



W. Martin Morics, C.P.A.
Comptroller

John M. Egan, C.P.A.
Special Deputy Comptroller

Michael J. Daun
Special Deputy Comptroller

Office of the Comptroller

November 8, 2005

Finance & Personnel Committee
City Hall Room 205
Milwaukee, WI 53202

Dear Aldermen:

In response to the Finance and Personnel Committee's request on November 3, 2005 we are providing a projection of 2005 CDBG funds available for reprogramming in 2006. Factors likely to affect the availability of reprogramming funds from 2005 for 2006 include:

- The City's CDBG entitlement has decreased by about \$3.3 million from 2001 to 2005, making less total dollars available for close-outs to reprogramming.
- Funds available for reprogramming have been declining, from a high of \$3.8 million in 1998 to \$1.6 million in 2004. Of the \$1.6 million available for reprogramming in 2004 for 2005, \$500,000 represented unusual items not expected to occur again.
- Lower reprogramming funds are anticipated to be available from City departments.
- Increased efficiencies by sub-recipients due to outcome base measurements.

Based on our analysis, we would project that gross funds available for reprogramming would be in the range of \$700,000 to \$1.1 million. Of this amount, \$200,000 is normally allocated to the CDBG Contingency Fund.

If you need additional information, please contact my office.

Very truly yours,

W. Martin Morics
Comptroller

WMM:JE
cc: Steven Mahan
Mark Nicolini
Marianne Walsh
James Owczarski