

2027 Budget Process Calendar

April 6



Department Capital Budget Requests Due

May 12



Department Operating Budget Requests Due

May - Sept.



Executive Budget Development

**July 29 &
July 30**



Mayor Cavalier Johnson's Budget Open Houses

Sept. 22



Mayor Cavalier Johnson Releases the Proposed Executive Budget

**Sept. 22 -
Oct. 29**



Common Council Finance & Personnel Committee Reviews the Proposed Executive Budget

Early Oct.



Mayor-Council Joint Public Hearing on the Budget

Nov. 6



Common Council Budget Adoption



Budget Overview

How much is the City budget?

The overall, annual City of Milwaukee budget for 2026 is

\$2,075,687,722

State law mandates a balanced budget.

Meaning, every year

every dollar spent...



... must also be received.

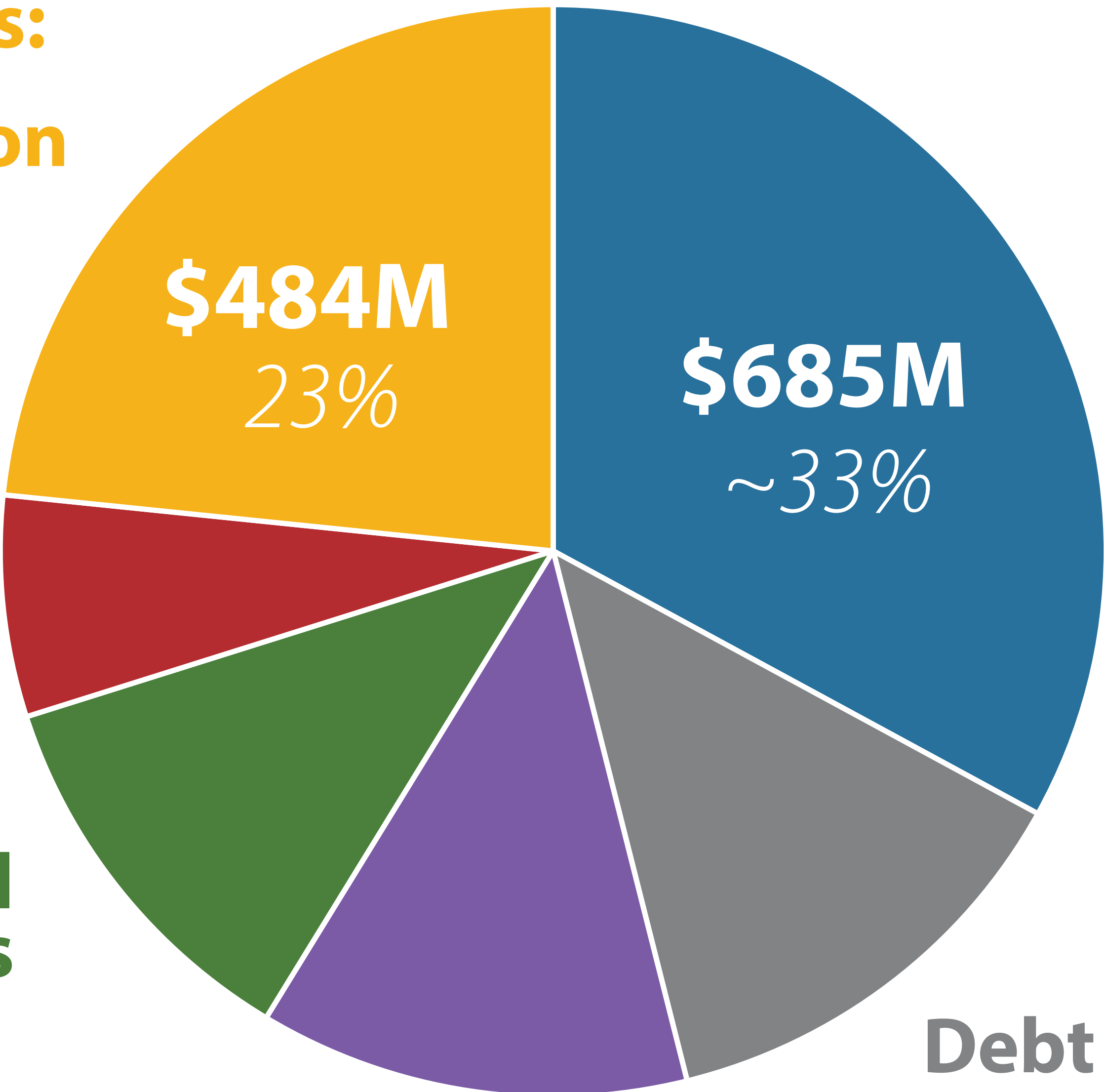
How are the dollars spent?

Self-supporting funds, including three enterprise funds:

- Transportation
- Sewer
- Water

Health Care & Workers Comp.

Capital Improvements



Day-to-day funding for most City departments, excluding self-supporting enterprise funds

Pension

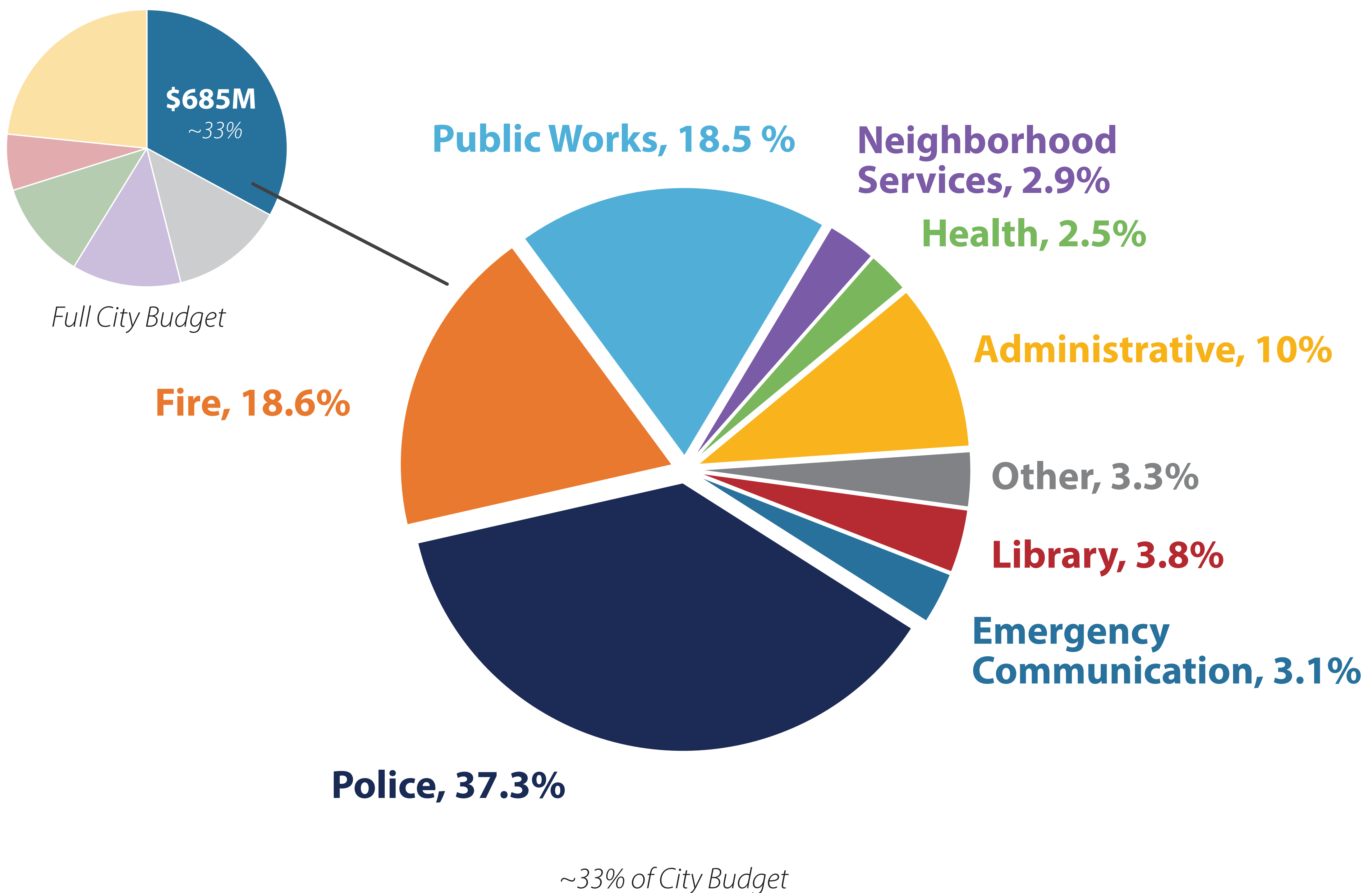


Self-supporting funds are separate and pay for themselves with independent revenue.

Share your feedback!
Scan the QR code to share on our EngageMKE page.



2026 Department Shares



Department Budget Reduction Considerations

Below are some considerations the Budget and Management Division must give when reducing the listed department's budgets. This list is not all encompassing.

Fire

State law forbids reductions to firefighter staffing. Only the department's civilian salaries, operating and equipment costs can be reduced.

Police

State law forbids reductions to police officer staffing. Only the department's civilian salaries, operating and equipment costs can be reduced.

Public Works

Services are mostly offset by user fees and permit fees so services can't be cut without losing revenue.

Neighborhood Services

Services are mostly offset by fees, permits, and violations so services can't be cut without losing revenue.

Health

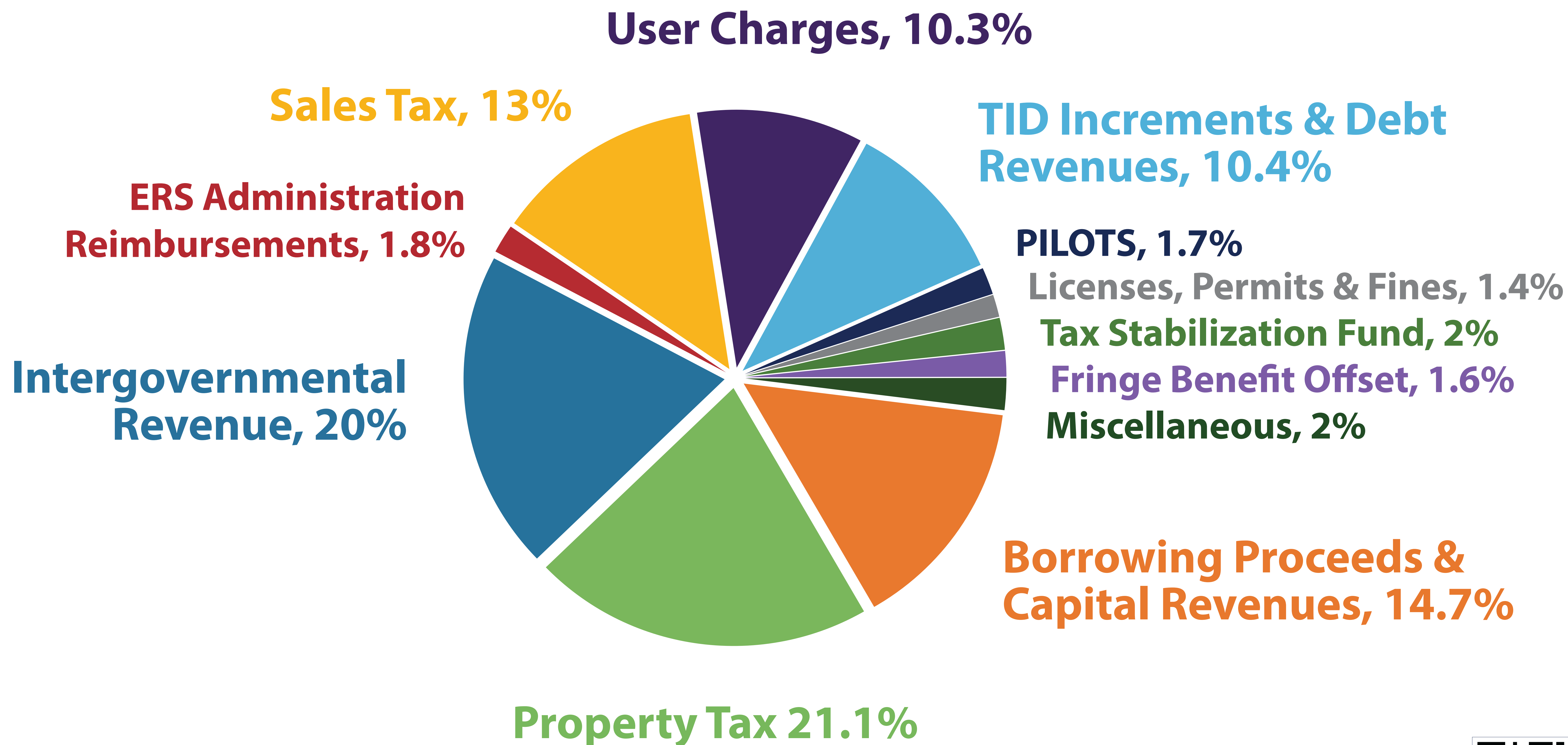
Many health services are State-mandated, so they can be reduced but not eliminated. The Health Department is also heavily grant-funded, so savings are not always dollar-for-dollar.

Administrative

Many administrative functions are State-mandated, so they can be reduced but not eliminated.



How is General Fund funded?



The total 2026 General Fund is \$1.59 billion.



Identifying a Budget Gap

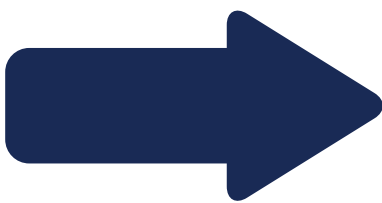
$$\begin{array}{r} \text{Cost of Continuing Current Services} \\ - \text{Project Total Revenues} \\ \hline \text{Budget Gap} \end{array}$$



State law mandates a *balanced budget*.

Every year, every dollar spent must also be received.

The 2026 budget had a **\$101 million gap** to close.



The 2027 budget currently has **\$97 million gap** to close.

Closing a Budget Gap

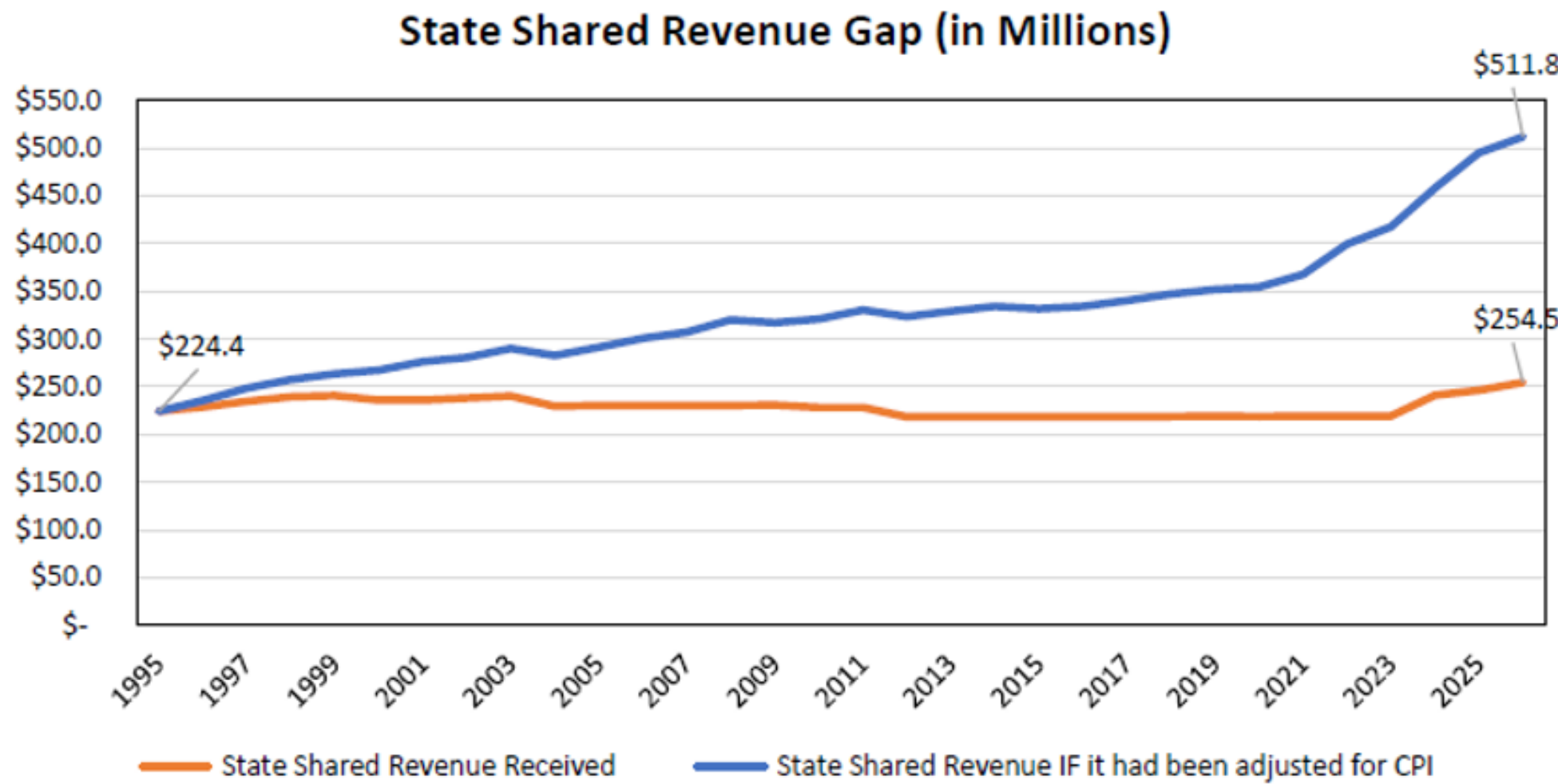
The budget in 2026 was closed using the three R's.

1. Reductions: \$28M
2. Revenues: \$38M
3. Reserves: \$35M

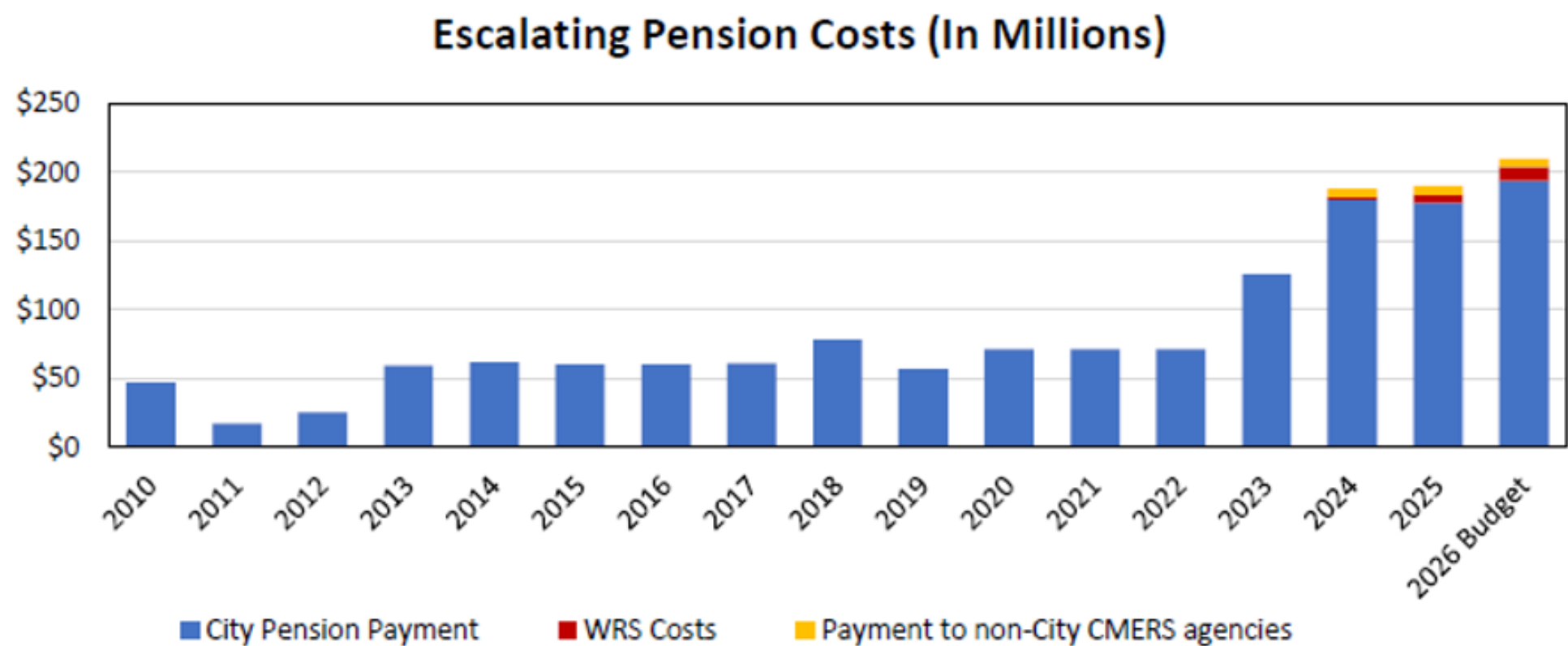
Current trends indicate that **revenues** won't increase as much in 2027, so greater **reductions** in services are likely.

Why are the Budget Gaps so big?

1. State Shared Revenue was frozen from 1996 to 2023. This lost the City more than \$250M annually, when adjusted for inflation.



2. The City's pension obligations continue to increase.



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Why wasn't the sales tax enough to close the gap?

- Act 12 generates more than **\$200M annually** via the 2% city sales tax.
- Act 12 also included a **\$20M+ increase in State Shared Revenue**, which now increases annually with overall statewide collections.
- These increases in revenue reduced the size of the gaps from their prior peaks in the early 2020s, but didn't make up for the **prior freezes over three decades**.
- Act 12 also increased pension and public safety costs.

Please take our survey and tell Mayor Cavalier Johnson how you would close the \$97M gap.



[Engage.Milwaukee.Gov/Budget](https://engage.milwaukee.gov/budget)