

To: Finance Committee
From: Mark Stevens
Date: November 10, 2025
RE: Tax Collection Changes for 2026

The City of Watertown has been utilizing the same tax collections software package that Dodge County uses. Dodge County will be transitioning to a new web-based solution from the same company that will no longer allow Watertown to continue its tax collections processing differently than the rest of the county. We have interacted with Jefferson County; a transition to its tax software wouldn't provide the city with a means to continue with its current practices either.

Jefferson County created a new collections software in-house a few years ago which we'd rather use than the Dodge County system. I'm working with the IT and treasurer staffs of both counties to hopefully convince Dodge County to accept data file transfers to/from Jefferson County. Jefferson County is very accepting of this transition. The residents of both counties would benefit with a faster upload of payment history to each county's websites. (Currently, updates are made monthly with Dodge and not until after the collection season for Jefferson.)

Regardless of which county collection system is utilized, the following changes will have to be made to conform the City of Watertown with the collection practices of all other municipalities in both counties. Our city is the only entity that's been playing by a different set of rules.

Collection changes:

- ❖ **The number of payment installments will be modified from three to two. The two due dates are January 31, 2027, and July 31, 2027.**
- ❖ **The City will collect only the first installment for all parcels through January 31, 2027.**
- ❖ **All payments made starting February 1, 2027, will be collected by the Treasurer's offices in the two counties.**

I've attached a notice that I plan to include in this year's tax bills that will introduce the changes taking place a year in advance of implementation. We'll obviously need to communicate these changes on an ongoing basis next year.