



City of Milwaukee

200 E. Wells Street
Milwaukee, Wisconsin
53202

Meeting Minutes

ARPA FUNDING ALLOCATION TASK FORCE

Ald. Milele Coggs, CHAIR

*Molly King, Luke Knapp, Ald. Jocasta Zamarripa, Aycha Sawa,
Nik Kovac, Sharon Robinson, Steven Mahan, Cecilia Gilbert,
and Stephanie Mercado*

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*Andrea Fowler, ARPA Director, 414-286-3556,
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Thursday, September 22, 2022

1:00 PM

Room 303, City Hall

This is also a virtual meeting conducted via GoToMeeting. Should you wish to join this meeting from your phone, tablet, or computer you may go to <https://meet.goto.com/649354077>. You can also dial in using your phone United States: +1 (646) 749-3122 and Access Code: 649-354-077.

1. Call to order.

The meeting was called to order at 1:06 p.m.

2. Roll call.

Present 10 - Mahan, Gilbert, Robinson, Coggs, Sawa, Knapp, King, Zamarripa, Mercado and Kovac

Also present:

*Andrea Fowler, ARPA Director
Tea Norfolk, LRB Fiscal Planning Specialist*

3. Introduction of members and staff.

Members made brief introductions.

4. Review of enabling legislation.

Chair Coggs said that the enabling legislation detailed the membership of the committee, directed the decisions to be made by the task force, and permitted the Department of Administration director to serve as a member due to the vacancy in the Chief Equity Officer position.

5. Background information regarding ARPA purchasing and City budget.

Ms. Fowler commented on a "Task Force Primer", which was distributed to members in advance. The primer contained a list of what was required of the task force, talked about how the first tranche of ARPA funds was used, and listed what the public wanted the first and second tranches of ARPA funds to be used for. Results of a survey was also included. Also contained was information on other follow-up efforts such as a mail survey indicating a low response rate in one area and a DOA survey done to target groups.

It was noted that virtual participants could not hear in-person discussions adequately due to limited or inadequate audio volume made available to them and that speakers would have to speak loudly.

Ms. Fowler continued. ARPA spending was not a free for all. Spending would have to adhere to procurement rules, and she could answer on whether proposed entities receiving any funding would be in compliance with federal regulations. Funds could be given out to organizations (as subawards) to run programs for the City that the City would ultimately control or given to organizations that have been negatively impacted by the COVID-19 pandemic as a beneficiary. Funding could also be spent on vendor service contracts for purchasing and to support city services primarily through the revenue replacement category. The revenue replacement category would have fewer restrictions than other types of spending such as not having to follow rigorous procurement rules. \$75 million was allocated to maintain general city services in the 2023 budget. A little over \$100 million (\$100,213,324.50 to be exact) remained in the second tranche of ARPA funds for the task force to consider. The amount did not set aside any monies aside for the revenue replacement category for 2024. The amount could substantially be lowered to be between \$15 to \$20 million should funds be set aside for 2024.

Member Kovac commented. Other amounts allocated in the 2023 budget from the second tranche included \$9.4 million to housing programs, \$10 million for streetlighting upgrades, and \$2.5 million for grant compliance and administration. The proposed 2023 budget recently proposed \$5 million be used for BLS private ambulance subsidies, and if passed, the remaining amount would be lowered to \$95 million. The task force enabling legislation said for the task force to allocate remaining funds in a way to prioritize financial sustainability and maintain essential services, build upon racial and economic equity, be community-informed, support those communities hardest hit by the COVID-19 pandemic, follow a clear and collaborative process, and adhere to federal guidelines. Funding core services would be something for the task force to discuss and to involve the community on. Pension contribution amount would be known in the spring for 2024. Perhaps all the remaining funds would be needed to prevent cuts in the city workforce; however, it would probably not be enough to do so. The task force would have to do a balancing act to consider the city's core services and funding other items.

Chair Coggs said that there is realization that a large portion of the remaining funds would likely go to continue city services and \$5 million taken to fund BLS if the 2023 budget was passed.

6. Consideration of deadlines and request for additional time.

Ms. Fowler recommended that the deadline for the task force to provide its allocation recommendations beyond December 13, 2022. The current deadline would not suffice given the amount of work the task force needed to achieve, its expectations, outreach that had to be done, and the importance of the funds. The deadline could possibly be extended to a year to see what next year's budget would look like. The second tranche of ARPA funds technically do not have to be contracted out until the end of 2024 and spent by 2026.

Chair Coggs said that a deadline extension was in order, the extension should not be pushed out to year or longer so that such delays and redirection of funds would not impact federal deadlines.

Member Kovac said that it would be important for the task force to consider in its final recommendations the number that the actuary would give for the city's 2022 end of year assets beginning of next year; that number would impact the 2024 budget and the city's decisions/options; that the task force may be an advisory part of the decision making process on 2024 departmental budget requests for next spring, cuts, and continuing services; that the task force would assist his office (Budget Office) on determining its allocation methodology; and that ARPA funding would be a variable for 2024 departmental budgets.

Member Gilbert questioned department budget requests factoring in ARPA funding.

Member Kovac replied that departments were told last year to not assume ARPA money into their budgets; the \$75 million from the second tranche was going to the Fire Department; and that any remaining ARPA funds, if any, from the second tranche given to departments would serve to backfill services, determine their future budgets, and determine their cuts.

Chair Coggs said that the task force had the priority to look at the costs of continuing business versus funding other things, that the task force was not required to look only at the Mayor's proposals on city services, that the task force could look at different mechanisms to decide on essential services, that the task force was to determine its own mechanism and criteria for funding things outside city services were that to happen, and that the task force would have to look further on taking requests.

Ms. Fowler said that non-city proposals required aldermanic sponsorship in order to be considered by the task force and that the task force was required to develop its own allocation criteria.

Member Robinson said that it would be prudent for there to be an education piece for the task force to learn and understand first about issues, challenges, and impacts. Not everyone may be cognizant. An education piece was important for the task for to make the best informed decisions that it can to protect the interests of residents. Such information was to include levy money and Community Development Block Grant money, which factored in racial and equity inclusion.

Member Mahan said another education piece was to look at the last tranche, how it was leveraged. There was housing and library allocations.

Chair Coggs concurred and said that the meeting should include agenda items on looking at past ARAP allocations, residential survey findings and major issues, and CDBG funding priorities.

Ms. Fowler said that their office (Budget Office) was required to quarterly report to the US Treasury on first tranche spending; the quarterly reporting would end after September; they would put a final report together in October; she would bring that report to the task force; they were revamping their performance metrics over the next quarter and would have better aggregated demographic data to share, and she would also present those indicators to the task force.

Ms. Norfolk added that she can draft legislation to extend the task force deadline once it was determined.

Consideration of extending the task force final recommendations deadline was held to the next meeting to allow the task force to first obtain further context, as discussed. There was no objection.

7. Discussion regarding frequency of meetings.

Members discussed withholding meetings until after city's 2023 budget deliberations when meetings would become more frequent, more routine, perhaps occur once a month or on a 3-week cycle basis to coincide with the Common Council's 3-week cycle, and occur in hybrid fashion (both in-person and virtual).

8. Schedule next meeting date(s) and time(s).

Next meeting was set to Monday, November 21, 2022 at 1 p.m. barring any conflicts.

9. Items for future agenda.

Agenda items to include extension of task force deadline; review/report(s) on past ARPA tranche allocations (Budget Office), residential survey findings and major issues (DOA/Budget Office), CDBG funding priorities (CDBG), and performance metrics and indicators (Budget Office); review of task force structure and process to consider/evaluate requests and make recommendations; and review of best practices from other cities relating to their ARPA allocations (Comptroller/Budget Office/LRB).

Information presented at the next meeting to be in PowerPoint presentation preferably, if feasible.

Task force information to be sent to clerk staff for dissemination to members.

10. Adjournment.

Meeting adjourned at 1:52 p.m.

*Chris Lee, Staff Assistant
Council Records Section
City Clerk's Office*

Please note that virtual participation was impacted due to webinar audio issues.

Meeting materials for the task force can be found within the following file:

[220789](#)

Communication relating to the activities of the American Rescue Plan Act Funding Allocation Task Force.

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