’s unusual balance between somewhat above average local spending and somewhat below average state spending.

Based purely on those numbers, some might advocate for lowering local spending here so we fall in the middle of the pack when compared to other states. Yet the data suggest the gap has already narrowed between state and local spending here and that local governments in Wisconsin may carry more responsibilities in certain areas such as policing than their peers in most states. If that is indeed the case, then letting local spending fall further might mean additional impacts for those largely local services.

To recap, our extensive study of local spending found:

- **Average spending.** Local governments in Wisconsin in 2017 spent $4,881 per capita, below the national average of $5,065 but roughly in the top third (15th) in the country. State government here spent $4,420, below the average of $4,472 across the country and ranking 31st. The state’s tax rankings have also fallen substantially in recent years and state spending has largely caught up to local spending here.

- **Still a local approach.** Wisconsin has more local governments than most states and local entities here do more spending than those in most other states on services such as police, libraries, parks, and public welfare while the state does less. For example, Wisconsin ranks eighth in the country for municipal police spending per capita but dead last nationally for state police spending. Some areas such as public welfare and health spending, police, and corrections have risen as a share of local budgets in Wisconsin over the past generation while others, such as highways and roads, have fallen.

- **Many local actors on stage.** Wisconsin’s decentralized approach to delivering services may have varied effects. The large number of municipal and other local governments involved in sewerage services may contribute to the state’s overall national rank of fourth for per capita spending in that category. The large number of small volunteer fire departments in Wisconsin, however, may contribute to the state’s rank of 31st nationally.

- **The cold reality.** Some spending may be dictated by factors such as climate, geography, and demographics that are outside the control of elected officials. For example, Wisconsin’s spending on roads and highways may need to remain relatively high, given the harsh winter conditions in the state and relatively large road network.
In light of these facts and the challenges now facing both local governments and their citizens, we highlight the urgent need to ensure that local services are delivered as efficiently as possible while also resourced appropriately to maintain the quality that residents expect. Already, we have observed road and highway spending shrink as a share of local spending compared to a generation ago and housing and community development spending now stand at some of the lowest levels in the nation. Sworn strength levels for police forces are falling in a number of communities on a per capita basis and even in absolute numbers in some places such as Milwaukee. Spending in some areas such as sewerage remains high and faces ongoing pressure due to factors such as flooding in recent years and environmental regulations and concerns.

Though some local governments may be able to avoid massive cuts in 2021, financial pressures will build into 2022 and beyond. Those can serve as an impetus to simply cut services or as an impetus to seek reform.

A renewed spirit of partnership between state and local officials would appear to be in order, as well as new efforts to explore both short and long-term solutions. Some alternatives, such as enhanced local revenue options or changes that would lower personnel costs, could be implemented relatively quickly. Others, such as service consolidation between communities, could take years to achieve but also produce substantial benefits.

Wisconsin has a long and proud history of local services and local control. In charting a path forward, policymakers should not necessarily feel bound by that tradition any more than they should be indifferent to it. Yet understanding Wisconsin’s unique approach may help them both to preserve and improve on it.
APPENDIX A: SPENDING CATEGORY DEFINITIONS

These definitions come from the 2006 Government Finance and Employment Classification Manual from the U.S. Bureau of the Census.

Air Transportation (Airports): Provision, operation, construction, and support of airport facilities serving the public at-large on a scheduled or unscheduled basis. Also includes the regulation of airline industry, if applicable.

Miscellaneous Commercial Activities, NEC: Provision and operation of publicly-owned commercial facilities not classified under particular functions, utilities, or social insurance trust activities.

Corrections:

- Correctional Institutions: Residential institutions or facilities for the confinement, correction, and rehabilitation of convicted adults, or juveniles adjudicated, delinquent or in need of supervision, and for the detention of adults and juveniles charged with a crime and awaiting trial.
- Other Corrections: Correctional activities other than Federal, state and local residential institutions or facilities, as described under Correctional Institutions.

Elementary and Secondary Education (K-12 Schools): The operation, maintenance, and construction of public schools and facilities for elementary and secondary education (kindergarten through high school), vocational-technical education, and other educational institutions except those for higher education. Covers operations by independent governments (school districts) as well as those operated as integral agencies of state, county, municipal, or township governments. Also covers financial support of public elementary and secondary schools.

Higher Education:

- Higher Education Auxiliary Enterprises: Higher education activities and facilities that provide supplementary services to students, faculty or staff, and which are self-supported (wholly or largely through charges for services) and operated on a commercial basis.
- Other Higher Education: Degree-granting institutions (associate, bachelor, master, or doctorate) operated by state or local governments that provide academic training beyond the high school (grade 12) level, other than for auxiliary enterprises of the state or local institutions.

Financial Administration: Officials and central staff agencies concerned with tax assessment and collection, accounting, auditing, budgeting, purchasing, custody of funds, and other finance activities.

Local Fire Protection: Prevention, avoidance, and suppression of fires and provision of ambulance, medical, rescue, or auxiliary services provided by fire protection agencies.

Judicial and Legal: Courts (criminal and civil) and activities associated with courts, legal services, and legal counseling of indigent or other needy persons.
**Central Staff Services:** Government-wide executive, administrative, and staff service agencies other than financial, judicial, legal, and Federal or state legislative activities.

**General Public Buildings:** Construction, equipping, maintenance, and operation of general public buildings not related to specific functions or agencies.

**Health:** Provision of services for the conservation and improvement of public health, other than hospital care, and financial support of other governments’ health programs.

**Hospitals:** Expenditures related to a government’s own hospitals as well as expenditures for the provision of care in other hospitals (public or private). Own hospitals are facilities directly administered by the government, including those operated by public universities. Other expenditures cover the provision of care in other hospitals and support of other public and private hospitals. This function also covers direct payments for acquisition or construction of hospitals (whether or not the government will operate the completed facility) and payments to private corporations that lease and operate government-owned hospitals.

**Highways:**

- **Regular Highways:** Maintenance, operation, repair, and construction of highways, streets, roads, alleys, sidewalks, bridges, tunnels, ferry boats, viaducts, and related non-toll structures.
- **Toll Highways:** Maintenance, operation, repair, and construction of highways, roads, bridges, ferries, and tunnels operated on a fee or toll basis. (NOT APPLICABLE IN WISCONSIN)

**Housing and Community Development:** Construction, operation, and support of housing and redevelopment projects and other activities to promote or aid public and private housing and community development.

**Libraries:** Establishment and provision of libraries for use by the general public and the technical and financial support of privately-operated libraries.

**Other Natural Resources***: Expenditures related to water resources, mineral resources, agriculture, and the regulation of industries which develop, utilize, or affect natural resources, as well as the regulation of agricultural products and establishments. Includes conservation, promotion, and development activities related to agriculture and natural resources (soil, water, energy, minerals, etc.). For state governments, expenditures in this function cover activities not reported in other Natural Resources functions *(Federal and State Forestry and State Fish and Game)*. (*Natural Resources at the local level includes just this category. At the state level, it also includes Federal and State Forestry and State Fish and Game.)

**Parking Facilities:** Provision, construction, maintenance, and operation of public parking facilities operated on a commercial basis.

**Parks and Recreation:** Provision and support of recreational and cultural-scientific facilities maintained for the benefit of residents and visitors.

**Police Protection:** Expenditures for general police, sheriff, state police, and other governmental departments that preserve law and order, protect persons and property from illegal acts, and work to prevent, control, investigate, and reduce crime.


**Protective Inspection and Regulation, NEC:** Regulation and inspection of private establishments for the protection of the public or to prevent hazardous conditions NOT classified under another Census Bureau function, and the regulation of professional occupational licensing.

**Public Welfare:**

- **Federal Categorical Assistance Programs:** This function covers expenditures associated with only three Federal programs – 1) Supplemental Security Income (SSI); 2) Temporary Assistance for Needy Families (TANF); 3) Medical Assistance Program (Medicaid)

- **Other Cash Assistance Programs:** Cash payments made directly to individuals contingent upon their need, other than those under Federal categorical assistance programs.

- **Vendor Payments for Medical Care:** Public welfare payments made directly to private vendors for medical assistance and hospital or health care, including Medicaid (Title XIX), plus mandatory state payments to the Federal Government to offset costs of prescription drugs under Medicare Part D. Payments to vendors or the Federal Government must be made on behalf of low-income or means tested beneficiaries, or other medically-qualified persons.

- **Vendor Payments for Other Purposes:** Payments under public welfare programs made directly to private vendors (i.e., individuals or nongovernmental organizations furnishing goods and services) for services and commodities, other than medical, hospital, and health care, on behalf of low-income or other means-tested beneficiaries.

- **Institutions:** Provision, construction, and maintenance of nursing homes and welfare institutions owned and operated by a government for the benefit of needy persons (contingent upon their financial or medical need), and veterans.

- **Other:** All expenditures for welfare activities not classified elsewhere.

**Sewerage:** Provision, maintenance, and operation of sanitary and storm sewer systems and sewage disposal and treatment facilities, as well as all intergovernmental payments for such activities.

**Solid Waste Management:** Collection, removal, and disposal of garbage, refuse, hazardous, and other solid wastes and the cleaning of streets, alleys, and sidewalks.

**Sea and Inland Port Facilities:** Provision, construction, operation, maintenance, and support of public waterways and harbors, docks, wharves, and related marine terminal facilities; and the regulation of the water transportation industry.

**Other and Unallocable:** Activities not applicable to other general functions, or multi-functional general sector activities that cannot be separated into specific functions.

**Interest on General Debt:** Amounts paid for use of borrowed monies, except those on utility debt, paid by all funds of the government.

**Assistance and Subsidies:** Direct cash assistance to foreign governments, private individuals, and nongovernmental organizations (e.g., foreign aid, agricultural supports, public welfare, veteran bonuses, and cash grants for tuition and scholarships) neither in return for goods and service nor in repayment of debt and other claims against the government.
APPENDIX B: MORE ON HOUSING & COMMUNITY DEVELOPMENT SPENDING

Spending on housing and community development by special districts happens through Wisconsin’s 151 housing authorities, whose powers are authorized by state law. Just one housing authority in the state (Brown County) spent more than $10 million on housing and community development operations in 2017. Overall, at $27 per capita, Wisconsin’s special districts ranked 38th out of the 41 states that had any local special district spending in this category.

Municipalities made up most of the rest of housing and community development operational spending in the state. In total, 165 Wisconsin municipalities combined to spend $19 per capita in this area, 28th in the country but less than half the nationwide average of $42. Milwaukee and Madison ($61.4 million) made up more than half of the $108.6 million spent.

As is the case for previous spending categories, employment data for this functional category closely tracks its spending trends. At just over 20 local FTEs per 100,000 state residents, Wisconsin ranks 41st nationwide in local housing and community development employment, well below the U.S. average of 32.3.
APPENDIX C: TOTAL DIRECT EXPENDITURE VS. DIRECT GENERAL EXPENDITURE

In this report, we use the Census Bureau’s definition of “direct general expenditure” (DGE) as our metric to examine operating and capital spending across the full slate of local and state government functions. This is not the only way to define “total spending,” however. Another frequently used measure is “total direct expenditure.” The only difference between these two spending classifications is that total direct expenditure includes operating, capital, and interest spending on water, electric, gas, and public mass transit utilities, insurance trust benefits, and publicly-owned liquor stores, while DGE does not. DGE, therefore, more appropriately reflects the decisions that individual units of government have to make each year when it comes to budgeting and taxing.

Our decision to use DGE as our yardstick reflected our desire to remain generally in line with other analyses similar to this one. It should be noted, however, that the functions that DGE excludes make up an important aspect of what local governments do – for example, many are quite familiar with the services their water, gas, and electric utilities provide. Additionally, because of the exclusion of these extra services, the state’s overall spending ranking is somewhat higher when looking at DGE instead of total direct expenditure. For example, Wisconsin ranks 20th in combined state-local “total spending” when the metric used is DGE (2.5% below the national average), instead of 24th when the metric is total direct expenditure (5.0% below the national average).

When we look at individual spending categories such as police, fire protections, and streets, these differences do not apply. For individual categories, the comparisons and rankings across states are “apples to apples.”

1 Our definition of the Midwest includes the following states: Ohio, Michigan, Indiana, Illinois, Wisconsin, Iowa, Minnesota, Missouri, North Dakota, South Dakota, Kansas, and Nebraska.
2 The numbers in this report come from the April 2020 Willamette update. The data has been updated one time since, meaning that numbers in this report will not match up directly with data currently available through Willamette.
3 Personal income calculation from https://apps.bea.gov/itable/iTable.cfm?ReqID=70&step=1
4 Though items such as declining enrollments, state-imposed limits on key school revenues, and Wisconsin Act 10 (which repealed most collective bargaining for school employees and led to greater pension and health care contributions) likely had an impact on school spending, exclusion of pension obligations from direct general expenditure means that these effects might not be fully reflected in the concentration of local spending towards schools. That said, teacher health care benefits – which were directly impacted by Act 10 – would be included in K-12 schools spending.
5 Defined by the Census Bureau as “direct cash assistance to foreign governments, private individuals, and nongovernmental organizations (e.g. foreign aid, agricultural supports, public welfare, veteran bonuses, and cash grants for tuition and scholarships) neither in returns for goods and services nor in repayment of debt and other claims against the government.”
6 This may reflect much higher interest rates in 1977 compared to 2017.
7 Large jumps in percentage makeup from 1977 to 1987 in this figure reflect education as a spending item being removed from municipalities over this time period – see pp. 7-8 for a detailed explanation.
8 Wisconsin’s local and state spending are slightly below U.S. averages per capita. However, Wisconsin’s local spending (12.0%) is slightly above the U.S. average (9.6%) as a percentage of personal income, as is state-level spending (8.9% in Wisconsin compared to 8.5% in states nationwide).
9 Today, Wisconsin has 604 municipalities. Since 2017, three local governments that were formerly towns have been incorporated.
10 This analysis looked only at state and local law enforcement and does not account for federal or tribal police. A closer look at the data shows that the state of Wisconsin’s $44.3 million in operating police spending in 2017 was abnormally low. In 2016, $141.1 million was reported in spending, the state’s highest spending total across all years of recorded data. We are unable to explain 2017’s lower amount, but the characterizations made in this section still hold even if prior year
numbers were extrapolated to 2017. For example, if the state of Wisconsin had spent $141.1 million in 2017 on police operations, it would have amounted to $24.58 per capita, which would still be the lowest in the country.

11 The Census Bureau Annual Survey of Public Employment and Payroll (ASPEP) can be found here: https://www.census.gov/programs-surveys/apes/data/datasetstables/2019.html

12 In addition to normal policing duties, the State Patrol – a division of the state’s Department of Transportation - serves a number of special roles, including aiding the Wisconsin Department of Justice with child trafficking investigations and creating commercials regarding transportation safety. https://wisconsindot.gov/Documents/about-wisdot/who-we-are/dsp/annualreport-2019.pdf

13 The survey is published by the Institute of Museum and Library Services (IMLS).

14 Data from the National Association of State Park Directors (NASPD) shows that despite being 17th in visitors to state parks per capita, Wisconsin is 48th in operating spending on state parks per capita, and a recent DNR publication confirms that state parks operate at a relatively low cost per visitor.


17 https://www.bts.gov/road-condition


19 For more on Wisconsin’s Family Care Regions, see https://www.dhs.wisconsin.gov/publications/p01790.pdf