

A HIGH-LEVEL LOOK AT POLICE FUNDING TRENDS IN WISCONSIN

State data show municipalities in Wisconsin spent \$219 per capita on law enforcement in 2018, which amounted to inflation-adjusted increases of 29.8% since 1986 and 6.4% since 2000. Though lower than its peak in 2013, police protection as a share of total municipal spending is higher than in the 1990s and early 2000s and makes up a larger share of total county spending than at any point since 1986. At the same time, police sworn staffing levels in the state's largest cities have generally lagged population growth, and overall crime levels have fallen.

Amid the worst U.S. health crisis and economic conditions in generations, the death of George Floyd at the hands of Minneapolis police in late May spurred protests in every corner of the country. Calls for police department reforms already have yielded substantive policy changes across the nation.

Particularly prominent have been calls to “defund” local police departments, a term with different meanings for different people. For some, it may convey a desire to shift resources from police to other budget priorities – like public health or workforce development – that are perceived to be in need of increased funding or as more effective in addressing crime or poverty. For others, it may mean a desire to disband existing departments and re-create new public safety agencies and models in their place.

In this analysis, we seek to add context to these emerging policy discussions using figures on police spending from state and local sources, as well as national data from the U.S. Census Bureau.

LAW ENFORCEMENT SPENDING IN WISCONSIN

Each year, the Wisconsin Department of Revenue (DOR) publishes a report detailing spending by function for the primary local governments in the state including for “law enforcement.” We analyzed data from those reports from 1986 (the year the report was first produced) to 2018 and found law enforcement spending per capita by Wisconsin municipalities rose faster than both inflation and municipal spending overall.

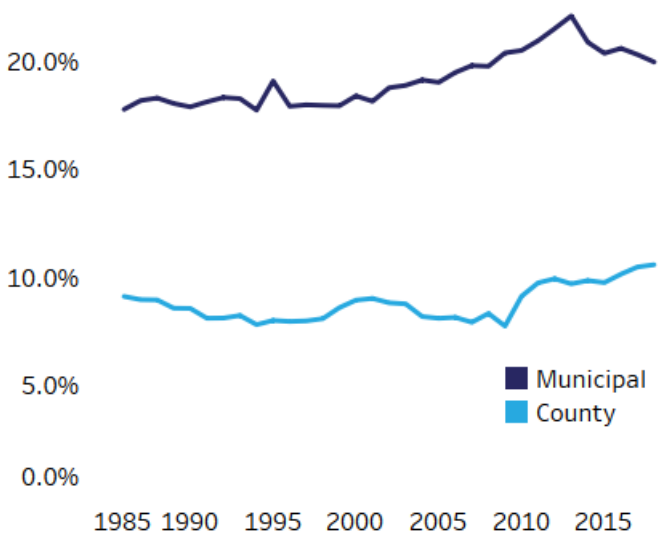
- In 1986, municipalities spent about \$353 million on law enforcement (both operating and capital); this rose to \$1.28 billion in 2018, an increase of 262% in raw dollars and nearly 60% after accounting for inflation.
- On a per capita basis, municipal spending on law enforcement rose from \$74 in 1986 to \$219 in 2018, a 197% increase in raw dollars and a 30% increase after adjusting for inflation.
- Law enforcement spending comprised 17.8% of total municipal operating and capital spending in 1986 and was somewhat higher at 20.0% in 2018, although the percentage has trended downward since peaking at 22.1% in 2013 (see Figure 1).
- In every year during the period, law enforcement was the largest municipal spending category in Wisconsin.

While counties generally do not house police departments, they do spend considerable sums on sheriff’s services. In 1986, counties spent just under \$127 million on law enforcement, or 9.1% of total spending (both operating and capital). Health and human services (42.3%) and general government spending (16.2%) both took up a larger portion of county budgets statewide.

By 2018, law enforcement spending rose to \$549 million and 10.6% of county budgets; spending was also

Figure 1: Proportional Law Enforcement Spending Has Increased

Law enforcement spending as % of operating and capital spending in Wisconsin



Source: Wisconsin Department of Revenue

surpassed by the “Other Public Safety” spending category – which includes prisons and jails – in the late 1990s. Per capita county law enforcement spending rose from \$26 in 1986 to \$94 in 2018 (a 256% increase; 56% when accounting for inflation).

CRIME IN WISCONSIN

Crime levels are one factor to consider alongside police spending. The FBI’s Uniform Crime Reporting (UCR) data has tracked both violent and property crime nationwide since the mid-1980s. During the same time period used above – 1986 to 2018 – violent crime figures have increased in Wisconsin, from about 258 offenses per 100,000 in 1986 to 295 in 2018. However, property crime fell by a larger amount from 3,839 per 100,000 to 1,560 in 2018, meaning the overall crime rate in the state fell from 4,097 to 1,855 – a reduction of 54.7% in just over 30 years (see Figure 2). In 2018, the rates of both types of crime were below the national average, though Wisconsin’s rate of violent crime is much closer to the national average now than in 1986 as nationwide rates have seen stark decreases.

These figures should be interpreted with caution given that changes in laws, police reporting practices, and definitions such as that used for sexual assault have all changed over the years, making the data less

comparable over time. While these data are imperfect, we believe they add at least some context for this discussion.

In addition, we do not seek to imply a causal relationship between spending levels and crime reduction. It is also important to recognize that police perform other functions beyond responding to crimes, such as responding to medical emergencies and staffing events, that local elected officials may wish to consider in setting police budgets and force levels.

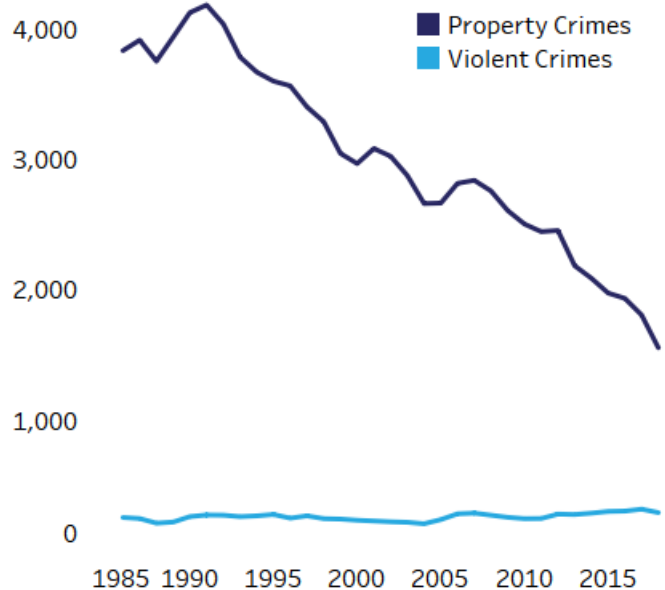
HOW WISCONSIN COMPARES NATIONALLY

The U.S. Census Bureau publishes data on local government spending nationally and uses “police protection” as its law enforcement category, a term that includes “general police, sheriff, state police, and other governmental departments that preserve law and order.” According to 2017 Census figures, police protection accounts for 16.4% of municipal operating spending in Wisconsin, compared to 13.2% nationwide. However, that comparison may not be valid due to differences among states in the functions provided by municipalities versus other local governments.

Once all local governments are accounted for, including entities like counties, school districts, and special

Figure 2: Property Crime Rates Fall in WI

Crime rate per 100,000 people, 1986 to 2018

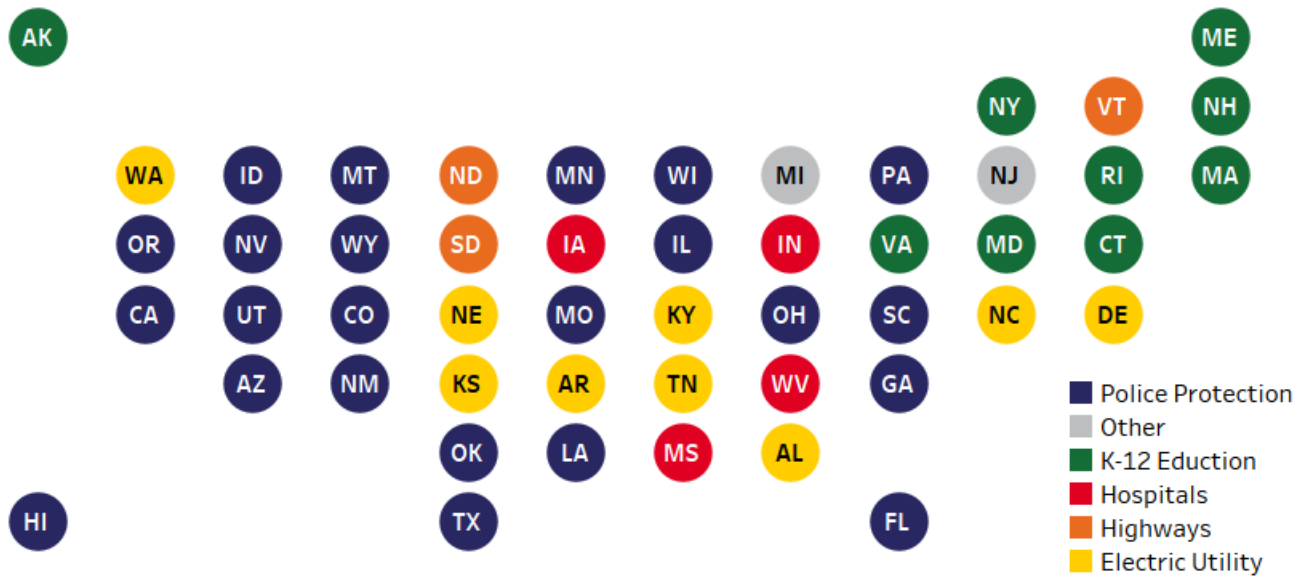


Source: FBI Uniform Crime Reporting - Crime Data Explorer



Figure 3: Police Protection Tops Municipal Spending in 23 States

Top municipal spending category, 2017



Source: United States Census Bureau - Census of Governments, 2017

districts, the gap narrows: 6.6% of all local government operating spending in Wisconsin goes to police protection versus 6.3% nationwide. If state spending is considered, then the trend reverses: 3.7% of all state and local operating spending in Wisconsin goes to police protection, compared to 4.0% nationwide.

The takeaway is that Wisconsin’s municipal governments appear to devote a higher proportion of their budgets to police than the national average, but this is balanced by Wisconsin’s lower proportional spending at the county and state levels. Across all states, Wisconsin ranks 18th in terms of the percentage of municipal operating spending devoted to police protection, as well as 26th as a share of county operating spending. At the same time, Wisconsin ranks dead last in the same metric at the state level.

Across 29 individual expenditure line items delineated by the Census Bureau, police protection ranks first for municipalities in Wisconsin and in 22 other states (see Figure 3). In an additional 18 states, police protection is the second-largest line item, meaning that for 41 of the 50 states it is either the highest or second-highest municipal spending category.

It also may be useful to consider the state’s municipal police protection spending in the context of all of its forms of local government spending. In Wisconsin,

school districts spent more than \$10 billion on K-12 education in 2017, which far outpaced total local police protection spending. Once other local governments are considered, police protection in Wisconsin ranks third in local spending behind K-12 education and public welfare.

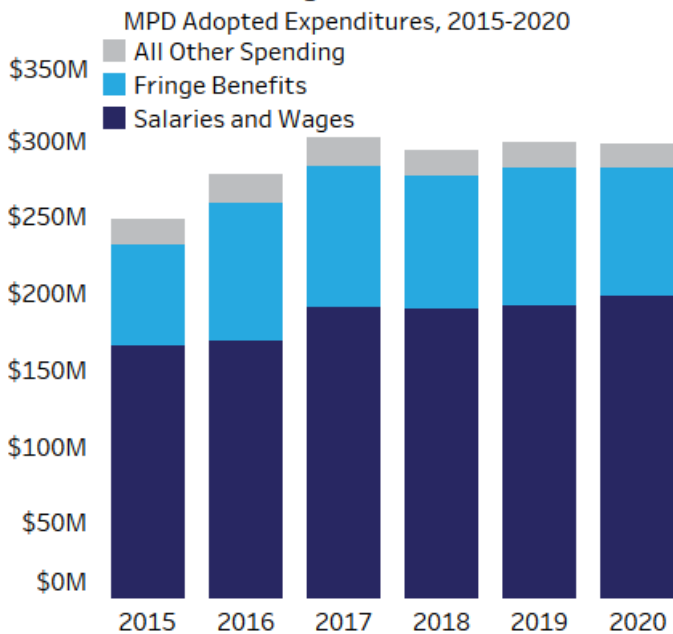
This is consistent with the picture in the rest of the country as well, as police protection ranks second, third, or fourth as a proportion of all local budgets in 45 of 50 states. In 2017, while \$96 billion was spent locally nationwide on police protection, K-12 education saw \$591 billion in spending, and a combination of four public health-related items (Health, Hospitals, Public Welfare, and Housing & Community Development) accounted for spending of \$241 billion.

MADISON AND MILWAUKEE

For additional context, we broadly reviewed police department budgets for Wisconsin’s two largest cities, Madison and Milwaukee, over the last six years. That high-level analysis reveals – not surprisingly – the vast majority of spending is on salaries, wages, and benefits for department staff. Consideration of that spending – and its growth in recent years – should take into account the fact that 2011 Wisconsin Act 10, which repealed most collective bargaining for state and local employees, excluded most police and fire department



Figure 4: Milwaukee Police Budget Grows as Sworn Strength Declines



Source: City of Milwaukee

unions from those provisions. In addition, spending comparisons between communities can be difficult because of differences in the way they may budget costs such as pension and health benefits for officers as well as services such as public safety dispatch centers.

From 2015 to 2020, Madison’s police department operating budget increased by \$18.5 million (27.1%), from \$68.3 million to \$86.8 million, compared to an inflation increase of just over 10%. Of that increase, \$15.1 million (81.9%) was accounted for by increases to salaries, wages, and benefits of all staff. The Madison sworn police force grew from 457 budgeted full-time equivalent employees (FTEs) in 2015 to 482 in 2020 – an increase of 5.4%, similar to the city’s population increase over the same time period.

Similarly, across the same years, Milwaukee increased its budgeted police operations spending by \$48.8 million (19.6%), from \$248.6 million to \$297.4 million (see Figure 4). Spending on salaries, wages, and benefits of all staff increased by \$50.4 million to comprise 94.6% of total department operating spending, accounting for more than the total increase in spending – meaning that other items such as special funds, equipment purchases, and general operating

expenditures have seen slight declines over that time period.

These spending increases come in the context of a decrease in Milwaukee’s sworn police officers during the same time period. Budgeted sworn police staff (which does not include civilian members of the force) peaked at 1,888 in 2016 and 2017 before a slight reduction in 2018 and a more pronounced reduction of 60 positions in the 2020 budget (just over 3% of sworn police officer positions).

In a [December 2019 report](#), we analyzed FBI data for Wisconsin’s 10 largest cities. That analysis showed that while police staffing levels in those cities generally increased during the past decade, they have not necessarily kept pace with the growth in population. While six of the 10 cities saw slight overall increases in their sworn staff, only three – Racine, Oshkosh, and Janesville – increased their per capita levels. At the same time, the report noted, as reflected in our analysis above, that “the state’s 10 largest cities have increased police spending substantially in recent years,” presumably due to yearly increases in salaries and benefits.

CONCLUSION

Our brief overview of police spending and staffing in Wisconsin finds that over the past three decades, law enforcement and police protection spending have continued to be the foremost spending priority in municipal budgets, receiving one out of every five operating and capital dollars spent by municipalities in the state. We have shown further that law enforcement spending as a percentage of overall municipal spending in Wisconsin grew by 2.2 percentage points from 1986 to 2018.

Despite that spending growth, however, police staffing levels in most of the largest Wisconsin cities have lagged population growth over the past decade. Some police leaders have argued these numbers show that police resources have already been impacted by overall tight budgets in recent years and that further cuts would harm goals such as engaging officers in neighborhoods through approaches like community policing. On the other hand, skeptics may argue that sworn strength levels and proportional law enforcement spending were too high to begin with, particularly when viewed in the context of competing needs and priorities.



As municipal and county leaders prepare to consider their 2021 budgets, calls for diversion of police and other law enforcement spending to address other local government priorities likely will intensify. One such example can be seen in Milwaukee, where the Common Council recently approved legislation directing the city's budget director to model a 10% reduction to the Milwaukee Police Department's budget so the implications of such a cut could be considered in the lead-up to 2021 budget deliberations. Calls to reduce law enforcement spending obviously must weigh the resulting impacts on police and sheriff service levels as well as the effectiveness of alternative programs and services that would be the target of diverted funds.

In the end, however, decisions on whether to reduce police spending may be driven at least as much by fiscal reality than by debating the merits of police "defunding." Given law enforcement's large share of overall local government spending in Wisconsin, many of the state's municipalities may have little choice but to consider cuts or freezes to police spending as their financial challenges intensify from the COVID-19 pandemic.

