



# MEMO

## Department

To: Finance and Personnel  
From: Finance Department, Finance Director Van Rossum  
Date: May 19, 2025  
Re: Closure and Final Allocation of ARPA (223) Fund Balance

### Background information:

The City has submitted its final annual report for the American Rescue Plan Act (ARPA) funds in the 2024 calendar year. This report detailed expenditures made in the previous year and the remaining balance. In accordance with ARPA program guidelines, the City categorized the majority of its allocation as “lost revenue.” This report designation allowed for simplified federal reporting and eased administrative tracking requirements.

With all reporting requirements met, the City is now in a position to close the ARPA (Fund 223). To do so, the remaining balance of \$108,316 must be either spent or transferred to another fund.

To recap, the City received \$1.7 million in federal ARPA funds. Because the City’s total funding fell below the \$10 million threshold, all of it was eligible to be claimed as lost revenue. While this approach permitted the City to deposit the funds into the general fund balance without restriction, a more intentional path was chosen. City staff compiled a list of eligible projects that aligned with ARPA guidelines, allowing the City to fund improvements that otherwise may not have been feasible. The original list was reviewed by the council for approval. A few smaller programs came before the council for consideration and approval.

Together, the City and Kaukauna Utilities successfully completed fifteen projects, including park improvements, utility upgrades, and the purchase of equipment that enhanced City operations. Some of the projects came in under budget, resulting in unspent funds. For example, the City Core Façade Grant Program was allocated \$150,000 but utilized only \$50,000.

After reviewing the project list, staff has identified four additional eligible projects to utilize the remaining funds. Any balance remaining after those projects are funded is recommended to be transferred to Fund 421 – Equipment Fund, in anticipation of increasing equipment needs in 2026. The proposed project list can be found on the following pages.

**Strategic Plan:**

ARPA funding has supported the City's broader goal of enhancing community safety and livability. The recommended projects continue this trajectory by providing tangible improvements that make Kaukauna a more desirable place to live and work.

**Budget:**

Utilizing ARPA funds for these improvements reduces the need to draw from the tax levy, preserving budgeted funds for other priorities.

**Staff Recommended Action:**

Approve the use of the remaining funds that came from the ARPA program for the four recommended projects. Authorize staff to transfer any remaining balance to Fund 421 – Equipment Fund to address future equipment needs.



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## Completed Project List - Using ARPA Funds

Project Number	Project Name	Department	Amount
1	Upgrade boardwalk trail to address safety issues and meet accessibility guidelines	1000 Islands	\$200,000
2	Hwy 55 and Hwy 96 Intersection Control	DPW	\$10,000
3	City Core Façade Grants (Uptown and Downtown areas older buildings in the CCD Zone) & “Live Downtown Program” grants to finish or update second floor City Core residential units	Community Development	\$150,000
4	Portable Radios - These are the replacements that have been previously discussed. The actual amount needed would likely be at the low end of this estimate. And if necessary, we could spend even less, but then we would need to add a capital project for the remainder.	Fire Department	\$255,300
6	Large Park Update in an economically distressed neighborhood (visioning sessions for the neighborhood to make it their own) (maybe part ARPA and part CIP funded) La Follette	Parks	\$350,000
19	2021 Risk & Resilience Assessment of the Water Supply System found some weaknesses and it was directed towards physical security. There is a need for safety switches and/or card readers on all doors for documentation who is in and out of plants. This also includes the need for upgrade and moving of cameras.	Kaukauna Utilities	\$125,000
42	Defibrillator - This is for our 3 <sup>rd</sup> ambulance. This has been ordered, but it has not arrived or been paid for yet.	Fire Department	\$34,200

## Completed Project List - Using ARPA Funds

Project Number	Project Name	Department	Amount
49	Safe drinking water account to offset costs to those well owners in the city who now have to adhere to the current ordinance regarding wells with an income of over \$65,000/year, not covered by current DNR grants. 54 Private Wells in the city that either need to be tested or abandoned. Need to offer some kind of funding for residents that don't qualify for DNR Funding. This is to protect the safety of our groundwater supply.	Kaukauna Utilities	\$50,000
50	Looping Water Main on Loderbauer before city paving. Right now it's a long dead end with very low chlorine residual and lower pressure because of not being looped.	Kaukauna Utilities	\$240,000
51	System Study looking for best treatment options to enhance water quality (Hard Water) for Kaukauna Utilities Residential and Commercial Customers. Includes a complete system Asset Management Plan.	Kaukauna Utilities	\$50,000
52	2023 Relay on Park, Klein, 4 <sup>th</sup> , 5 <sup>th</sup> , Hendricks Ave. Utilities has 92 public side Lead Services at an estimated cost \$2,500 per service on the public side.	Kaukauna Utilities	\$115,000
53	Cellebrite Machine and Computer allowing investigation to extract data from phones when involved in a situation	Police Department	\$18,500
55	Badger Election Books	Clerk	\$45,000
56	TruNark machine (Drug Task force machine)	Police Department	\$30,000
58	Flock Cameras	Police Department	\$54,600

**Recommended Projects for using the Surplus Funds Originally received from ARPA Program**

<b>Project Number</b>	<b>Project Name</b>	<b>Department</b>	<b>Project Lead</b>	<b>Updated Budget Amt</b>
61	Plasticade Barricades (Crowd Control)	DPW/Comm Enrich	Jake G/Terri V	\$7,000
62	Police Riffle Upgrade	Police Department	Jamie Graff	\$41,354
63	Police Parking Fence Opener upgrade	Police Department	Jamie Graff	\$3,200
64	Park Cameras	Parks/IT	Tim Taplin	\$40,000
65	Transfer to the 421 Equipment Account	Finance	Finance	\$23,762.50
			<b>Remaining Balance</b>	<b>\$115,316</b>