



Office of the Comptroller

Liz Sumner, Comptroller

DATE: May 4, 2026

TO: Supervisor Marcelia Nicholson, Chairwoman, County Board of Supervisors

FROM: Cynthia (C.J.) Pahl, Financial Services Director

SUBJECT: 2026 Fiscal Projection for Milwaukee County – (For Information Only)

2026 Year-end Fiscal Projection as of March 31, 2026

Wisconsin Statutes Section 59.255(2) and County Ordinance Section 56.02(2) require the Comptroller to provide a monthly update of the fiscal condition of the County. Based on prior year actuals, current year fiscal projections submitted by departments, and known projected actions, Milwaukee County's projected 2026 year-end fiscal status is a **surplus of \$0.4 million**. This projection is based on the most current reports from departments and best estimates of countywide expenditure and revenue impacts.

FISCAL YEAR 2026				
Period	Month	Projected Year End Position	Annual Projection	Change from Prior Projection
1	January	Deficit	(\$1.1 million)	N/A
2	February	Deficit	(\$2.3 million)	(\$1.2 million)
3	March	Deficit	\$0.4 million	\$2.7 million

Major changes to the fiscal status since the last report are:

- Clerk of Circuit Court – surplus increase of \$0.3 million
- County Treasurer – surplus of \$0.1 million
- Office of the Sheriff – deficit decrease \$0.2 million
- Community Reintegration Center – deficit increase of \$1.4 million
- DHHS – surplus of \$0.4 million
- Fringe Benefits – surplus of \$1.5 million
- Wage & Benefit Supplemental – surplus of \$0.2 million
- Contingency – surplus increase of \$0.1 million

The table on the following page shows the fiscal status of each department. To better help demonstrate month-over-month changes, the table at the end of this report provides a summary of the fiscal information provided by departments for each month of the fiscal year.

Milwaukee County								
Annual Fiscal Report of Surplus/Deficit as of March 31, 2026 Period 3								
Agency	Description	2026 Projected Revenues	2026 Budgeted Revenues	Revenue Variance	2026 Projected Expenditures	2026 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
General Fund Departments								
100	County Board	-	-	-	1,236,599	1,236,599	-	-
103	Governmental Affairs	-	-	-	457,612	465,580	7,968	7,968
109	Office of Equity	(10,000)	(10,000)	-	1,532,454	1,532,454	-	-
110	County Executive	-	-	-	964,741	1,052,438	87,697	87,697
112	Personnel Review Board	-	-	-	239,876	293,329	53,453	53,453
113	Corporation Counsel	(344,000)	(344,000)	-	3,049,975	3,049,975	-	-
114	Human Resources	-	-	-	7,402,758	7,405,150	2,392	2,392
115	Dept of Administrative Services	(9,002,367)	(9,070,307)	(67,941)	46,964,664	47,032,604	67,941	0
118	Strategy, Budget, and Performance	-	-	-	4,603,274	4,603,274	-	-
200	Combined Court Related Operations	(15,740,911)	(15,231,488)	509,423	32,995,807	33,259,394	263,587	773,010
290	Courts - Pre-Trial Services	(400,782)	(400,782)	-	7,201,141	7,220,048	18,907	18,907
301	Election Commission	(85,000)	(85,750)	(750)	1,120,600	1,130,203	9,603	8,853
309	County Treasurer	(2,333,522)	(2,230,000)	103,522	997,560	997,560	-	103,522
327	County Clerk	(357,793)	(617,355)	(259,562)	1,513,572	1,622,493	108,921	(150,641)
340	Register of Deeds	(4,237,300)	(4,237,300)	-	1,605,675	1,605,675	-	-
370	Office of the Comptroller	(143,000)	(143,000)	-	6,496,968	6,496,968	-	-
400	Sheriff	(26,065,707)	(25,645,500)	420,207	80,084,554	75,262,498	(4,822,056)	(4,401,849)
430	Community Reintegration Center	(2,611,351)	(2,884,000)	(272,649)	70,785,618	68,232,848	(2,552,770)	(2,825,419)
450	District Attorney	(7,178,630)	(7,155,309)	23,321	16,699,899	16,714,764	14,866	38,186
480	Emergency Management	(4,159,845)	(4,237,271)	(77,426)	13,216,380	13,293,998	77,617	191
490	Medical Examiner	(3,998,396)	(3,998,396)	-	5,996,299	5,996,299	-	-
509	Transportation Services	(2,410,134)	(2,466,209)	(56,075)	2,537,747	2,633,865	96,118	40,043
510	DOT - Highway Maintenance	(30,197,755)	(30,197,755)	-	30,408,894	30,408,894	-	-
580	DOT - Admin Div	(3,054,329)	(3,047,696)	6,633	3,175,131	3,182,611	7,480	14,114
800	Department of Human Services	(135,801,484)	(139,223,376)	(3,421,892)	187,425,611	191,213,987	3,788,376	366,484
900	Department of Parks	(29,537,041)	(29,537,041)	-	54,403,824	54,403,824	-	-
950	Zoological Department	(22,668,006)	(22,668,006)	-	23,842,634	23,842,634	-	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(128,000)	(128,000)	-	603,781	603,781	-	-
Non-Departmentals								
190	Revenue Non-Departmental	(493,655,595)	(493,655,595)	-	-	-	-	-
1991	Property Tax	(309,014,834)	(309,014,834)	-	-	-	-	-
1992	Earnings on Investments	(16,406,737)	(16,406,737)	-	-	-	-	-
1996	0.5% Sales Tax	(108,924,164)	(108,924,164)	-	-	-	-	-
194	General Non-Departmental	(74,826,301)	(74,826,301)	-	117,439,271	123,807,920	6,368,649	6,368,649
1945	Contingency	-	-	-	-	4,625,001	4,625,001	4,625,001
1950	Fringe Benefits	(89,477,786)	(89,477,786)	-	177,452,435	178,952,435	1,500,000	1,500,000
1951	Fringe Benefits - 0.4% Sales Tax	(86,670,949)	(86,670,949)	-	86,670,949	86,670,949	-	-
1972	Wage/Benefit Supplemental	-	-	-	-	243,648	243,648	243,648
199	Parks Non-Departmental	-	-	-	2,447,580	2,447,580	-	-
Total General Fund		(868,947,249)	(872,040,437)	(3,093,188)	730,950,503	734,549,250	3,598,747	505,559
Other Funds								
116	Information Management Services	(979,455)	(979,455)	-	17,673,985	17,673,985	-	-
117	Risk Management	-	-	-	12,647,562	12,647,562	-	-
504	DOT - Airport Division	(106,333,967)	(106,333,967)	-	106,333,967	106,333,967	-	-
530	DOT - Fleet Management	(25,868,872)	(25,872,872)	(4,000)	25,517,891	25,460,749	(57,142)	(61,142)
560	DOT - Transit/Paratransit System	(132,119,063)	(132,119,063)	-	161,234,179	161,234,179	-	-
550	DAS - Utility	-	-	-	-	-	-	-
630	Behavioral Health Division	(140,820,804)	(157,013,706)	(16,192,902)	192,679,955	205,073,217	12,393,262	(3,799,640)
996	Debt Retirement and Interest	(11,940,266)	(11,940,266)	-	50,335,731	50,335,731	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(86,381,753)	(86,381,753)	-	323,702,047	323,702,047	-	-
Total Other Funds		(503,464,726)	(519,661,628)	(16,196,902)	872,451,332	884,787,452	12,336,120	(3,860,782)
Expendable Trusts								
50003	Zoo Expendable Trusts	(2,053,693)	(2,053,693)	-	2,344,573	2,344,573	-	-
50005	Parks Expendable Trusts	(500,461)	(500,461)	-	500,461	500,461	-	-
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	-	-	-	-
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		(2,554,154)	(2,554,154)	-	2,845,034	2,845,034	-	-
Projected Surplus (Deficit)		(1,374,966,129)	(1,394,256,219)	(19,290,090)	1,606,246,869	1,622,181,736	15,934,867	(3,355,223)
Less Expendable Trusts								
Contribution (to)/from Behavioral Health Reserves								3,799,640
Total Projected Surplus (Deficit) - with Contingency								444,417
Total Projected Surplus (Deficit) - without Contingency								(4,180,583)

Debt Service Reserve Activity and Projected 2026 Ending Balance	
2025 Yearend Surplus (Estimate)	\$ 5,000,000
2026 Starting Balance	\$ 152,184,901
<i>2026 Activity</i>	
2026 Budget Commitment	\$ (11,129,477)
Unspent Bond Rellocation	\$ (805,587)
File #23-808 Move Match Funds from DSR	\$ (862,822)
File #24-753 Reestablish Funds from ARPA Tax Levy Swap	\$ (3,426,827)
File #26-246 DSR to Economic Development	\$ (164,591)
File #24-753 Reestablish Unobligated Parks Match	\$ (101,191)
File #26-292 Reallocate Lapsed Project Funds	\$ (656,340)
File #26-400 May 2026 Lapsed Projects	\$ 241,758
2026 Projected Balance	\$ 135,279,825

Unallocated Contingency Fund	
2026 Adopted Balance	\$ 4,000,000
<i>County Board Approved Actions</i>	
Unspent Bond Rellocation	\$ 22,140
File #26-292 Lapsed Project Fund Reallocation	\$ 408,943
2026 County Board Adopted Budget True-Up	\$ 6,957
File #26-329 DAS-Facilities Management	\$ (313,039)
Current Available Balance	\$ 4,125,001

Allocated Contingency Fund	
2026 Adopted Balance	\$ 500,000
<i>Allocated Items</i>	
None	
Current Available Balance	\$ 500,000

Committee Action

This is an informational report only.

Cynthia (CJ) Pahl, Financial Services Director
Office of the Comptroller

DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2025

Combined Court Related Operations (Agency 200) *\$0.8 million surplus*

The Department of Combined Court Relation Operations is projecting a surplus of \$0.8 million due to an increase in fines and forfeitures and savings in commodities and services.

County Treasurer (Agency 309) *\$0.1 million surplus*

The County Treasurer is projecting a surplus of \$0.1 million due to anticipated surplus in interest earned on delinquent property taxes.

County Clerk (Agency 327) *(\$0.2 million deficit)*

The County Clerk is projecting a deficit largely due to marriage ceremony fees that are not currently being earned.

Office of the Sheriff (Agency 400) *(\$4.4 million deficit)*

The overtime needs of the Office of the Sheriff continue to trend over budget. For 2026, the current estimate is an overtime deficit of \$7.6 million and social security deficit of \$0.3 million. These deficits are offset by an estimated \$3.5 million in salary savings.

Community Reintegration Center (Agency 430) *(\$2.8 million deficit)*

The overtime needs of the Community Reintegration Center continue to trend over budget. For 2026, the current estimate is an overtime deficit of \$2.1 million. The CRC further is estimating a salary and social security deficit of \$0.6 million. These deficits are offset by an estimated \$0.1 million in commodities savings.

Department of Health & Human Services (Agency 800) *\$0.4 million surplus*

The surplus in DHHS is primarily driven by vendor expenses trending lower in CYFS.

Non-Departmental Expenditures and Revenues

Appropriation for Contingency (Org 1945) *\$4.6 million surplus*

The contingency fund's balance, if unused, falls to the bottom line at the end of the fiscal year and is available to offset any potential issues. As of today, the contingency fund has a balance of \$4.6 million.

Fringe Benefits (Org 1950) *\$1.5 million surplus*

- **Medical claims:** Early 2026 trends in healthcare and pharmaceutical claims are erratic. Looking back to medical claims in 2025, the County's average medical claims growth rate was a historic 22% increase through September of 2025 which was followed by a

significant decline to -6% for most of October and November, likely due to the contract dispute between UHC and Ascension. Those rates picked up shortly after the dispute was resolved, and rates jumped back to over 27%. For 2026, the first four weeks of medical claims was an increase of 25% over 2025, some of which is likely still attributable to the contract dispute between UHC and Ascension. Since then, week-over-week claims have varied from a 70% decrease to a 32% increase over 2025, making it difficult to assess where the County's trend is heading. Assuming a modest 5.5% growth rate for the remainder of 2026 results in a surplus of \$9 million in medical claims. However, these gains are offset by pharmacy and rebate shortfalls.

- **Pharmacy claims:** Active and pre-65 retiree pharmacy claims cost continue to trend at rates the County has not experienced. In 2025, the pharmacy growth rate was 19%. For the first four months of 2026, growth rates continue at 27%. Post-65 pharmacy growth rates have dramatically shifted from an annual increase of 20% in 2025 to a 14% decline in the first several months of 2026. However, this reduction in post-65 claims is due to changes resulting from the Inflation Reduction Act (IRA) and will also impact the County's rebates. What remains unclear is the extent of the reduction in rebates which will offset these savings. Through April, it is projected that these changes will result in a deficit of \$7.5 million.
- **WRS Pension Contributions:** As reported by the Office of Strategy, Budget, and Performance during the 2026 budget hearings, the budget for WRS pension expenses and employee contributions was likely to result in a deficit for the 2026 fiscal year. After three months of expenses and revenues, the estimated deficit is \$750,000.
- **Employee Health Contributions:** Based on eight payroll cycles, there is likely a surplus of \$875,000 in employee health contributions.

The net result of the above is a surplus of \$1.5 million. The Office of the Comptroller will continue to monitor weekly claims data and provide updated information as additional claims are paid and rebates are received.

Wage and Benefit Supplemental (Org 1971)

\$0.2 million surplus

An allocation of \$1.86 million was included in the 2026 Adopted Budget to support the 2026 cost of salary increases implemented in December 2025 related to the Compensation Transformation Project. After those changes were implemented, \$0.2 million remains unallocated and available to offset other countywide deficits.

Sales Tax (Org 1996)

Break even

Sales tax in 2025 finished with a strong annual growth of over 4%. With three months of sales tax collections received and assuming month-over-month growth of 3.8% for the remainder of the year, the County would end with a surplus of \$1.9 million in 0.5% sales tax which would be available to offset other deficits. The Office of the Comptroller will continue to monitor monthly sales tax data and provide updated projections as additional collections are received.

Investment Earnings (*Org 1992*)

Breakeven

Long-term investments in 2025 averaged monthly yields of around 4.4%; short-term investments averaged monthly yields of 3.3% but declined to 2.8% in December. Assuming similar daily average investments and yields in 2026, the County could earn roughly \$21 million, depending on how the County's mark-to-market adjustments impact overall earnings. Total earnings are further reduced by the amounts allocated to County interest-bearing accounts. The budget is approximately \$16 million, so the final earnings rates, mark-to-market adjustments, and allocations will all impact the year-end position of investment earnings. At this time, no surplus is anticipated.

Milwaukee County
Cummulative Summary of Monthly Departmental Projections for 2026

Agency	Description	Jan-26	Feb-26	Mar-26	Apr-26	May-26	Jun-26	Jul-26	Aug-26	Sept-26	Oct-26	Nov-26	Dec-26	FINAL
General Fund Departments														
100	County Board	-	-	-										
103	Governmental Affairs	-	-	7,968										
109	Office of Equity	-	-	-										
110	County Executive	-	-	87,697										
112	Personnel Review Board	158,455	41,356	53,453										
113	Corporation Counsel	-	-	-										
114	Human Resources	-	-	2,392										
115	Dept of Administrative Services	-	-	-										
118	Strategy, Budget, and Performance	-	-	-										
200	Combined Court Related Operations	489,779	590,469	773,010										
290	Courts - Pre-Trial Services	20,000	19,000	18,907										
301	Election Commission	57,132	13,611	8,853										
309	County Treasurer	-	43,308	103,522										
327	County Clerk	(175,300)	(144,708)	(150,641)										
340	Register of Deeds	-	-	-										
370	Office of the Comptroller	-	-	-										
400	Sheriff	(4,660,213)	(5,226,994)	(4,401,849)										
430	Community Reintegration Center	(1,435,830)	(2,695,870)	(2,825,419)										
450	District Attorney	1,000	3,783	38,186										
480	Emergency Management	-	-	191										
490	Medical Examiner	-	-	-										
509	Transportation Services	41,293	190,675	40,043										
510	DOT - Highway Maintenance	-	-	-										
580	DOT - Admin Div	15,698	19,114	14,114										
800	Department of Human Services	-	127,360	366,484										
900	Department of Parks	-	-	-										
950	Zoological Department	-	-	-										
970	Milwaukee Public Museum	-	-	-										
991	University Extension	-	-	-										
Non-Departmentals														
190	Revenue Non-Departmental	-	-	-										
1991	Property Taxes	-	-	-										
1992	Earnings on Investments	-	-	-										
1996	Sales Tax	-	-	-										
194	General Non-Departmental	4,500,000	4,765,788	6,368,649										
1945	Contingency	4,500,000	4,522,140	4,625,001										
1950	Fringe Benefits	-	-	1,500,000										
1951	Fringe Benefits - 0.4% Sales Tax	-	-	-										
1972	Wage/Benefit Supplemental	-	243,648	243,648										
199	Parks Non-Departmental	-	-	-										
Other Funds														
116	Information Management Services	-	-	-										
117	Risk Management	-	-	-										
504	DOT - Airport Division	-	-	-										
530	DOT - Fleet Management	-	(56,142)	(61,142)										
560	DOT - Transit/Paratransit System	-	-	-										
550	DAS - Utility	-	-	-										
630	Behavioral Health Division	(1,000,000)	(4,143,606)	(3,799,640)										
996	Debt Retirement and Interest	-	-	-										
10024	COVID Expendable Funds	-	-	-										
120	Capital Improvements	-	-	-										

NR=No Report