

State Austerity, Local Fiscal Stress, and the Future: National and Wisconsin View

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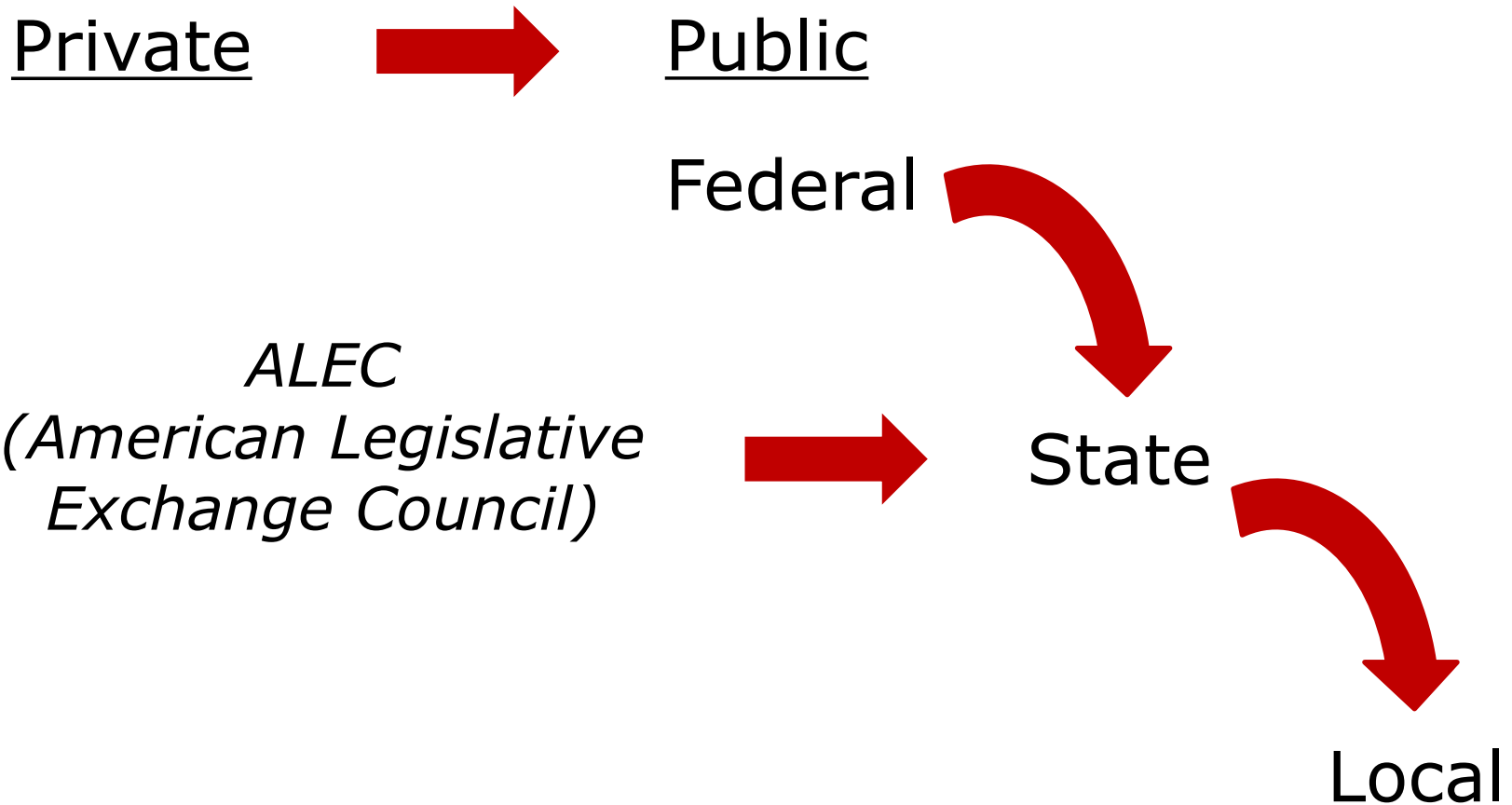
Ithaca, NY | December 1, 2017

Fiscal Stress and Austerity



"Austerity Urbanism"

- "Scalar Dumping" (Peck 2014)

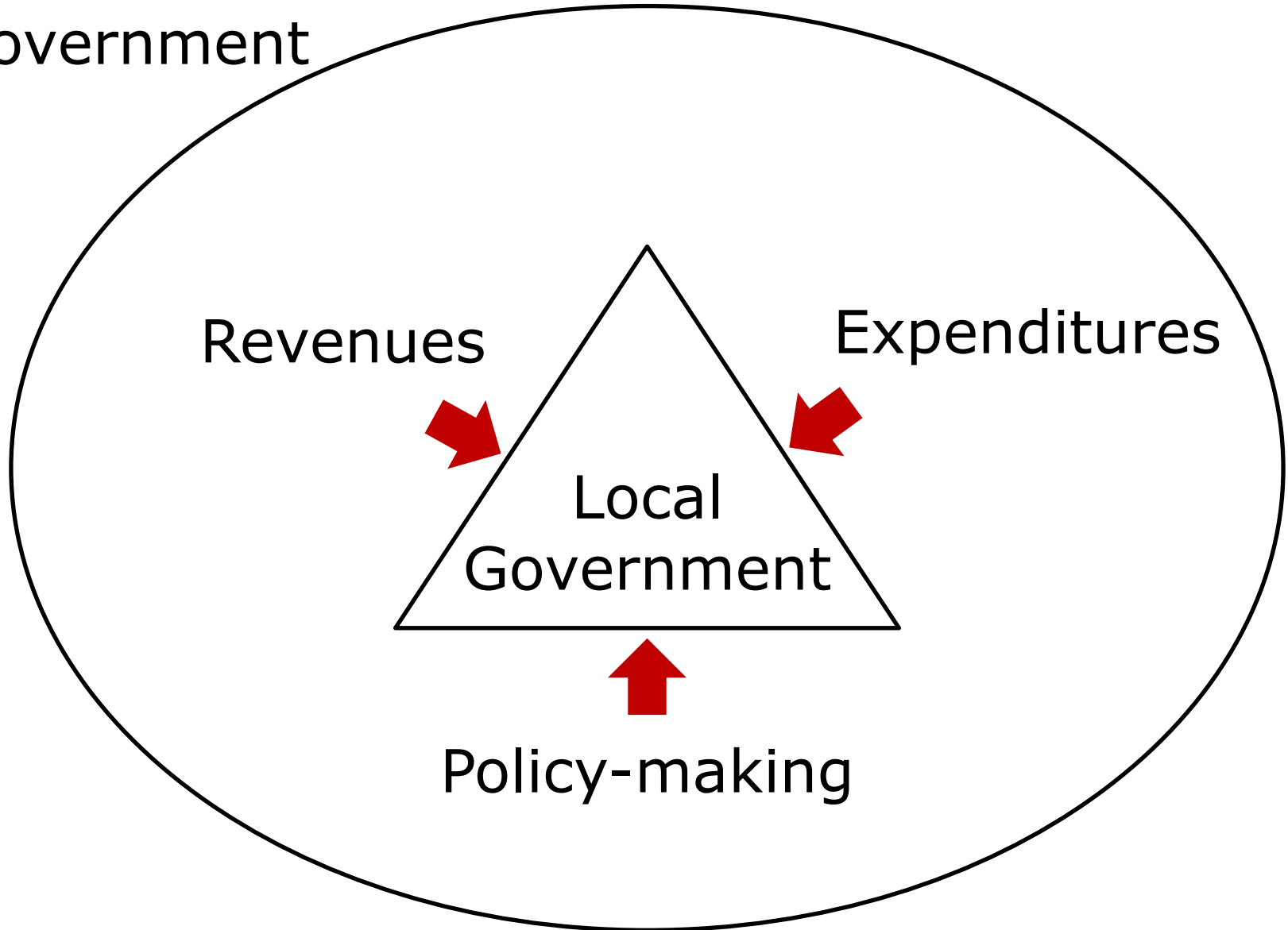


National: Pragmatic Municipalism



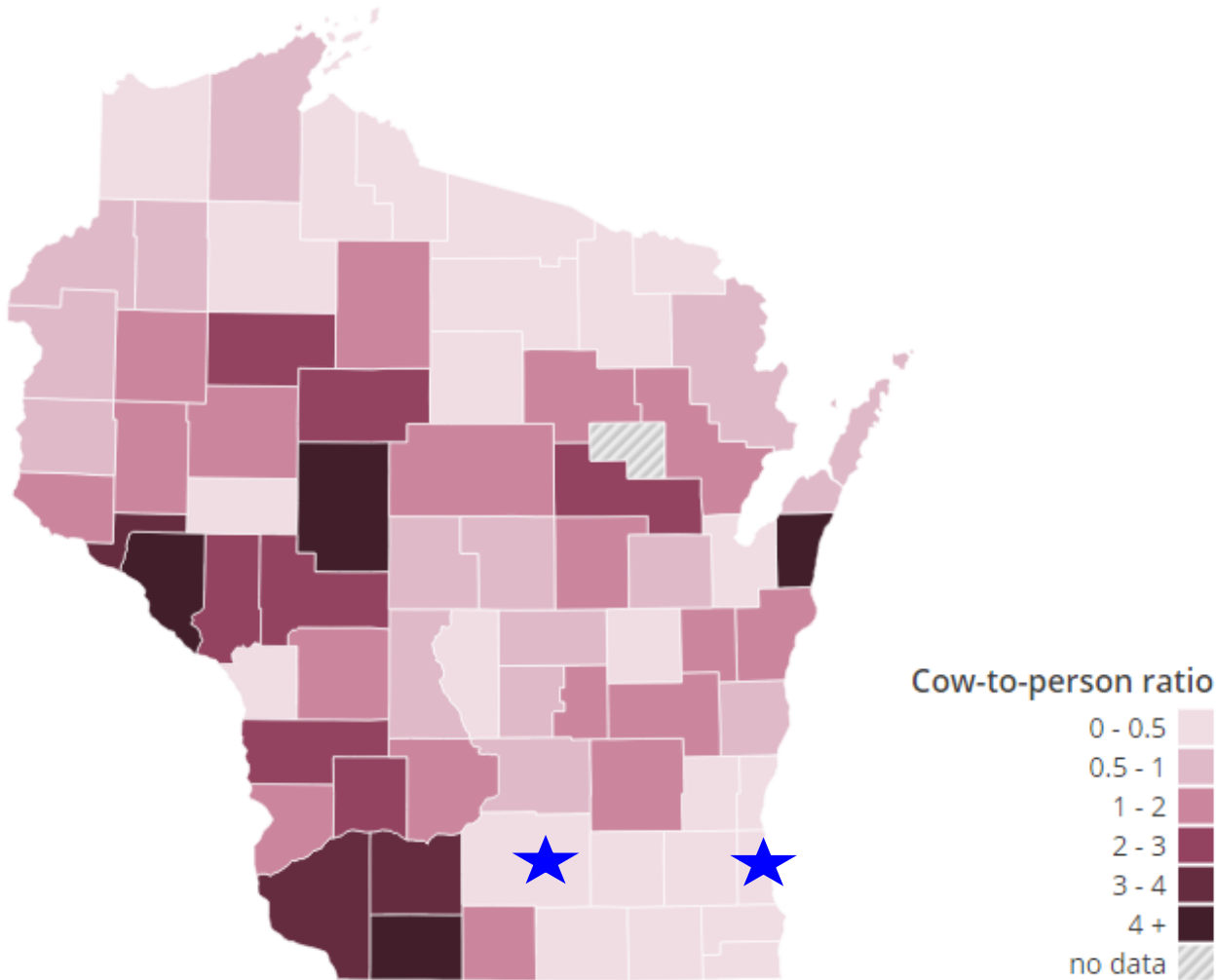
Source: Kim, Yunji, and Mildred E Warner. 2016. "Pragmatic Municipalism: Local Government Service Delivery After the Great Recession." *Public Administration* 94 (3):789-805.

State
Government



Wisconsin

Cow-to-Person Ratio



Source: Jones, M., Kalman, C., McKown, C. "Where Cows and Deer Outnumber People in Wisconsin" WisCONTEXT Nov. 17, 2017

REVENUES

Wisconsin Local Revenues



Local Rev as % Total General Revenue
by Source (2012)

	National	Wisconsin	New York
Federal aid	5%	3%	4%
State aid	32%	39%	30%
Property tax	30%	39%	29%
Charges	17%	14%	11%
Sales tax	7%	2%	9%

Wisconsin Local Revenue Tools



Have:

- Property taxes
- Utility charges
- User fees
- Wheel tax
- Room tax
- PILOTS (Water Utility, tax exempt)
- Special assessments
- Impact fees
- Interest income
- Forfeitures

Do *not* have:

- Local income tax
- Local sales tax (except counties & municipalities w/premier resort areas)
- Local gas tax
- Local telecommunication taxes

EXPENDITURES

POLICY-MAKING

THE FUTURE?

Just FIX IT

or Just Ignore it?

The Consequences of Doing Nothing

US News & World Report rates Wisconsin's roads as 49th in the nation.

FACT Despite well-documented poor and declining road conditions, the Governor proposes to spend **LESS** on transportation over the next two years.

A Legislative Fiscal Bureau analysis comparing the Governor's proposed transportation budget to the current biennium shows that the Governor's proposal would **REDUCE** spending by \$45 million.

All Funding in Millions				
	2015-17 Biennium	2017-19 Biennium	\$ Change	% Change
Appropriations (Excluding Local Appropriations)	\$5,473.8	\$5,735.9		
Plus General Obligation Bonding	\$642.0	\$334.8		
Total Resources	\$6,115.8	\$6,070.7	-\$45.1	-.7%

Figures courtesy Legislative Fiscal Bureau, March 2017



Wisconsin Towns Association

Lose Local Government, and You Will Lose America

Have town citizens earned a 21st century economy?

Or, will they be stuck with 20th century infrastructure?

To most effectively and efficiently maintain town road infrastructure and respect the initial taxpayer construction investment, certain maintenance procedures are required. Towns are not even close to achieving required maintenance intervals.

	Required Interval	Current
Crack Filling	3 Years	16.1 Years
Sealing	5 – 7 Years	31.4 Years
Mill – Overlay (mid-life treatment)	20 – 35 Years	62.9 Years
Reconstruction	40 – 70 Years	370.8 Years

**Towns can
reconstruct a road every
371 Years**

Thank you

Questions or comments?
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