

COUNTY OF MILWAUKEE
Inter-Office Communication

DATE: February 13, 2026

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

FROM: Isaac Rowlett, Interim Director, Office of Strategy, Budget & Performance

SUBJECT: From the Interim Director, Office of Strategy, Budget & Performance,
Requesting Authorization to Reallocate Federal American Rescue Plan Act
(ARPA) Revenue and Expenses

REQUEST

The Office of Strategy, Budget and Performance (SBP) requests authorization to reallocate ARPA State and Local Fiscal Recovery Funds (SLFRF) revenue and expenses for projects to eligible Public Health and Safety operational expenses and ARPA capital projects, for a net \$0 tax levy impact. This authorization to reallocate ARPA SLFRF funds is a replication of the strategy approved in Files [23-808](#), [24-535](#) and [24-753](#) to ensure that the County meets all ARPA expenditure deadlines and maximizes the use of federal funds.

POLICY

This report follows authorization from the Milwaukee County Board of Supervisors to reallocate ARPA SLFRF funds to ensure that the County meets all ARPA expenditure deadlines and maximizes the use of federal funds in Files [23-808](#), [24-535](#) and [24-753](#).

BACKGROUND

Milwaukee County directly received \$183.7 million in federal ARPA SLFRF. The Milwaukee County Board of Supervisors approved 73 projects and fully obligated 100% of its ARPA aid (\$183,696,190) in 2024 in accordance with the federal deadline. The U.S. Department of the Treasury (Treasury) requires Milwaukee County to fully expend all ARPA funds by December 31, 2026.

As of December 31, 2025, Milwaukee County expended \$172,273,557.36, or 94%, of its total ARPA allocation, with \$11,422,631.64 remaining in encumbrances to be expended. Table A shows expenditure data for the 23 open projects as reported in the quarterly Project and Expenditure Report submitted to Treasury on January 31, 2026, for balances as of December 31, 2025. The Forensic Science Center remaining project balance) accounts for 74%, or \$8,466,257.19, of the remaining overall balance.

Table A: ARPA SLFRF Expenses Reported to Treasury in the Fourth Quarter of 2025

ARPA Project	Approved Budget	Reported Expenses	Remaining Balance*
1AR11 Safer Milwaukee Program	508,981.33	476,225.94	32,755.39
1AR24 Milwaukee Market Match	991,443.63	954,989.98	36,453.65
1AR26 Foreclosure Rehabilitation	2,541,349.66	2,400,409.66	140,940.00
1AR32 Early Childhood Family Engagement	1,375,622.53	1,346,072.96	29,549.57
1AR33 Childhood, Youth, and Family Services CYFS and Community Continuum Expansion	3,084,942.63	2,675,562.64	409,379.99
1AR34 Girls Programming for Special Populations in CYFS	2,421,195.58	1,973,263.80	447,931.78
WY010701 Office of Emergency Management Tornado Sirens Upgrade Replacement	1,667,439.42	1,534,261.12	133,178.30
WY012308 Milwaukee County Parks Energy Efficient Light Fixture Upgrades	2,868,769.19	2,397,797.74	470,971.45
1AR31 Beach Ambassador Program	128,250.00	103,250.00	25,000.00
WY01130 Onsite Health Clinics	2,070,000.00	1,801,968.77	268,031.23
1AR45 MENTOR Greater Milwaukee - Building Mentoring Mindsets	253,788.39	216,733.88	37,054.51
1AR41 Mental Health Clinic for Youth & Young Adults	192,579.04	171,163.54	21,415.50
WY062507 Facilities Lead Drinking Water Testing	200,710.47	103,732.90	96,977.57
1AR40 Access to Mental Healthcare	390,355.95	362,440.97	27,914.98
1AR56 Flexible Housing Subsidy Pool	873,625.21	771,240.41	102,384.80
WY010703 Countywide Medical Dispatch	216,564.53	179,969.53	36,595.00
1AR57 Grant Accounting Services	295,413.00	171,194.09	124,218.91
WY012301 Safe Routes to Parks Program	1,141,922.09	1,140,258.20	1,663.89
1AR05AR111 Credible Messenger Program	1,393,092.02	1,253,132.99	139,959.03
WY062501 Capital Program Management Office	500,000.00	470,431.96	29,568.04
1AR18 Historical Society Records Management Improvement	656,600.00	386,174.34	270,425.66
WC020901 Center for Forensic Science and Protective Medicine	19,500,000.00	11,033,742.81	8,466,257.19
WY012311 Sherman Park Re-Imagined	962,303.00	888,297.80	74,005.20

* Remaining project balances represent unspent funds associated with encumbrances (i.e. contracts, purchase orders, etc.).

To ensure compliance and expend 100% of funds, this report recommends providing authority to move unspent ARPA SLFRF funds for open projects unable to meet federal and County deadlines to eligible Public Health and Safety operational expenses and ARPA revenue loss projects as defined by expenditure category 6.1. Correspondingly, tax levy funding would be reassigned to the projects from which ARPA funds were removed, for a net \$0 tax levy impact.

SBP and the Office of the Comptroller (OoC) regularly collect program updates and expenditure progress data to inform the recommendations for reallocating project funds. SBP and OoC will continue to monitor project expenditure progress to ensure Milwaukee County's SLFRF funds are fully spent by Treasury's deadline. Milwaukee County has established a November 30, 2026, payment deadline for all ARPA projects, in order to meet the federal expenditure deadline of December 31, 2026.

The penalty for not meeting the expenditure requirements would include the return of unexpended funds to the federal government. Administration recommends the remaining unspent ARPA funds be reallocated to eligible expenses under ARPA and substituting tax levy funding for the projects from which ARPA funds are removed. This approach allows Milwaukee County to flexibly implement Board-approved projects as intended while meeting Treasury expenditure deadlines. Projects that will utilize tax levy include capital projects or those that need additional time to implement a contract.

This strategy has proven to be a successful risk mitigation tactic for Milwaukee County during ARPA implementation and is proposed to be replicated through this request.

- This reallocation strategy was authorized by the Milwaukee County Board of Supervisors in File [23-808](#) and applied \$11.7 million in public health and safety payroll costs to ARPA revenue. Tax levy was applied to eight ARPA-enabled projects, which had a net total tax levy impact of \$0.
- In 2024, this reallocation strategy was replicated and authorized by the Milwaukee County Board of Supervisors in files [24-535](#) and [24-753](#) to transfer tax levy expenditures including public health and safety operation costs to federal ARPA State and Local Recovery Funds which also had a net total tax levy impact of \$0.

RECOMMENDATION

The Administration recommends granting authorization to transfer and reallocate any ARPA State and Local Fiscal Recovery Funds (SLFRF) budget authority for projects to eligible Public Health and Safety operational expenses and ARPA capital projects, for a net \$0 tax levy impact. This reallocation of ARPA SLFRF funds is proposed to ensure that the County meets all ARPA expenditure deadlines and maximizes the use of federal funds as previously approved by the Milwaukee County Board of Supervisors.

FISCAL EFFECT

These actions will have a net total tax levy impact of \$0.

APPROVED BY:

Isaac Rowlett

Isaac Rowlett, Interim Director, Office of Strategy, Budget, & Performance

PREPARED BY:

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Ashley Adsit, Director of Project & Performance Management

Bess Earl, Project Manager

ALIGNMENT TO STRATEGIC PLAN

Describe how the item aligns to the objectives in the strategic plan:

3A: Invest “upstream” to address root causes of health disparities

3B: Enhance the County’s fiscal health and sustainability

3C: Dismantle barriers to diverse and inclusive communities