



## Office of the Comptroller

Liz Sumner, Comptroller

DATE: June 11, 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)

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### 2026 Year-end Fiscal Projection as of April 30, 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 \$0.3 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	Surplus	\$0.4 million	\$2.7 million
4	April	Surplus	\$0.3 million	(\$0.1 million)

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

- Clerk of Circuit Court – surplus increase of \$0.2 million
- Office of the Sheriff – deficit increase \$0.1 million
- Community Reintegration Center – deficit increase of \$1.0 million
- DHHS – surplus increase of \$0.2 million
- Parks – deficit of \$0.2 million
- Sales Tax – surplus of \$1.0 million
- Contingency – surplus decrease 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 April 30, 2026 Period 4								
Agency	Description	2026 Projected Revenues	2026 Budgeted Revenues	Revenue Variance	2026 Projected Expenditures	2026 Budgeted Expenditures	Expenditure Variance	Surplus / (Deficit)
<b>General Fund Departments</b>								
100	County Board	-	-	-	1,236,599	1,236,599	-	-
103	Governmental Affairs	-	-	-	457,615	465,580	7,965	7,965
109	Office of Equity	(10,000)	(10,000)	-	1,532,454	1,532,454	-	-
110	County Executive	-	-	-	962,216	1,052,438	90,222	90,222
112	Personnel Review Board	-	-	-	209,179	293,329	84,150	84,150
113	Corporation Counsel	(411,063)	(344,000)	67,063	3,117,038	3,049,975	(67,063)	-
114	Human Resources	-	-	-	7,405,150	7,405,150	-	-
115	Dept of Administrative Services	(9,175,150)	(9,070,307)	104,843	47,137,447	47,032,604	(104,843)	-
118	Strategy, Budget, and Performance	-	-	-	4,603,274	4,603,274	-	-
200	Combined Court Related Operations	(15,801,005)	(15,231,488)	569,517	32,886,428	33,259,394	372,966	942,483
290	Courts - Pre-Trial Services	(400,782)	(400,782)	-	7,220,141	7,220,048	(93)	(93)
301	Election Commission	(85,000)	(85,750)	(750)	1,107,087	1,130,203	23,116	22,366
309	County Treasurer	(2,333,627)	(2,230,000)	103,627	997,560	997,560	-	103,627
327	County Clerk	(363,079)	(617,355)	(254,276)	1,543,404	1,622,493	79,089	(175,187)
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	(25,965,707)	(25,645,500)	320,207	80,064,468	75,262,498	(4,801,970)	(4,481,763)
430	Community Reintegration Center	(1,988,474)	(2,884,000)	(895,526)	71,186,004	68,232,848	(2,953,156)	(3,848,682)
450	District Attorney	(8,317,932)	(7,080,309)	1,237,623	17,593,870	16,389,764	(1,204,106)	33,517
480	Emergency Management	(4,048,201)	(4,237,271)	(189,070)	13,103,016	13,293,998	190,982	1,912
490	Medical Examiner	(3,998,396)	(3,998,396)	-	5,996,299	5,996,299	-	-
509	Transportation Services	(2,421,395)	(2,466,209)	(44,814)	2,558,389	2,633,865	75,476	30,662
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	(135,864,405)	(139,223,376)	(3,358,971)	187,324,963	191,213,987	3,889,024	530,053
900	Department of Parks	(29,537,041)	(29,537,041)	-	54,624,773	54,403,824	(220,949)	(220,949)
950	Zoological Department	(22,329,559)	(22,668,006)	(338,447)	23,504,187	23,842,634	338,447	-
970	Milwaukee Public Museum	-	-	-	3,500,000	3,500,000	-	-
991	University Extension	(128,000)	(128,000)	-	603,781	603,781	-	-
<b>Non-Departmentals</b>								
190	Revenue Non-Departmental	(494,655,595)	(493,655,595)	1,000,000	-	-	-	1,000,000
1991	Property Tax	(309,014,834)	(309,014,834)	-	-	-	-	-
1992	Earnings on Investments	(16,406,737)	(16,406,737)	-	-	-	-	-
1996	0.5% Sales Tax	(109,924,164)	(108,924,164)	1,000,000	-	-	-	1,000,000
194	General Non-Departmental	(76,326,301)	(74,826,301)	1,500,000	118,939,271	123,707,920	4,768,649	6,268,649
1945	Contingency	-	-	-	-	4,525,001	4,525,001	-
1950	Fringe Benefits	(90,977,786)	(89,477,786)	1,500,000	209,392,384	209,392,384	-	1,500,000
1951	Fringe Benefits - 0.4% Sales Tax	(86,670,949)	(86,670,949)	-	56,231,000	56,231,000	-	-
1972	Wage/Benefit Supplemental	-	-	-	-	243,648	243,648	243,648
199	Parks Non-Departmental	-	-	-	2,447,580	2,447,580	-	-
<b>Total General Fund</b>		<b>(871,793,096)</b>	<b>(871,965,437)</b>	<b>(172,341)</b>	<b>733,548,862</b>	<b>734,124,250</b>	<b>575,388</b>	<b>403,047</b>
<b>Other Funds</b>								
116	Information Management Services	(979,455)	(979,455)	-	16,946,235	16,946,235	-	-
117	Risk Management	-	-	-	12,647,562	12,647,562	-	-
504	DOT - Airport Division	(105,881,713)	(105,881,713)	-	105,881,713	105,881,713	-	-
530	DOT - Fleet Management	(25,868,872)	(25,872,872)	(4,000)	25,518,891	25,460,749	(58,142)	(62,142)
560	DOT - Transit/Paratransit System	(130,763,122)	(132,119,063)	(1,355,941)	159,878,238	161,234,179	1,355,941	-
550	DAS - Utility	-	-	-	-	-	-	-
630	Behavioral Health Division	(147,137,786)	(157,013,706)	(9,875,920)	200,499,667	205,061,681	4,562,015	(5,313,905)
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)	-	322,990,609	322,990,609	-	-
<b>Total Other Funds</b>		<b>(507,973,512)</b>	<b>(519,209,373)</b>	<b>(11,235,861)</b>	<b>877,752,410</b>	<b>883,612,224</b>	<b>5,859,814</b>	<b>(5,376,047)</b>
<b>Expendable Trusts</b>								
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	-	-	-	-	-	-	-
<b>Total Expendable Trusts</b>		<b>(2,554,154)</b>	<b>(2,554,154)</b>	<b>-</b>	<b>2,845,034</b>	<b>2,845,034</b>	<b>-</b>	<b>-</b>
<b>Projected Surplus (Deficit)</b>		<b>(1,382,320,762)</b>	<b>(1,393,728,964)</b>	<b>(11,408,202)</b>	<b>1,614,146,306</b>	<b>1,620,581,508</b>	<b>6,435,202</b>	<b>(4,973,000)</b>
Less Expendable Trusts								-
Contribution (to)/from Behavioral Health Reserves								5,313,905
<b>Total Projected Surplus (Deficit) - with Contingency</b>								<b>340,905</b>
<b>Total Projected Surplus (Deficit) - without Contingency</b>								<b>(4,184,095)</b>

<b>Debt Service Reserve Activity and Projected 2026 Ending Balance</b>	
<b>2025 Yearend Surplus (Estimate)</b>	\$ 5,000,000
<b>2026 Starting Balance</b>	\$ 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
<b>2026 Projected Balance</b>	<b>\$ 135,279,825</b>

<b>Unallocated Contingency Fund</b>	
<b>2026 Adopted Balance</b>	<b>\$ 4,000,000</b>
<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)
File #26-328 McGovern Senior Center	\$ (100,000)
<b>Current Available Balance</b>	<b>\$ 4,025,001</b>

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

**Committee Action**

This is an informational report only.

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

## DESCRIPTION OF SIGNIFICANT SURPLUS AND DEFICIT PROJECTIONS FOR 2026

### **Combined Court Related Operations (Agency 200) *\$0.9 million surplus***

The Department of Combined Court Related Operations is projecting a surplus of \$0.9 million due to an increase in fines and forfeitures and savings in legal fees and psychiatrist fees.

### **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) *(\$4.5 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) *(\$3.8 million deficit)***

The overtime needs of the Community Reintegration Center (CRC) continue to trend over budget. For 2026, the current estimate is an overtime deficit of \$2.2 million. The CRC further is estimating a salary and social security deficit of \$0.7 million. The CRC is also projecting a revenue deficit of \$0.9 million. This revenue deficit is largely due to a shortfall in state revenue due to the suspension of transfers from the Wisconsin Department of Corrections. Charges for services and other revenue are underbudget (due to telephone revenue and electronic monitoring revenue) which are largely offset by a surplus in concessions revenue.

### **MCDOT - Transit (Agency 560) *Breakeven***

Transit is currently projecting a net surplus of \$0.5 million based on trends from the first quarter. This surplus is a result of reduced overtime, lower paratransit expenditures due to higher contractor efficiency, and strategic agency fare enforcement. Offsetting these surpluses are potential shortfalls in vehicle registration fee (VRF) revenue and other potential federal funding reductions. MCDOT intends to use any surplus funds available at the end of 2026 to reduce the federal stimulus funding by the same amount in 2026, which would result in a breakeven for 2026 and extend federal stimulus funds availability into 2027.

Not included in this projection are potential savings due to the recently amended paratransit service contract. MCTS anticipates a credit of \$0.4 million and savings of approximately \$1.5 million from invoiced but not paid expenses to the paratransit provider in 2025. The Comptroller's Office, MCTS, and MCDOT are currently reconciling the accounting and budget

impacts by fiscal year of those credits and savings. MCDOT intends to provide a report to the County Board once the impacts are determined.

**DHHS – Behavioral Health Services (Agency 630) *(\$5.3 million deficit)***

The DHHS – BHS Division is projecting a deficit of \$5.3 million for 2026. This deficit is largely due to adult community-based residential facility (CBRF) and adult family home (AFH) placement costs, youth client service costs, and inpatient service costs trending higher than budget.

**Department of Health & Human Services (Agency 800) *\$0.5 million surplus***

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

**Department of Parks, Recreation, and Culture (Agency 900) *(\$0.2 million deficit)***

Parks is projecting a breakeven on revenues, but a deficit in commodities and services of \$0.2 million due to the price of gasoline.

**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 a balance of \$4.5 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)**

***\$1.0 million surplus***

Sales tax in 2025 finished with a strong annual growth of over 4%. With four 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 \$1.0 million in 0.5% sales tax which would be available to offset other deficits. Assuming a 3.8% growth rate for the remainder of the year is reasonable, however, 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
<b>General Fund Departments</b>														
100	County Board	-	-	-	-									
103	Governmental Affairs	-	-	7,968	7,965									
109	Office of Equity	-	-	-	-									
110	County Executive	-	-	87,697	90,222									
112	Personnel Review Board	158,455	41,356	53,453	84,150									
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	942,483									
290	Courts - Pre-Trial Services	20,000	19,000	18,907	(93)									
301	Election Commission	57,132	13,611	8,853	22,366									
309	County Treasurer	-	43,308	103,522	103,627									
327	County Clerk	(175,300)	(144,708)	(150,641)	(175,187)									
340	Register of Deeds	-	-	-	-									
370	Office of the Comptroller	-	-	-	-									
400	Sheriff	(4,660,213)	(5,226,994)	(4,401,849)	(4,481,763)									
430	Community Reintegration Center	(1,435,830)	(2,695,870)	(2,825,419)	(3,848,682)									
450	District Attorney	1,000	3,783	38,186	33,517									
480	Emergency Management	-	-	191	1,912									
490	Medical Examiner	-	-	-	-									
509	Transportation Services	41,293	190,675	40,043	30,662									
510	DOT - Highway Maintenance	-	-	-	-									
580	DOT - Admin Div	15,698	19,114	14,114	14,114									
800	Department of Human Services	-	127,360	366,484	530,053									
900	Department of Parks	-	-	-	(220,949)									
950	Zoological Department	-	-	-	-									
970	Milwaukee Public Museum	-	-	-	-									
991	University Extension	-	-	-	-									
<b>Non-Departmentals</b>														
190	Revenue Non-Departmental	-	-	-	1,000,000									
1991	Property Taxes	-	-	-	-									
1992	Earnings on Investments	-	-	-	-									
1996	Sales Tax	-	-	-	1,000,000									
194	General Non-Departmental	4,500,000	4,765,788	6,368,649	6,268,649									
1945	Contingency	4,500,000	4,522,140	4,625,001	4,525,001									
1950	Fringe Benefits	-	-	1,500,000	1,500,000									
1951	Fringe Benefits - 0.4% Sales Tax	-	-	-	-									
1972	Wage/Benefit Supplemental	-	243,648	243,648	243,648									
199	Parks Non-Departmental	-	-	-	-									
<b>Other Funds</b>														
116	Information Management Services	-	-	-	-									
117	Risk Management	-	-	-	-									
504	DOT - Airport Division	-	-	-	-									
530	DOT - Fleet Management	-	(56,142)	(61,142)	(62,142)									
560	DOT - Transit/Paratransit System	-	-	-	-									
550	DAS - Utility	-	-	-	-									
630	Behavioral Health Division	(1,000,000)	(4,143,606)	(3,799,640)	(5,313,905)									
996	Debt Retirement and Interest	-	-	-	-									
10024	COVID Expendable Funds	-	-	-	-									
120	Capital Improvements	-	-	-	-									

NR=No Report