



Office of the Mayor

Satya Rhodes-Conway, Mayor
 City-County Building, Room 403
 210 Martin Luther King, Jr. Blvd.
 Madison, WI 53703
 Phone: (608) 266-4611 | Fax: (608) 267-8671
mayor@cityofmadison.com
cityofmadison.com

Property Tax Questions?

Phone: (608) 266-4771
treasurer@cityofmadison.com
cityofmadison.com/finance/treasury

December 2023

Dear Madisonians:

Your property tax bill includes the total due to your school district, the City of Madison, Dane County and Madison College (MATC).

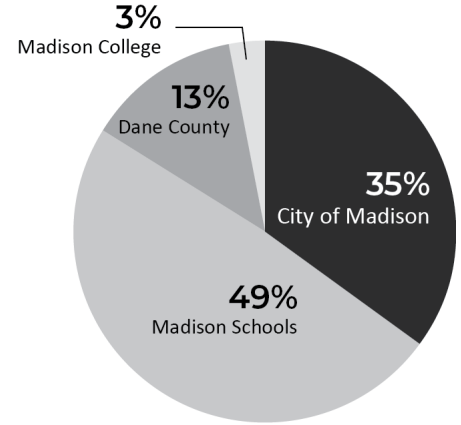
The City of Madison’s share of your property taxes is 35% of the total bill, which supports the basic services you expect from government. It helps ensure your trash is picked up, the streets are plowed, the traffic lights work, our parks are maintained, and much more. As always, we pay attention to the emerging needs and priorities of our community. The 2024 City budget maintains current service levels, and includes the following programs:

- Funding the Clerk’s office to administer free and fair elections;
- Enhancing the effectiveness of our emergency medical response by hiring a civilian emergency medical services (EMS) coordinator;
- Funding a third-party to transport people to secure mental health facilities, which will allow our police officers to spend more time in neighborhoods; and
- Providing a cost-of-living increase for organizations under contract with the city to provide community services.

Our city continues to attract new residents – 115,000 more by 2050, which is a faster pace of growth than we have seen in the past. In order to keep providing the services our community expects, we need to increase staffing levels across city agencies – we need more fire fighters, more librarians, more snow plow drivers, more building and construction inspectors – just to name a few. But the number of city staff positions per 1,000 residents has declined 10 percent since 2011. Every year we work to be more efficient, but ultimately staffing levels impact our ability to deliver services.

Madison has done its best for years to deliver high quality services to its residents – it is one of the major reasons that people want to live here. But, we have limited local resources to continue those service levels. In contrast to most cities across the country, Madison does not have a local option sales or income tax. We are instead heavily reliant on the property tax because of Wisconsin’s model for financing

Distribution of Your Property Tax Bill



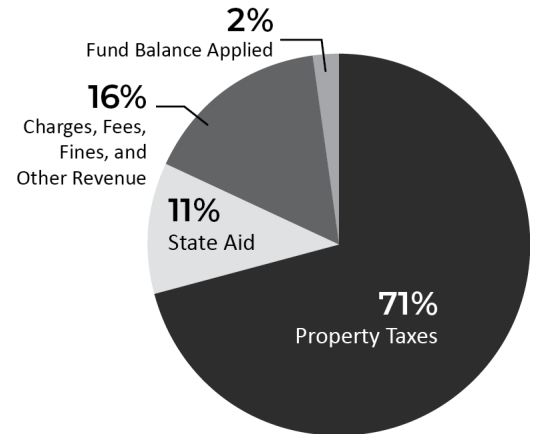
The school levy includes \$9.9 million mandated by state law to support private and independent charter schools.

There are portions of 8 school districts within the city limits of the City of Madison. The largest is the Madison Metropolitan School District.

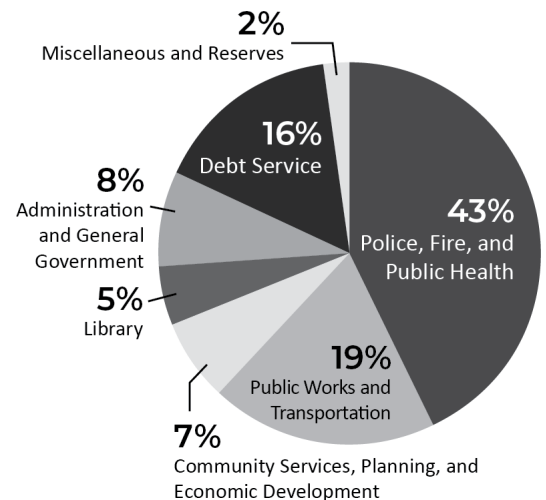
City of Madison 2024 Budget

\$405.4 million

Revenue



Expenditures

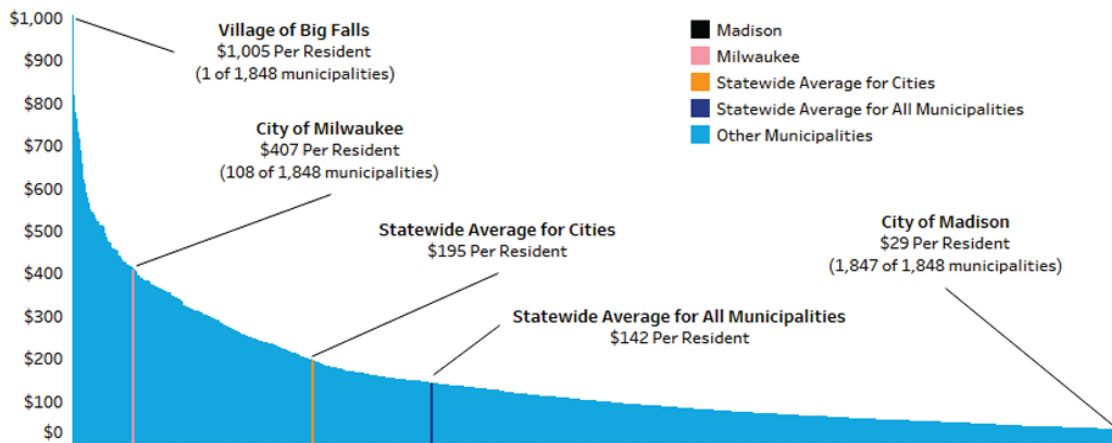


local government. State law limits growth in the property tax for city operations to the assessed value of new construction in the city – around 2 percent annually. This is a much lower rate of growth than property assessments or inflation.

Rather than give cities the option of sales or income taxes, the State collects those taxes at the state level and “shares” them with local governments. Unfortunately, the State’s aid to cities has not kept pace with inflation over the years. If annual state aid had simply kept pace with inflation from year 2000 levels, Madison’s share would be \$9 million higher than it is today. Recent state legislation used a part of the huge state budget surplus to provide the largest increase in “shared revenues” in a generation. For the first time in our state’s history, this legislation also authorized a 2 percent city sales tax, but only for the City of Milwaukee. Despite all of these favorable conditions, the State Legislature specifically excluded Madison from receiving its fair share of the increase in shared revenue and excluded Madison from authorizing a local sales tax.

Figure 11: Madison Now Second Lowest Among 1,848 Wisconsin Municipalities in Key Form of State Aid

Total state per capita county and municipal aid following the legislation known as Act 12, by municipality



Sources: Wisconsin Department of Administration, Legislative Fiscal Bureau, and WPF calculations

[Graphic – Wisconsin Policy Forum – City of Madison Budget Brief]

The City’s 2024 budget represents the last year of the significant federal and local resources and reserves to support City programs in response to the COVID pandemic, with nearly \$17 million of these funds and other one-time monies allocated to balance the budget. The forecast beyond 2025 is bleak. Simply maintaining current service levels to residents (e.g., libraries, snow plowing, parks, public safety) is expected to cost \$75 million more than the maximum revenues the state will allow by 2029.

If we are to keep Madison’s high quality of life and its viability as a place we all want to live, work and play, we have to keep investing in the staffing and infrastructure that supports our vibrant economy and diverse community. We have to have resources to tackle the challenges that hold back our economy, like lack of affordable housing and childcare. It is clear that those resources will not come from the State. We will need to find other ways to keep our services at the level that our residents and businesses have come to rely on and expect. Your City government is working hard to face these challenges, and to deliver the services you expect from us. Thank you for your support of our hardworking City staff.

As 2023 comes to a close, all of us in City service wish you and your family a happy and healthy 2024!

Sincerely,

Satya Rhodes-Conway
Mayor