

**COUNTY OF MILWAUKEE**  
Inter-Office Communication

DATE: August 18, 2023

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

FROM: Joe Lamers, Director, Office of Strategy, Budget & Performance

SUBJECT: From the Director, Office of Strategy, Budget & Performance Providing Funding Recommendations for Remaining ARPA Funds

**REQUEST**

On behalf of the Revenue Loss Recovery and Fund Administration subgroups, the Office of Strategy, Budget & Performance (SBP) requests authorization of \$10,321,267 in ARPA funds for project requests within the Revenue Loss Recovery & Fund Administration Expenditure Categories. The report also includes corresponding requests to fund projects with tax levy, which have a net total tax levy impact of \$0.

**POLICY**

Milwaukee County Board file 21-555: “A resolution to create a Task Force to review and recommend funding allocations to the Milwaukee County Board of Supervisors for monies received by the County in the Federal American Rescue Plan Act of 2021”

**BACKGROUND**

Milwaukee County will directly receive \$183 million in federal ARPA State and Local Fiscal Recovery Funds. The Milwaukee County ARPA Task Force allotted \$132,424,572 of this allocation to the Revenue Loss Recovery Expenditure Category and \$7,847,848 to the Fund Administration Expenditure Category. The two Expenditure Categories have a total of \$10,321,267 in funds unallocated. This report recommends allocations of the full remaining balance.

The Revenue Loss Recovery subgroup was established to generate project-level allocation recommendations to improve the fiscal health of Milwaukee County and strengthen support for vital public services. The Fund Administration subgroup was established to manage and coordinate the use of ARPA funds to ensure strong programmatic and fiscal accountability, timely reporting, and alignment with supplementary funding.

The Revenue Loss Recovery and Fund Administration subgroups recommend \$10,321,267 in ARPA funds to be considered for three projects (Table A). Funding these projects will further allow Milwaukee County to use tax levy to support seven projects identified by the Revenue Loss Recovery subgroup as high priority projects (Table B). Funding these requests would fully allocate the two expenditure categories.

**Table A: Revenue Loss Recovery & Fund Administration Recommended ARPA Funded Projects**

Project Name	Description	Budget
Senior Grants Analyst (Additional Project Funding Needed)	The Milwaukee County Board of Supervisors approved ARPA Funding for the Senior Grants Analyst position in SBP to perform oversight and project management of ARPA aid by coordinating funding allocations across the County; monitoring expenditures and documentation; satisfying fiscal and programmatic reporting requirements; and supporting supplemental grant proposals (file <a href="#">21-504</a> ). At present, ARPA funding	\$325,045

	supports this position in 2022 and 2023, but it is not funded in 2024 and beyond. This position is a critical need throughout the duration of the ARPA timeline. This request secures ARPA funding for the Senior Grants Analyst Position through December 31, 2026.	
Grant Accounting Services (Additional Project Funding Needed)	The Milwaukee County Board of Supervisors approved ARPA funding for the Grant Accounting Services project to include the following related services: (1) Setting up and maintaining the grant tracking system within the accounting software, (2) Providing data and guidance to SBP and/or recipient department fiscal staff as needed, (3) Reviewing proposed grant claims, (4) Recording claimed expenses and revenue in the accounting system, (5) Reconciling between grant claims and the accounting system, (6) Preparing information for the external auditors including single audit (and Federal auditors if needed), (7) Answering auditor questions and/or referring auditors to the appropriate County staff to do so, (8) Preparing grant financial reports, and (9) Reviewing the compliance of County subrecipients with ARPA annual and single audit requirements (file <a href="#">22-633</a> ). The additional funding is needed to maintain grant accounting services through December 31, 2026.	\$275,413
Public Safety & Public Health Payroll Costs (ARPA Funding)	Funding is requested for Milwaukee County claim public health and public safety payroll costs to ARPA funding as a replacement for tax levy in 2023 and/or 2024. The subgroup further recommends the tax levy be utilized to support projects listed in Table B.	\$11,720,809
Matching Grant Pilot Program (ARPA Funding Reduction)	The subgroups recommends the Matching Grant Pilot program utilize tax levy rather than ARPA funding. To date, the majority of requests received through the Matching Grant Pilot Program, have required a non-federal source of match. Revising the matching source from ARPA funding to tax levy would ensure grant compliance and increase Milwaukee County's financial stability by accessing new grant opportunities (file <a href="#">22-905</a> ).	(\$2,000,000)
<b>Total ARPA Funding Recommendation</b>		<b>\$10,321,267</b>

**Table B: Revenue Loss Recovery Subgroup Recommended Projects for Tax Levy**

Project Name	Description	Budget
Public Safety & Public Health Payroll Costs (Tax Levy Reduction)	The Revenue Loss Recovery subgroup recommends Milwaukee County claim public health and public safety payroll costs to ARPA funding as a replacement for tax levy in 2023 and/or 2024. ARPA funds are added to support public health and safety payroll costs and tax levy is reduced, for a net total change of \$0.	(\$11,720,809)

<p>Milwaukee Onsite Health Clinic (Additional Project Funding Needed)</p>	<p>The Milwaukee County Board of Supervisors approved ARPA funding to build three onsite health clinics for employees to access health care services such as preventive health screenings and immunizations. The clinics will be located at three of the highest trafficked locations which will eliminate barriers to health care access, including but not limited to; transportation, childcare, and ability to take time off to go to the doctor (file <a href="#">22-592</a>). The project can lead to employee retention and could be used as a benefit addition in the hiring process. The project has the potential to provide long-term cost savings given that the cost of a visits to the clinic are expected to be lower than the cost of visits to urgent care, emergency room, or routine doctor visits.</p> <p>Additional funds for the project are requested for clinic build-out costs to ensure that they are ADA accessible and to address increased construction costs identified in the planning and design process. Funds will support additional capacity needed to ensure the three clinics are successfully implemented. The initial allocation approved in File 22-592 was for \$1,813,000 and this additional request would increase the project budget to \$2,443,000.</p>	<p>\$630,000</p>
<p>Seventh Floor Courthouse Renovation Phase One (Additional Project Funding Needed)</p>	<p>The Milwaukee County Board of Supervisors approved ARPA funding to remodel the seventh floor of the Milwaukee County Courthouse. This will result in housing the Family Court Commissioner’s Office, enlarge the hearing rooms and waiting space for litigants to make the space safer and more user friendly (file <a href="#">22-977</a>).</p> <p>A need for additional funds to complete phase one of this project has been identified through planning and design and due to identified issues with condition of the building space. The initial allocation approved in File 22-977 was for \$750,000 and this additional request would increase the total phase one project budget to \$2,095,000.</p>	<p>\$1,345,000</p>
<p>Seventh Floor Courthouse Renovation Phase Two (Tax Levy Funding)</p>	<p>Funding is requested for the reconfiguration and remodel of the Family Court Commission space on the seventh floor of the Courthouse. The project scope includes enlarging commissioner hearing rooms and waiting space, to provide for safer and more user-friendly space. This project was identified as a high-ranked cash finance project need for 2024 budget by the Capital Improvements Committee.</p>	<p>\$4,380,674</p>

<p>Detention Center Control Panel Replacement (Tax Levy Funding)</p>	<p>Funding is requested to replace the existing hard-wired control panels in the Detention Center's Central Control. The current control panel was installed around 1996 and is a potential security risk. This project would upgrade the existing system with new touchscreen control stations and a new security management computer. This would allow the control panel to be digital rather than analog. This project was identified as a high-ranked cash finance project need for the 2024 budget by the Capital Improvements Committee.</p>	<p>\$438,030</p>
<p>Marcus Center Phased Building Exterior Stone Cladding (Tax Levy Funding)</p>	<p>Funding is requested for the Marcus Performing Arts Center (MCPA). The MCPA building fascia needs refurbishment including stone cleaning, stone repair, caulk replacement, based on the useful life of the fascia material(s) and components. This project is expected to extend the useful life of the fascia, and related components, by at least 15 years and address identified issues such as water infiltration. If left unaddressed it would lead to water intrusion into the building. Based on terms of the amendment contribution agreement between the Marcus Center and the County, the County is required to finance this improvement. This project was identified as a high-ranked cash finance project for the 2024 budget by the Capital Improvements Committee.</p>	<p>\$757,852</p>
<p>Community Reintegration Center (CRC) Security System Upgrade (Tax Levy Funding)</p>	<p>The Revenue Loss Recovery subgroup recommends ARPA funding for upgrades to the CRC security systems. The current locking system at the CRC is a combination of manual (keyed) locks and electronic locks. The project will be a phased approach with phase one including a security analysis of all security points to determine the best approach and cost of upgrading the security system. This project was identified as a high-ranked cash finance project need for the 2024 budget by the Capital Improvements Committee.</p>	<p>\$299,763</p>
<p>Wauwatosa Fire Protection Agreement (Tax Levy Funding)</p>	<p>An allocation of \$1.89 million is requested for the Wauwatosa Fire Protection Agreement. Milwaukee County has a legacy agreement with the City of Wauwatosa to provide fire services on County grounds. Under the status quo, estimated payments of \$39 million are expected to be required between 2023 and 2041. However, given that the County has reduced its footprint on County grounds, the Department of Administrative Services is negotiating exit agreement with the City of Wauwatosa. The current exit agreement being negotiated requires the County to make Fire Protection payments of no greater than \$8.7 million to the City of Wauwatosa over the next several years. This \$1.89 million allocation will allow the County to make payments against the exit agreement and</p>	<p>\$1,869,490</p>

	make progress towards eliminating this cost from future budgets.	
Matching Grant Pilot Program (Tax Levy Funding)	The subgroups recommend the Matching Grant Pilot program utilize tax levy rather than ARPA funding. To date, the majority of requests received through the Matching Grant Pilot Program, have required a non-federal source of match. Revising the matching source from ARPA funding to tax levy would ensure grant compliance and increase Milwaukee County's financial stability by accessing new grant opportunities. A corresponding reduction in ARPA funding is shown above in Table A (file <a href="#">22-905</a> ).	\$2,000,000
<b>Net Total Tax Levy Funding Recommendation</b>		<b>\$0</b>

**RECOMMENDATION**

The American Rescue Plan Act (ARPA) Revenue Loss Recovery and Fund Administration Subgroups recommend authorization of \$10,321,267 in ARPA Funds for project requests in the Revenue Loss Recovery and Fund Administration Expenditure Categories.

**PREPARED BY:**

Bess Earl, Senior Grants Analyst, Office of Strategy, Budget and Performance

**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