



Office of the Comptroller

Liz Sumner, Comptroller

DATE: July 15, 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 May 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 **deficit of \$0.9 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
4	April	Surplus	\$0.8 million	\$0.4 million
5	May	Deficit	(\$0.9 million)	(\$1.7 million)

Major changes to the fiscal status are:

- Office on Strategy Budget & Performance – surplus increase of \$0.1 million
- Milwaukee County Sheriff's Office – deficit decrease of \$0.2 million
- Community Reintegration Center – deficit decrease of \$0.1 million
- MC-DOT Transportation Services – surplus increase of \$0.1 million
- Department of Health & Human Services – surplus decrease of \$0.1 million
- Fringe Benefits – surplus decrease of \$1.5 million
- Sales Tax – deficit increase of \$2.3 million
- Earnings on Investments – surplus increase of \$1.4 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 May 31, 2025 Period 5								
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	-	-	-	419,185	461,776	42,591	42,591
109	Office of Equity	(100,000)	(100,000)	-	1,809,303	1,871,425	62,122	62,122
110	County Executive	-	-	-	981,296	981,296	-	-
112	Personnel Review Board	-	-	-	237,737	291,972	54,235	54,235
113	Corporation Counsel	(266,500)	(294,184)	(27,684)	2,824,685	2,856,480	31,795	4,111
114	Human Resources	-	-	-	7,489,069	7,489,069	-	-
115	Dept of Administrative Services	(8,807,752)	(9,020,995)	(213,243)	44,050,124	44,263,367	213,243	-
118	Strategy, Budget, and Performance	-	-	-	5,872,772	6,013,421	140,649	140,649
200	Combined Court Related Operations	(13,632,632)	(13,410,920)	221,712	32,930,724	32,825,407	(105,318)	116,394
290	Courts - Pre-Trial Services	(549,581)	(549,581)	-	7,150,216	7,133,574	(16,642)	(16,642)
301	Election Commission	(154,700)	(45,750)	108,950	645,012	709,365	64,353	173,303
309	County Treasurer	(2,342,712)	(2,030,000)	312,712	1,039,157	1,021,239	(17,918)	294,794
327	County Clerk	(333,582)	(566,670)	(233,088)	1,374,796	1,580,389	205,593	(27,495)
340	Register of Deeds	(4,090,447)	(4,089,035)	1,412	1,491,327	1,491,327	-	1,412
370	Office of the Comptroller	(138,000)	(143,000)	(5,000)	6,433,402	6,438,402	5,000	-
400	Sheriff	(9,433,372)	(9,642,219)	(208,847)	73,170,297	66,426,613	(6,743,683)	(6,952,531)
430	Community Reintegration Center	(1,591,000)	(3,251,000)	(1,660,000)	69,109,799	67,460,206	(1,649,592)	(3,309,592)
450	District Attorney	(6,378,180)	(5,958,257)	419,923	15,787,840	15,356,933	(430,907)	(10,984)
480	Emergency Management	(3,578,420)	(3,503,266)	75,154	12,517,646	12,456,485	(61,161)	13,993
490	Medical Examiner	(3,748,681)	(3,748,681)	-	6,040,288	6,040,288	-	-
509	Transportation Services	(2,089,150)	(2,180,052)	(90,902)	2,299,013	2,645,927	346,914	256,012
510	DOT - Highway Maintenance	(27,674,075)	(27,674,075)	-	27,928,941	27,928,941	-	-
580	DOT - Admin Div	(8,386,494)	(8,386,494)	-	7,913,289	7,913,289	-	-
800	Department of Human Services	(140,818,224)	(136,787,979)	4,030,245	193,515,461	189,581,846	(3,933,615)	96,630
900	Department of Parks	(26,888,125)	(26,888,125)	-	53,562,655	53,562,655	-	-
950	Zoological Department	(21,459,464)	(21,932,797)	(473,333)	23,058,104	23,531,437	473,333	-
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	(481,379,384)	(476,917,386)	4,461,998	-	-	-	4,461,998
1996	0.5% Sales Tax	(102,672,353)	(104,475,811)	(1,803,458)	-	-	-	(1,803,458)
1992	Earnings on Investments	(19,500,000)	(13,234,544)	6,265,456	-	-	-	6,265,456
194	General Non-Departmental	(72,161,368)	(75,211,483)	(3,050,115)	118,549,436	125,146,087	6,596,651	3,546,536
1945	Contingency	-	-	-	-	5,096,651	5,096,651	5,096,651
1950	Fringe Benefits	(81,474,609)	(81,974,609)	(500,000)	191,067,257	192,567,257	1,500,000	1,000,000
1951	Fringe Benefits - 0.4% Sales Tax	(81,030,534)	(83,580,649)	(2,550,115)	57,801,000	57,801,000	-	(2,550,115)
1972	Wage/Benefit Supplemental	-	-	-	2,050,000	2,050,000	-	-
199	Parks Non-Departmental	-	-	-	2,541,688	2,541,688	-	-
Total General Fund		(836,111,843)	(832,441,949)	3,669,895	725,986,693	721,264,334	(4,722,359)	(1,052,464)
Other Funds								
116	Information Management Services	(1,164,354)	(1,164,354)	-	17,185,653	17,185,653	-	-
117	Risk Management	-	-	-	12,378,174	12,381,812	3,639	3,639
504	DOT - Airport Division	(100,619,212)	(105,017,189)	(4,397,977)	100,619,212	105,017,189	4,397,977	-
530	DOT - Fleet Management	(25,988,714)	(25,876,358)	112,356	26,773,850	26,773,850	-	112,356
560	DOT - Transit/Paratransit System	(126,144,018)	(126,144,018)	-	152,994,681	152,994,681	-	-
550	DAS - Utility	-	-	-	-	-	-	-
630	Behavioral Health Division	(138,380,065)	(169,245,038)	(30,864,973)	195,810,383	218,652,438	22,842,055	(8,022,918)
996	Debt Retirement and Interest	(8,351,997)	(8,351,997)	-	40,613,976	40,613,976	-	-
10024	COVID Expendable Funds	-	-	-	-	-	-	-
120	Capital Improvements	(139,742,670)	(139,742,670)	-	322,432,814	322,432,814	-	-
Total Other Funds		(539,226,676)	(574,377,270)	(35,150,595)	851,623,089	878,866,760	27,243,671	(7,906,924)
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)		(1,377,957,374)	(1,409,438,074)	(31,480,700)	1,580,290,713	1,602,812,025	22,521,312	(8,959,388)
Less Expendable Trusts								
Contribution (to)/from Behavioral Health Reserves		8,022,918						
Total Projected Surplus (Deficit) - with Contingency		(936,469)						
Total Projected Surplus (Deficit) - without Contingency		(6,033,121)						

Debt Service Reserve Activity and Projected 2025 Ending Balance	
2024 Yearend Surplus (Estimate)	\$ 16,000,000
2025 Starting Balance	\$ 144,896,708
<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 Unspent Bond Reallocation	\$ (1,104,211)
Correction re File #24-736	\$ 27,767
File #24-926 Reestablish SR Home Repair Program Funds	\$ (893,165)
File #25-300 Lapsed Project Funds to DSR	\$ 532,613
File #25-387 Lapsed Project Funds to Debt Service for Expenses	\$ (371,368)
2025 Projected Balance	\$ 125,580,912

Unallocated Contingency Fund	
2025 Adopted Balance	\$ 4,000,000
<i>County Board Approved Actions</i>	
File #25-101 Unspent 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

Office on Equity (Agency 103) *\$0.1 million surplus*

The Office on Equity is projecting an expenditure surplus for 2025 in commodities/services.

Personnel Review Board (Agency 112) *\$0.1 million surplus*

The Personnel Review Board is projecting an expenditure surplus for 2025 in commodities and services largely due to savings in legal fees.

Office of Strategy, Budget, & Performance (Agency 118) *\$0.1 million surplus*

Office of Strategy, Budget, & Performance is projecting an expenditure surplus for 2025 largely due to staff vacancies.

Combined Court Related Operations (Agency 200) *\$0.1 million surplus*

Courts is projecting a revenue surplus for 2025 due to fines, forfeitures, and investment income expected to exceed budget. Courts is also projecting an expenditure surplus in commodities and services of \$130,000 due largely to various fees coming in under budget. These surpluses offset a projected deficit in personnel services of \$234,000, for a net surplus of \$0.1 million.

Election Commission (Agency 301) *\$0.2 million surplus*

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

County Treasurer (Agency 309) *\$0.3 million surplus*

The Treasurer is projecting a revenue surplus of approximately \$0.3 million due to anticipated surplus in interest earned on properties sold.

Office of the Sheriff (Agency 400) *(\$7.0 million deficit)*

SPECIAL NOTE: This estimate does not include Expressway Patrol Aids that were approved in the 2025-2027 State Biennial Budget. For the fiscal year 2025-2026, \$18.0 million is provided and for the fiscal year 2026-2027, \$20.0 million is provided. The legislative intent was to provide Milwaukee County funding for expressway patrol which would supplant tax levy that could then be used towards funding the new public safety building. Whether this funding is available to offset the County's bottom line depends on the policy recommendation set forth in a future committee cycle.

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 \$8.6 million and social security by \$0.5 million. The Sheriff is projecting a salary surplus of \$3.0 million,

a revenue deficit of \$0.2 million, a commodities/services deficit of \$0.4 million, and a cross-charge deficit of \$0.3 million, resulting in a net projected deficit of \$7.0 million for 2025.

Community Reintegration Center (Agency 430) *(\$3.3 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 \$1.7 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 \$3.3 million for 2025.

District Attorney (Agency 450) *(\$0.01 million deficit)*

SPECIAL NOTE: This estimate does not account for revenue appropriated in the 2025-2027 State Biennial Budget that provides that Milwaukee County may now retain 100% of fine and forfeiture revenues from violations of state traffic laws, but requires these revenues be deposited into a segregated account from which moneys may only be used for purposes related to the operation of the district attorney's office. Estimates are being generated and will be provided in future fiscal reports.

MCDOT – Transportation Services (Agency 509) *\$0.3 million surplus*

The MCDOT – Transportation Services Division is projecting a surplus in salary and overtime of \$0.3 million, as well as \$0.1 million surplus in other areas. The salary savings result in a reduction of unbillable hours for a revenue deficit of \$0.2 million, which is offset by surplus in licensing and permit revenue of \$0.1 million. The net result is a surplus of \$0.3 million.

MCDOT – Transit (Agency 560) *Breakeven*

On June 8, 2025, the MCDOT administration submitted the May 2025 fiscal report showing a breakeven for the MCDOT - Transit Division, which is the period this report is based on. Shortly after the June 8, 2025 submission of the May 2025 report, MTS officials publicly announced a \$10.9 million deficit operating deficit. The Office of the Comptroller has reviewed early estimates with MTS financial officials and is in continuing discussions about the reported expenditure deficits. Based off a high-level early review, the assumptions driving the deficit are all reasonable. The largest drivers are wages (overtime), fringe benefits, fuel and parts, paratransit services, and passenger revenue.

MTS officials are currently working to offset the deficit by reducing overtime, renegotiating or cancelling contracts, and working closely with TransDev to reduce expenses. Based on conversations with the Office of Strategy, Budget, and Performance, unallocated ARPA or Coronavirus Response and Relief Supplemental Appropriations (CRRSA) funding will be used in 2025 so that the MCDOT - Transit Division ends in a breakeven position. The Comptroller's Office will continue to meet with MTS finance officials over the ensuing months and provide regular updates.

While using additional ARPA or CRRSA funding in 2025 mitigates a potential negative impact on the County's bottom line, if the changes that the MTS officials implement in the short-term are not sustainable, additional expenditure authority will be required within the 2026 budget, which increases the amount of funding needed in 2026. It is also possible that the County may utilize a majority of the remaining ARPA and CRRSA funds by the end of 2026, moving the projected fiscal cliff into 2027.

Department of Health and Human Services (Agency 800)

\$0.1 million surplus

SPECIAL NOTE: This estimate does not account for the reduction in the statutory daily rate for housing juvenile offenders approved in the 2025-2027 State Biennial Budget. For the fiscal year 2025-2026, the rate drops from \$1,268 to \$501, increasing to a rate of \$758 in fiscal year 2026-2027.

The Department of Health and Human Services (DHHS) 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 \$1.7 million. The surplus in Aging and Disability Services is attributable to surplus in federal match and the surplus in Child Support Services is attributable to surplus in state funding. These surpluses are offsetting deficits in Children, Youth and Family Services of \$1.2 million and Housing of \$0.4 million. The deficit in CYFS is primarily driven by court-ordered out-of-home care placements for justice-involved youth exceeding budgeted amounts.

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)

\$1.0 million surplus

The Comptroller's Office monitors weekly spending on healthcare and pharmacy claims. Year-to-date payments for healthcare continue to trend negatively, with 2025 now exceeding 2024 by over 23%, commercial pharmacy claims are exceeding 2024 claims by over 21%, and retiree pharmacy claims by over 16%. Assuming rebates continue to earn at the year-to-date average, rebates should provide a surplus of approximately \$7.0 million, of which roughly \$4.0 million is the result of final rebates from the previous carrier (OptumRx). 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)

\$6.3 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 and long-term yields continue to hold steady results in a surplus of roughly \$6.3 million.

Sales Tax (*Org 1996/Org 1951*)

(\$4.4 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%. In the 4.5 months of data available, 2.5 months outperformed 2024 by a significant amount, while 2.0 months underperformed by a significant amount. Assuming a breakeven with 2024 for the remaining 7.5 months results in a deficit of approximately \$4.4 million. The Comptroller's Office will continue to monitor sales tax and update projections as additional months of sales tax collections are received.

Milwaukee County														
Cumulative 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	-	-	-	-	42,591								
109	Office of Equity	-	-	18,205	13,338	62,122								
110	County Executive	-	-	-	-	-								
112	Personnel Review Board	63,491	(5,292)	51,473	53,440	54,235								
113	Corporation Counsel	-	-	31,992	619	4,111								
114	Human Resources	-	-	-	-	-								
115	Dept of Administrative Services	-	-	-	-	-								
118	Strategy, Budget, and Performance	-	-	54,083	54,080	140,649								
200	Combined Court Related Operations	63,773	(52,949)	10,412	96,262	116,394								
290	Courts - Pre-Trial Services	(11,327)	(14,622)	(14,622)	(12,692)	(16,642)								
301	Election Commission	112,892	112,892	89,655	133,624	173,303								
309	County Treasurer	500	-	-	260,062	294,794								
327	County Clerk	(114,421)	20,560	8,329	15,668	(27,495)								
340	Register of Deeds	77	-	867	1,188	1,412								
370	Office of the Comptroller	-	-	-	-	-								
400	Sheriff	(6,809,720)	(6,869,802)	(7,097,142)	(7,123,839)	(6,952,531)								
430	Community Reintegration Center	(3,655,199)	(3,853,075)	(3,453,592)	(3,453,592)	(3,309,592)								
450	District Attorney	-	-	-	(28,607)	(10,984)								
480	Emergency Management	-	-	206	228	13,993								
490	Medical Examiner	-	-	-	-	-								
509	Transportation Services	748	23,413	25,546	132,686	256,012								
510	DOT - Highway Maintenance	-	-	-	-	-								
580	DOT - Admin Div	-	-	-	-	-								
800	Department of Human Services	(44,919)	21,212	133,323	172,457	96,630								
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	4,277,354	4,461,998								
1996	Sales Tax	(3,503,366)	(2,621,681)	(622,646)	(622,646)	(1,803,458)								
1992	Earnings on Investments	4,900,000	4,900,000	4,900,000	4,900,000	6,265,456								
194	General Non-Departmental	1,385,205	4,592,910	6,136,954	6,136,954	3,546,536								
1945	Contingency	5,096,651	5,096,651	5,096,651	5,096,651	5,096,651								
1950	Fringe Benefits	-	2,500,000	2,500,000	2,500,000	1,000,000								
1951	Fringe Benefits - 0.4% Sales Tax	(3,711,446)	(3,003,741)	(1,459,697)	(1,459,697)	(2,550,115)								
1972	Wage/Benefit Supplemental	-	-	-	-	-								
199	Parks Non-Departmental	-	-	-	-	-								
Other Funds														
116	Information Management Services	-	-	-	-	-								
117	Risk Management	-	-	-	17,028	3,639								
504	DOT - Airport Division	-	-	-	-	-								
530	DOT - Fleet Management	-	80,040	88,040	NR	NR								
560	DOT - Transit/Paratransit System	-	-	-	-	-								
550	DAS - Utility	-	-	-	-	-								
630	Behavioral Health Division	-	(239,625)	(4,555,166)	(6,028,874)	(8,022,918)								
996	Debt Retirement and Interest	-	-	-	-	-								
10024	COVID Expendable Funds	-	-	-	-	-								
120	Capital Improvements	-	-	-	-	-								
NR=No Report														