



Office of the Comptroller

Liz Sumner, Comptroller

DATE: March 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 January 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. Typically, with only one month of fiscal activity reported, January is too early to issue a projection on the year-end position of the County. However, 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 **deficit of \$1.1 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

Major changes to the fiscal status are:

- Clerk of Circuit Court – surplus of \$0.5 million
- County Clerk – deficit of \$0.2 million
- Office of the Sheriff – deficit of \$4.7 million
- Community Reintegration Center – deficit of \$1.4 million
- Contingency Fund – surplus of \$4.5 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 January 31, 2026 Period 1								
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	-	-	-	1,243,556	1,243,556	-	-
103	Governmental Affairs	-	-	-	472,080	472,080	-	-
109	Office of Equity	-	-	-	1,516,914	1,516,914	-	-
110	County Executive	-	-	-	1,046,938	1,046,938	-	-
112	Personnel Review Board	-	-	-	251,973	293,329	41,356	41,356
113	Corporation Counsel	(344,000)	(344,000)	-	3,049,975	3,049,975	-	-
114	Human Resources	-	-	-	7,339,290	7,339,290	-	-
115	Dept of Administrative Services	(9,070,307)	(9,070,307)	-	45,808,893	45,808,893	-	-
118	Strategy, Budget, and Performance	-	-	-	4,767,672	4,767,672	-	-
200	Combined Court Related Operations	(15,721,591)	(15,231,488)	490,103	33,259,815	33,259,491	(324)	489,779
290	Courts - Pre-Trial Services	(400,782)	(400,782)	-	7,200,048	7,220,048	20,000	20,000
301	Election Commission	(85,000)	(85,750)	(750)	1,069,425	1,127,307	57,882	57,132
309	County Treasurer	(2,230,000)	(2,230,000)	-	997,763	997,763	-	-
327	County Clerk	(359,075)	(617,355)	(258,280)	1,536,619	1,619,600	82,980	(175,300)
340	Register of Deeds	(4,237,300)	(4,237,300)	-	1,599,620	1,599,620	-	-
370	Office of the Comptroller	(143,000)	(143,000)	-	6,491,681	6,491,681	-	-
400	Sheriff	(25,410,300)	(25,645,500)	(235,200)	79,679,517	75,254,504	(4,425,013)	(4,660,213)
430	Community Reintegration Center	(2,742,500)	(2,884,000)	(141,500)	71,440,718	70,146,388	(1,294,330)	(1,435,830)
450	District Attorney	(7,155,309)	(7,155,309)	-	16,865,807	16,866,807	1,000	1,000
480	Emergency Management	(4,237,271)	(4,237,271)	-	13,240,227	13,240,227	-	-
490	Medical Examiner	(3,998,396)	(3,998,396)	-	5,984,311	5,984,311	-	-
509	Transportation Services	(2,376,134)	(2,466,209)	(90,075)	2,438,157	2,569,525	131,368	41,293
510	DOT - Highway Maintenance	(29,749,334)	(29,749,334)	-	29,965,927	29,965,927	-	-
580	DOT - Admin Div	(450,000)	(450,000)	-	816,360	832,058	15,698	15,698
800	Department of Human Services	(138,348,441)	(138,348,441)	-	192,580,552	192,580,552	-	-
900	Department of Parks	(28,910,824)	(28,910,824)	-	54,065,229	54,065,229	-	-
950	Zoological Department	(22,668,006)	(22,668,006)	-	23,320,965	23,320,965	-	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(128,000)	(128,000)	-	620,607	620,607	-	-
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)	-	119,960,485	124,460,485	4,500,000	4,500,000
1945	Contingency	-	-	-	-	4,500,000	4,500,000	4,500,000
1950	Fringe Benefits	(89,477,786)	(89,477,786)	-	209,392,384	209,392,384	-	-
1951	Fringe Benefits - 0.4% Sales Tax	(86,670,949)	(86,670,949)	-	56,231,000	56,231,000	-	-
1972	Wage/Benefit Supplemental	-	-	-	1,858,716	1,858,716	-	-
199	Parks Non-Departmental	-	-	-	2,447,580	2,447,580	-	-
Total General Fund		(867,247,466)	(867,483,168)	(235,702)	734,578,707	733,709,324	(869,383)	(1,105,085)
Other Funds								
116	Information Management Services	(979,455)	(979,455)	-	17,697,613	17,697,613	-	-
117	Risk Management	-	-	-	12,636,726	12,636,726	-	-
504	DOT - Airport Division	(107,993,018)	(107,993,018)	-	107,993,018	107,993,018	-	-
530	DOT - Fleet Management	(25,872,872)	(25,872,872)	-	25,856,256	25,856,256	-	-
560	DOT - Transit/Paratransit System	(132,119,063)	(132,119,063)	-	161,221,786	161,221,786	-	-
550	DAS - Utility	-	-	-	-	-	-	-
630	Behavioral Health Division	(157,013,706)	(157,013,706)	-	210,870,567	209,870,567	(1,000,000)	(1,000,000)
996	Debt Retirement and Interest	(11,940,266)	(11,940,266)	-	50,335,731	50,335,731	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(71,540,772)	(71,540,772)	-	311,740,628	311,740,628	-	-
Total Other Funds		(506,479,697)	(506,479,697)	-	880,654,712	879,654,712	(1,000,000)	(1,000,000)
Expendable Trusts								
50003	Zoo Expendable Trusts	(2,053,693)	(2,053,693)	-	2,552,580	2,552,580	-	-
50005	Parks Expendable Trusts	(485,461)	(485,461)	-	485,461	485,461	-	-
50006	OPD Expendable Trusts	-	-	-	-	-	-	-
50007	BHD Expendable Trusts	-	-	-	-	-	-	-
50008	Airport Expendable Trusts	-	-	-	-	-	-	-
50010	DAS Expendable Trusts	-	-	-	-	-	-	-
50011	Fleet Expendable Trusts	-	-	-	-	-	-	-
Total Expendable Trusts		(2,539,154)	(2,539,154)	-	3,038,041	3,038,041	-	-
Projected Surplus (Deficit)		(1,376,266,317)	(1,376,502,019)	(235,702)	1,618,271,460	1,616,402,077	(1,869,383)	(2,105,085)
Less Expendable Trusts								
Contribution (to)/from Behavioral Health Reserves								1,000,000
Total Projected Surplus (Deficit) - with Contingency								(1,105,085)
Total Projected Surplus (Deficit) - without Contingency								(5,605,085)

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)
Unspend 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)
(PENDING) File #26-292 Reallocate Lapsed Project Funds	\$ (656,339)
2026 Projected Balance	\$ 135,038,067

Unallocated Contingency Fund	
2026 Adopted Balance	\$ 4,500,000
<i>County Board Approved Actions</i>	
<i>None</i>	
Current Available Balance	\$ 4,500,000

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

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) *\$0.5 million surplus*

The Department of Combined Court Relation Operations is projecting a surplus of \$0.5 million due to anticipated investment earnings within the department.

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

The County Clerk is projecting a deficit largely due to marriage ceremony fees that they do not anticipate earning.

Office of the Sheriff (Agency 400) *(\$4.7 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) *(\$1.4 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 \$1.4 million. The CRC further is estimating a salary and social security deficit of \$0.5 million. These deficits are offset by an estimated \$0.6 million in commodities savings.

Non-Departmental Expenditures and Revenues

Appropriation for Contingency (Org 1945) *\$4.5 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 an unallocated balance of \$4.5 million.

Fringe Benefits (Org 1950) *Breakeven*

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 39% decrease to a 19% increase over 2025, making it difficult to assess where the County's trend is heading. 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 two 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 6% decline in the first two months of 2026. What remains unclear is whether this decrease will be offset by a reduction in rebates as well. The Office of the Comptroller will continue to monitor weekly claims data and provide updated information as it becomes available.

Sales Tax (*Org 1996*)

Breakeven

Sales tax in 2025 finished with a strong annual growth of over 4%. To end near breakeven in 2026, sales tax will need to again trend between 3-4%. The Office of the Comptroller will continue to monitor monthly sales tax data and provide updated information as it becomes available.

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 \$22 million. These earnings are reduced by the amount allocated to County interest-bearing accounts, leaving an estimated \$18-\$19 million available for operating. The budget is approximately \$16 million, so a small surplus may be available to offset other operating deficits.

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	-												
109	Office of Equity	-												
110	County Executive	-												
112	Personnel Review Board	158,455												
113	Corporation Counsel	-												
114	Human Resources	-												
115	Dept of Administrative Services	-												
118	Strategy, Budget, and Performance	-												
200	Combined Court Related Operations	489,779												
290	Courts - Pre-Trial Services	20,000												
301	Election Commission	57,132												
309	County Treasurer	-												
327	County Clerk	(175,300)												
340	Register of Deeds	-												
370	Office of the Comptroller	-												
400	Sheriff	(4,660,213)												
430	Community Reintegration Center	(1,435,830)												
450	District Attorney	1,000												
480	Emergency Management	-												
490	Medical Examiner	-												
509	Transportation Services	41,293												
510	DOT - Highway Maintenance	-												
580	DOT - Admin Div	15,698												
800	Department of Human Services	-												
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												
1945	Contingency	4,500,000												
1950	Fringe Benefits	-												
1951	Fringe Benefits - 0.4% Sales Tax	-												
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	-												
560	DOT - Transit/Paratransit System	-												
550	DAS - Utility	-												
630	Behavioral Health Division	(1,000,000)												
996	Debt Retirement and Interest	-												
10024	COVID Expendable Funds	-	-	-	-	-	-	-	-	-	-	-	-	-
120	Capital Improvements	-	-	-	-	-	-	-	-	-	-	-	-	-

NR=No Report