



Office of the Comptroller

Liz Sumner, Comptroller

DATE: May 5, 2025

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

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

SUBJECT: 2025 Fiscal Projection for Milwaukee County – (For Information Only)

2025 Year-end Fiscal Projection as of March 31, 2025

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 2025 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 2025				
Period	Month	Projected Year End Position	Annual Projection	Change from Prior Projection
1	January	Deficit	(\$7.6 million)	N/A
2	February	Deficit	(\$3.7 million)	\$3.9 million
3	March	Surplus	\$0.4 million	\$4.1 million

Major changes to the fiscal status are:

- Sales Tax – deficit decrease of \$3.5 million
- Office of the Sheriff – deficit increase of \$0.2 million
- Community Reintegration Center – deficit decrease of \$0.4 million
- Department of Health and Human Services – 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, 2025 Period 3									
Agency	Description	2025 Projected Revenues	2025 Budgeted Revenues	Revenue Variance	2025 Projected Expenditures	2025 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)	
General Fund Departments									
100	County Board	-	-	-	1,211,296	1,211,296	-	-	
103	Governmental Affairs	-	-	-	461,776	461,776	-	-	
109	Office of Equity	(100,000)	(100,000)	-	1,853,220	1,871,425	18,205	18,205	
110	County Executive	-	-	-	981,296	981,296	-	-	
112	Personnel Review Board	-	-	-	240,499	291,972	51,473	51,473	
113	Corporation Counsel	(294,684)	(294,184)	500	2,824,988	2,856,480	31,492	31,992	
114	Human Resources	-	-	-	7,489,069	7,489,069	-	-	
115	Dept of Administrative Services	(8,779,082)	(9,020,995)	(241,913)	44,021,454	44,263,367	241,913	-	
118	Strategy, Budget, and Performance	-	-	-	5,959,338	6,013,421	54,083	54,083	
200	Combined Court Related Operations	(13,524,759)	(13,410,920)	113,839	32,928,834	32,825,407	(103,427)	10,412	
290	Courts - Pre-Trial Services	(549,581)	(549,581)	-	7,148,196	7,133,574	(14,622)	(14,622)	
301	Election Commission	(91,000)	(45,750)	45,250	664,960	709,365	44,405	89,655	
309	County Treasurer	(2,032,929)	(2,030,000)	2,929	1,024,157	1,021,228	(2,929)	-	
327	County Clerk	(360,684)	(566,670)	(205,986)	1,366,074	1,580,389	214,315	8,329	
340	Register of Deeds	(4,089,902)	(4,089,035)	867	1,491,327	1,491,327	-	867	
370	Office of the Comptroller	(138,000)	(143,000)	(5,000)	6,433,402	6,438,402	5,000	-	
400	Sheriff	(9,424,001)	(9,632,219)	(208,218)	73,305,537	66,416,613	(6,888,924)	(7,097,142)	
430	Community Reintegration Center	(1,461,000)	(3,251,000)	(1,790,000)	69,123,799	67,460,206	(1,663,592)	(3,453,592)	
450	District Attorney	(6,104,800)	(5,958,257)	146,544	15,503,477	15,356,933	(146,544)	-	
480	Emergency Management	(3,467,719)	(3,503,266)	(35,547)	12,420,732	12,456,485	35,753	206	
490	Medical Examiner	(3,748,681)	(3,748,681)	-	6,040,288	6,040,288	-	-	
509	Transportation Services	(2,201,860)	(2,180,052)	21,808	2,642,189	2,645,927	3,738	25,546	
510	DOT - Highway Maintenance	(27,674,075)	(27,674,075)	-	27,928,941	27,928,941	-	-	
580	DOT - Admin Div	(3,777,305)	(3,777,305)	-	3,304,100	3,304,100	-	-	
800	Department of Human Services	(177,926,556)	(173,745,894)	4,180,662	229,693,936	225,646,597	(4,047,339)	133,323	
900	Department of Parks	(26,888,125)	(26,888,125)	-	53,593,538	53,593,538	-	-	
950	Zoological Department	(21,616,211)	(21,932,797)	(316,586)	23,214,851	23,531,437	316,586	-	
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-	
991	University Extension	(110,000)	(110,000)	-	532,133	532,133	-	-	
Non-Departmentals									
190	Revenue Non-Departmental	(481,194,740)	(476,917,386)	4,277,354	-	-	-	4,277,354	
1996	0.5% Sales Tax	(103,853,165)	(104,475,811)	(622,646)	-	-	-	(622,646)	
1992	Earnings on Investments	(18,134,544)	(13,234,544)	4,900,000	-	-	-	4,900,000	
194	General Non-Departmental	(76,251,786)	(75,211,483)	1,040,303	120,049,436	125,146,087	5,096,651	6,136,954	
1945	Contingency	-	-	-	-	5,096,651	5,096,651	5,096,651	
1950	Fringe Benefits	(84,474,609)	(81,974,609)	2,500,000	192,567,257	192,567,257	-	2,500,000	
1951	Fringe Benefits - 0.4% Sales Tax	(82,120,952)	(83,580,649)	(1,459,697)	57,801,000	57,801,000	-	(1,459,697)	
1972	Wage/Benefit Supplemental	-	-	-	2,050,000	2,050,000	-	-	
199	Parks Non-Departmental	-	-	-	2,541,688	2,541,688	-	-	
Total General Fund		(871,807,480)	(864,780,675)	7,026,805	759,494,531	752,740,768	(6,753,763)	273,042	
Other Funds									
116	Information Management Services	(1,164,354)	(1,164,354)	-	17,185,653	17,185,653	-	-	
117	Risk Management	-	-	-	12,381,812	12,381,812	-	-	
504	DOT - Airport Division	(101,779,853)	(105,017,189)	(3,237,336)	101,779,853	105,017,189	3,237,336	-	
530	DOT - Fleet Management	(25,965,388)	(25,876,358)	89,030	26,774,840	26,773,850	(990)	88,040	
560	DOT - Transit/Paratransit System	(126,144,018)	(126,144,018)	-	152,994,681	152,994,681	-	-	
550	DAS - Utility	-	-	-	-	-	-	-	
630	Behavioral Health Division	(154,922,699)	(172,705,399)	(17,782,700)	208,885,265	222,112,799	13,227,534	(4,555,166)	
996	Debt Retirement and Interest	(8,351,997)	(8,351,997)	-	40,613,976	40,613,976	-	-	
10024	COVID Expendable Funds	-	-	-	-	-	-	-	
120	Capital Improvements	-	-	-	-	-	-	-	
Total Other Funds		(417,163,955)	(438,094,961)	(20,931,006)	543,430,426	559,894,307	16,463,880	(4,467,126)	
Expendable Trusts									
50003	Zoo Expendable Trusts	(2,120,880)	(2,120,880)	-	2,300,510	2,300,510	-	-	
50005	Parks Expendable Trusts	(497,975)	(497,975)	-	380,421	380,421	-	-	
50006	OPD Expendable Trusts	-	-	-	-	-	-	-	
50007	BHD Expendable Trusts	-	-	-	-	-	-	-	
50008	Airport Expendable Trusts	-	-	-	-	-	-	-	
50010	DAS Expendable Trusts	-	-	-	-	-	-	-	
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-	
Total Expendable Trusts		(2,618,855)	(2,618,855)	-	2,680,931	2,680,931	-	-	
Projected Surplus (Deficit)									
Projected Surplus (Deficit)		(1,291,590,290)	(1,305,494,491)	(13,904,201)	1,305,605,889	1,315,316,006	9,710,117	(4,194,084)	
Less Expendable Trusts									-
Contribution (to)/from Behavioral Health Reserves									4,555,166
Total Projected Surplus (Deficit) - with Contingency									361,082
Total Projected Surplus (Deficit) - without Contingency									(4,735,566)

Debt Service Reserve Activity and Projected 2025 Ending Balance	
2024 Yearend Surplus (Estimate)	\$ 15,000,000
2025 Starting Balance	\$ 143,896,708
<i>2025 Activity</i>	
2025 Budget Commitment	\$ (7,443,123)
File #23-808, #24-753, #24-763 Reinstate 2024 Tax Levy Funded Projects	\$ (10,064,310)
File #25-101 Unpsent Bond Reallocation	\$ (1,104,211)
Correction re File #24-736	\$ 27,767
2025 Projected Balance	\$ 125,312,832

Unallocated Contingency Fund	
2025 Adopted Balance	\$ 4,000,000
<i>County Board Approved Actions</i>	
File #25-101 Unpsent Bond Reallocation	\$ 596,651
Current Available Balance	\$ 4,596,651

Allocated Contingency Fund	
2025 Adopted Balance	\$ 500,000
<i>Allocated Items</i>	
Potential Increases to State Juvenile Correction Rate	\$ 500,000
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

Election Commission (Agency 301)

\$0.1 million surplus

The Election Commission is projecting a surplus in personnel due to salaries coming in slightly under budget and additional intergovernmental revenue.

Office of the Sheriff (Agency 400)

(\$7.1 million deficit)

The Office of the Sheriff ended 2024 with a significant deficit due largely to unbudgeted overtime costs. For 2025, overtime costs are currently projected to exceed budget by approximately \$8.8 million and social security by \$0.5 million. The Sheriff is projecting a salary surplus of \$2.7 million, a revenue deficit of \$0.2 million, and a cross-charge deficit of \$0.3 million, resulting in a net projected deficit of \$7.1 million for 2025.

Community Reintegration Center (Agency 430)

(\$3.5 million deficit)

The Community Reintegration Center ended 2024 with a significant deficit due largely to unbudgeted overtime costs. For 2025, overtime costs are currently projected to exceed budget by approximately \$2.5 million. Revenues are expected to be \$1.8 million under budget due to shortages in state sanction revenue and electronic monitoring revenue. These deficits are offset by salary surplus of \$0.9 million, resulting in a net projected deficit of \$3.5 million for 2025.

Department of Health and Human Services (Agency 800)

\$0.1 million surplus

The Department of Health and Human Services is projecting a net surplus of \$0.1 million. DHHS – Management Services Division, Child Support Services Division, and Aging and Disability Services are projecting a total surplus of \$1.4 million. The surplus in Aging and Disability Services is attributable to personnel savings and surplus in federal match. These surpluses are offsetting deficits in Housing of \$0.5 million and Children, Youth and Family Services of \$0.8 million. The deficit in CYFS is largely caused by increased daily rates for youths being housed in state facilities.

Non-Departmental Expenditures and Revenues

Appropriation for Contingency (Org 1945)

\$5.1 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 the date of this report, the contingency fund has an unallocated balance of \$4,596,651 and an allocated balance of \$500,000.

Fringe Benefits (Org 1950)

\$2.5 million surplus

The Comptroller's Office continues to monitor weekly spending on healthcare and pharmacy claims. Year-to-date payments for healthcare exceeded 2024 over 15%, commercial pharmacy claims exceeded 2024 over 19%, and retiree pharmacy by over 14%. The impact on rebates of these higher pharmacy claims will not be known for several months but may provide some offset. The surplus being projected is due to anticipated surplus in employee retirement

contributions. Additional surplus may be available if the turnover of ERS employees is slower than originally anticipated resulting in a smaller contribution to the WRS.

Investment Earnings (*Org 1992*)

\$4.9 million surplus

Investment earnings in 2024 were well above budget due to high short-term investment yields. Those high yields have been shrinking since September 2024 and will likely impact the County's short-term earnings. However, long-term yields are up, increasing long-term earnings. Assuming short-term yields continue to fall and long-term yields hold steady results in a surplus of roughly \$4.9 million.

Sales Tax (*Org 1996/Org 1951*)

(\$2.1 million deficit)

Sales tax collections in 2024 came in nearly flat when compared to 2023 collections. While the 2025 budget was somewhat reduced to offset the nearly flat 2024 collections, the County would need to experience a year-over-year growth in sales tax collections of 3.8%. Collections for both January and February have exceeded 2024 collections, with March on track to exceed 2024 as well. If this upward trend continues throughout the year, it will eliminate the deficit and likely provide a surplus for the County. It should be noted that the only surplus that would be available to offset the County's bottom line is that surplus that is attributable to the 0.5% sales tax since any surplus 0.4% sales tax would need to be paid to the pension fund.

Milwaukee County														
Cummulative Summary of Monthly Departmental Projections for 2025														
Agency	Description	Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	FINAL
General Fund Departments														
100	County Board	-	-	-										
103	Governmental Affairs	-	-	-										
109	Office of Equity	-	-	18,205										
110	County Executive	-	-	-										
112	Personnel Review Board	63,491	(5,292)	51,473										
113	Corporation Counsel	-	-	31,992										
114	Human Resources	-	-	-										
115	Dept of Administrative Services	-	-	-										
118	Strategy, Budget, and Performance	-	-	54,083										
200	Combined Court Related Operations	63,773	(52,949)	10,412										
290	Courts - Pre-Trial Services	(11,327)	(14,622)	(14,622)										
301	Election Commission	112,892	112,892	89,655										
309	County Treasurer	500	-	-										
327	County Clerk	(114,421)	20,560	8,329										
340	Register of Deeds	77	-	867										
370	Office of the Comptroller	-	-	-										
400	Sheriff	(6,809,720)	(6,869,802)	(7,097,142)										
430	Community Reintegration Center	(3,655,199)	(3,853,075)	(3,453,592)										
450	District Attorney	-	-	-										
480	Emergency Management	-	-	206										
490	Medical Examiner	-	-	-										
509	Transportation Services	748	23,413	25,546										
510	DOT - Highway Maintenance	-	-	-										
580	DOT - Admin Div	-	-	-										
800	Department of Human Services	(44,919)	21,212	133,323										
900	Department of Parks	-	-	-										
950	Zoological Department	-	-	-										
970	Milwaukee Public Museum	-	-	-										
991	University Extension	-	-	-										
Non-Departmentals														
190	Revenue Non-Departmental	1,396,634	2,016,100	4,277,354										
1996	Sales Tax	(3,503,366)	(2,621,681)	(622,646)										
1992	Earnings on Investments	4,900,000	4,900,000	4,900,000										
194	General Non-Departmental	1,385,205	4,592,910	6,136,954										
1945	Contingency	5,096,651	5,096,651	5,096,651										
1950	Fringe Benefits	-	2,500,000	2,500,000										
1951	Fringe Benefits - 0.4% Sales Tax	(3,711,446)	(3,003,741)	(1,459,697)										
1972	Wage/Benefit Supplemental	-	-	-										
199	Parks Non-Departmental	-	-	-										
Other Funds														
116	Information Management Services	-	-	-										
117	Risk Management	-	-	-										
504	DOT - Airport Division	-	-	-										
530	DOT - Fleet Management	-	80,040	88,040										
560	DOT - Transit/Paratransit System	-	-	-										
550	DAS - Utility	-	-	-										
630	Behavioral Health Division	-	(239,625)	(4,555,166)										
996	Debt Retirement and Interest	-	-	-										
10024	COVID Expendable Funds	-	-	-										
120	Capital Improvements	-	-	-										
NR=No Report														