

## OUR TOP FIVE FINDINGS FOR 2024

*Forum researchers published 52 reports and interactive data tools in 2024 that took on topics ranging from dam safety to the labor market. The annual list of our top five findings features research insights into arrests in Milwaukee, the rising cost of housing, Wisconsin's tax ranking, the potential expansion of the Medicaid program in the state, and a little-known factor affecting the Milwaukee Public Schools property tax levy.*

A review of the Forum's output in 2024 shows the breadth of our work, which ran from a [look at how local road quality](#) has fallen to an examination of how food stamp usage [remains relatively high](#) in the wake of the pandemic. We also delved into challenges facing [K-12 schools in Milwaukee](#), the growth in [permits for housing developments](#), and [trends in outdoor recreation](#).

Our top five findings for the year likewise underline that broad range of research and serve as a testament to both the hard work of our staff and the strong support of the Forum's members who helped to underwrite those efforts.

It's never easy to settle on just five items out of the dozens of in-depth reports, shorter research briefs, and interactive data tools that we publish each year. In making this selection, we tried to highlight findings that brought to light new and notable facts for elected officials and the public. Here is this year's top five list in order of publication:

- 1. Milwaukee Public Schools (MPS) leaders more than [tripled the district's property tax levy for recreation](#) in 2023-24 but then lowered it again this year.** While analyzing the fiscal factors behind the April 2024 MPS referendum, we found that, in the fall of 2023, the school board had voted to increase the district's community services levy from \$34.7 million in the 2022-23 budget to \$112.4 million in 2023-24. The vote had received little public attention when initially passed, despite its sizable impact on property tax bills.

This so-called Fund 80 levy – just one component of the overall property taxes levied by MPS – helps pay for non-classroom activities that serve not just MPS students, but the entire community, including adult education, recreation, and day care services. This component of the levy is not restricted by state revenue limits, which cap the amount of funds that the district can receive from state general aid and local property taxes.

The move came after district leaders learned that state aid and revenue limit amounts for 2023-24 would require them to substantially lower the amount that could be levied for school operations that year. The board could have responded by reducing the tax levy on property owners, increasing a different levy, or a combination of the two. Leaders effectively chose to use all of the savings to raise the Fund 80 levy. The district has said the funds from last year's increase will go toward a new recreation community center and aquatic facility at the former Browning School and Browning Playfield location and to address other longstanding recreational facility needs.

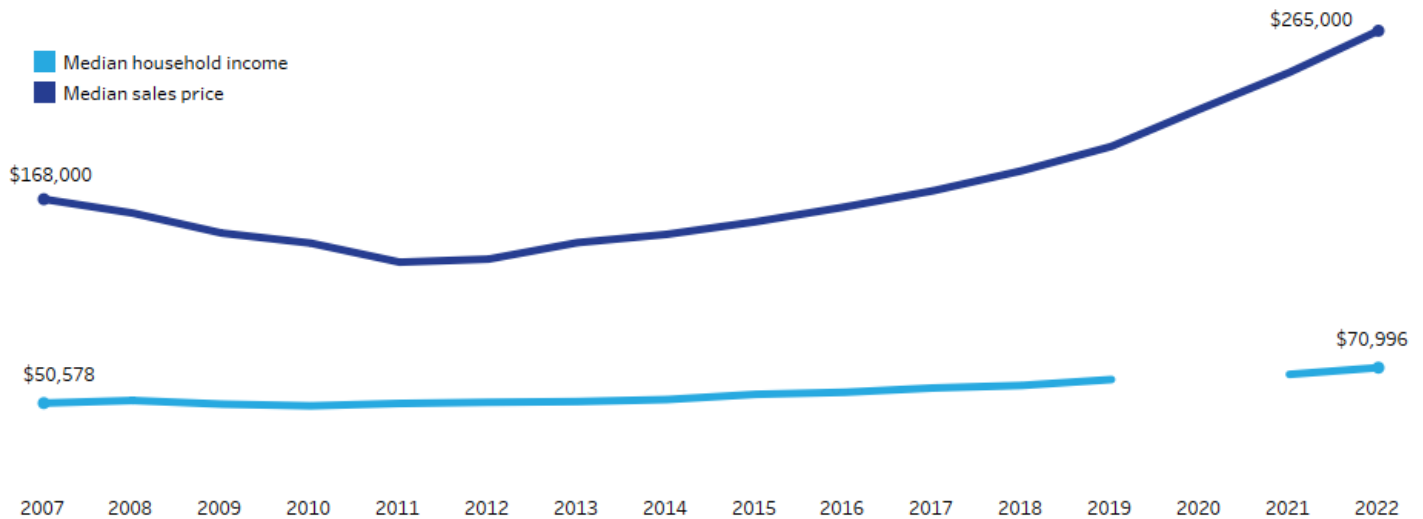
After this large increase in the Fund 80 levy in the 2023-24 budget, MPS leaders lowered the Fund 80 levy to \$18.9 million in 2024-25. The decrease helped to limit the substantial [increase in the district's overall tax levy](#) following the successful referendum, and mitigated the impact of a state aid reduction by the Wisconsin Department of Public Instruction due to errors in prior year MPS financial reporting.

2. Since 2017, home prices in Wisconsin have [risen much faster](#) than incomes, making buying a home a more daunting endeavor.

Our analysis of U.S. Census Bureau data showed the median sales price of homes in Wisconsin increased by more than half (53.3%) in just five years, from \$172,900 in 2017 to \$265,000 in 2022 (see figure). During those years, the state's median household income increased by only 19.7%.

**Housing Prices Have Increased Much Faster than Incomes**

Median home sales price and median household income in Wisconsin



Source: Wisconsin Realtors Association; U.S. Census Bureau: ACS 1-year estimates  
Notes: These figures are not adjusted for inflation. ACS income data are not available for 2020.

The state's home price-to-income ratio reached 3.7 in 2022, its highest point in data extending back to 2007. A general rule used by many real estate agents is that homebuyers can afford to spend roughly [2.6 times their household income](#) on a home.

In somewhat more reassuring news, we also found that Wisconsin's median monthly gross rent rose slightly less between 2017 and 2022 than the median income among the state's renter households.

3. Among the 10 remaining states that have not expanded the Medicaid program, Wisconsin is the [only one that would save substantially](#) on Medicaid spending if elected officials expanded the program and drew down additional funding available under the federal Affordable Care Act.

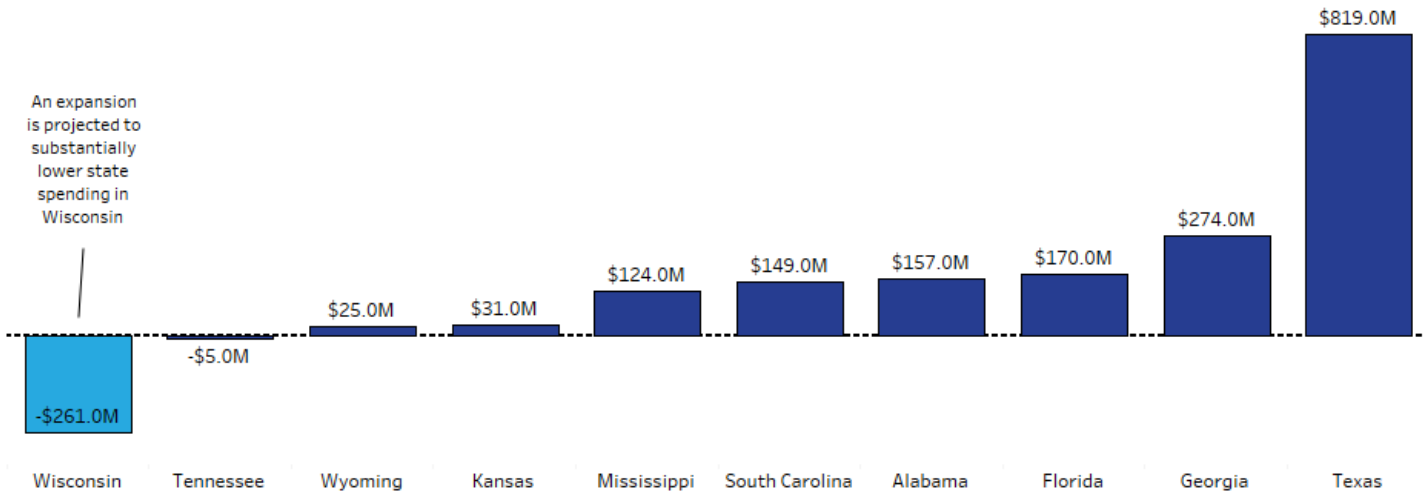
As the figure on the top of the next page shows using projections from The Urban Institute and the Robert Wood Johnson Foundation, a full Medicaid expansion would have required the other nine states to spend an average of \$193.7 million more per year for that program in 2024 because they would have been covering so many more individuals. Wisconsin, on the other hand, would have lowered its ongoing state Medicaid spending through an expansion by a projected \$261 million in 2024, since the state would have captured a much higher federal reimbursement rate on the coverage it is already paying for tens of thousands of adults in the state.

A [separate Forum brief](#) on the state budget recently found that maintaining existing Medicaid health coverage for the needy is expected to cost state taxpayers an additional \$1.1 billion over the next two years. The state could save an estimated \$1.7 billion over the next two years by using federal funds to expand Medicaid coverage in Wisconsin, but the Legislature has opted against expansion over the past decade.



### Wisconsin Would Save the Most from Fully Expanding Medicaid Among the States That Have Not Done So

Projected impact to state Medicaid spending in 2024 from potential expansion under federal Affordable Care Act (in millions)



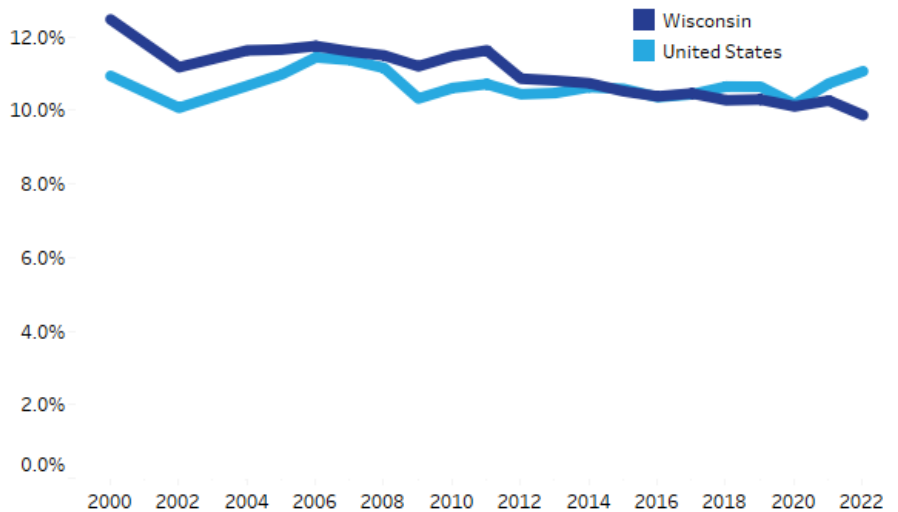
Source: The Urban Institute and Robert Wood Johnson Foundation

- State and local taxes in 2022 fell to a [record low of just 9.9% of personal income](#) in Wisconsin, down from 10.3% the year before and well below the national average of 11.1%, U.S. Census Bureau show (see figure). This drop in what is often called the state’s tax burden caused Wisconsin’s tax ranking to fall to 35<sup>th</sup> nationally – the lowest on record.

One major factor in the rankings drop was legislation approved by lawmakers and Gov. Tony Evers to lower the tax rate in the state’s third income tax bracket [from 6.27% to 5.3%](#) starting in calendar year 2021. That roughly \$1 billion cut helped limit the growth in state and local tax revenues here to 4.6% in fiscal 2022. Without this income tax cut, the tax burden would have still fallen but less sharply. Tight limits on the property taxes and revenues of K-12 schools and local governments also contributed to the decrease.

#### Wisconsin Tax Burden Falls Well Below U.S. Average

State and local taxes as a share of personal income by year



Sources: U.S. Census Bureau and U.S. Bureau of Economic Analysis

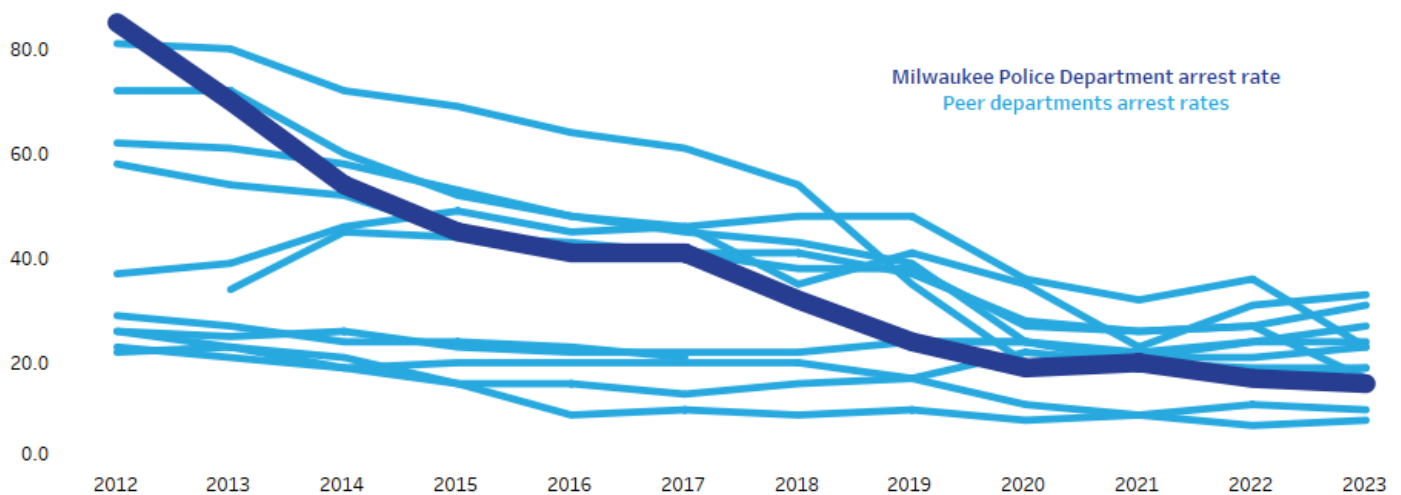
The drop in the tax burden comes with tradeoffs, including a decline in education funding in Wisconsin. The state’s spending on K-12 schools totaled 3.8% of personal income in 2022, which was down from 3.9% in 2021 and 5.2% in 2000. The state’s national ranking in this category in 2022 was 31<sup>st</sup>, down from eighth-highest in 2000.



5. **Arrests by the Milwaukee Police Department (MPD) fell by 82.3% over the past decade, dropping from 51,176 in 2012 to 9,061 in 2023.** The downward trend occurred in years before, during, and after the COVID-19 pandemic. Milwaukee police contacts with citizens also saw a sharp decline: in 2023, MPD made 27,715 traffic stops, 81.5% fewer than it made in 2015; the department also conducted only 708 subject stops last year, a 98.5% decrease from 2015.

Our report provided added context by comparing Milwaukee to a group of 11 peer cities, finding that since 2012, the decline in Milwaukee’s arrest rate was the largest of any city in that group (see figure). Milwaukee’s rate of 85.5 arrests per 1,000 residents in 2012 was the highest of any of the peer cities, but its 2023 rate of 16.1 arrests per 1,000 residents was higher than only two of those peers: Seattle (10.8) and Cleveland (9.3). Our report cited a number of potential contributors to the larger drop in Milwaukee, including a drop in reported offenses in the city, declines in MPD staffing levels, changes in MPD leadership and policies, and the agreement on stop-and-frisk practices by MPD known as the Collins Settlement.

**Milwaukee Arrests Plummet Relative to Peer Cities**  
Arrest rate per 1,000 residents, 2012 to 2023, Milwaukee and 11 peer cities\*



Sources: Wisconsin Department of Justice and FBI Uniform Crime Reporting. \*Includes all cities with populations between 350,000 and 750,000 that switched to incident-based reporting on or before 1/1/2012. 2012 Denver and 2018 Wichita data excluded due to apparent data anomalies.

Because we limit our annual list to five, we had to leave out several other important 2024 findings. Those included new insights on [the value of higher education](#), a recent [surge in traffic fatalities in Milwaukee](#), the [uneven recovery of jobs across the state](#) since the height of the pandemic, and the financial [challenges Milwaukee’s performing art organizations are facing](#).

We’re proud that in 2024 we were able to meet our goal of publishing an average of one report or brief for each of the 52 weeks in the year. Our staff is also grateful that our work once again received recognition from the Governmental Research Association, which noted the [role our research played](#) in legislation to strengthen the pensions and finances of the city of Milwaukee and Milwaukee County.

We want to sincerely thank our members and supporters for helping us to run one of the nation’s top nonpartisan policy think tanks for the benefit of Wisconsin’s residents. In the coming year, we look forward to holding more public events on state and local policy and publishing many insightful and sometimes surprising findings. We hope to see many of our members at our [annual meeting on February 4!](#)

