

LRB – RESEARCH AND ANALYSIS

SEPTEMBER 17, 2009

ITEM 19, FILE 090508

FINANCE & PERSONNEL COMMITTEE

JAMES CARROLL

File #090508 is a substitute resolution increasing 2009 budget appropriations for Grant and Aid Fund and Special Capital Purposes.

Background

1. The grant and aid parent accounts accumulate grants prior to the allocation on project -by- project basis during the fiscal year. In order to expend funds, adoption of a Common Council resolution is required to authorize a specific project, create a sub-account, allocate specific funding from the parent account.
2. The 2009 Budget appropriated \$78,370,351 to the Grant and Aid Fund (operating) parent account and \$8 million to the Special Capital Projects or Purposes parent account.
3. Since the adoption of the 2009 Budget, the Federal Government has made grant funding available through the American Recovery and Reinvestment Act (ARRA) that the City may be eligible to receive.
4. It is anticipated that with the addition of the grant funding from the American Recovery and Reinvestment Act, the 2009 Grant and Aid Fund parent account and Special Capital Projects parent account will exceed their current 2009 budget appropriations.

Discussion

1. Adoption of this resolution is required to authorize the anticipated increase in expenditures from the 2009 Grant and Aid Fund parent account and Special Capital Projects or purposes parent account that exceed the 2009 adopted budget appropriations.
2. Adoption of a subsequent Common Council resolution is required to authorize specific projects, create sub-accounts, and allocate specific funding from the parent account.

Fiscal Impact

This resolution increases the 2009 Grant and Aid Fund (operating) parent account appropriation authority by \$120,500,000 to \$198,870,351 and Special Capital Projects Purposes parent account by \$212,500,000 to \$220,500,000. The amount of the increase in appropriation authority is based on the Budget Office's estimate of ARRA formula grant awards and submitted and planned submittals of applications for ARRA competitive grants.

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