

GRANT AND AID FUND

RESEARCH AND ANALYSIS SECTION - LEGISLATIVE REFERENCE BUREAU

EXECUTIVE SUMMARY: 2011 PROPOSED BUDGET

HEARING DATE: OCTOBER 6, 2010

CATEGORY	2009 Actual	2010 Budget	2010-2011 Change	2011 Proposed	2010-2011 Change
Grantor Share (non-City)	\$52,394,849	\$76,117,944	N/A	\$72,446,206	-4.8%
TOTAL	\$52,394,849	\$76,117,944	N/A	\$72,446,206	-4.8%

Function: The Grant and Aid Fund is a “parent” account that accumulates grant funds prior to allocation on a project-by-project basis during the fiscal year. The Fund provides expenditure authority for federal, state, and other grants whose proceeds are restricted to operating expenditures for specific purposes. As set forth in the Code of Ordinances, no expenditures may be made from this account without Common Council approval. To expend funds, a Common Council resolution is adopted to authorize a specific project, create a sub-account, and allocate specific funding from the “parent” account. **Because revenues offset the account and there is no “draw down” without an award, the fund has no impact on the tax levy.**

2010-2011 COMPARISON OF PROJECTED GRANT ACTIVITY

Department	2010	2011	Change	% Change
Administration	\$25,910,997	\$27,167,122	\$1,256,125	4.8%
City Clerk	\$10,000	\$10,000	\$0	0.0%
City Development	\$1,235,000	\$1,235,000	\$0	0.0%
Fire	\$1,303,000	\$907,688	-\$395,312	-30.3%
Fire & Police Commission	\$0	\$207,992	\$207,992	100.0%
Health	\$8,158,750	\$8,198,100	\$39,350	0.5%
Library	\$1,084,700	\$1,086,100	\$1,400	0.1%
Police	\$11,833,912	\$10,080,549	-\$1,753,363	-14.8%
Public Works	\$3,581,585	\$3,553,655	-\$27,930	-0.8%
Unanticipated	\$23,000,000	\$20,000,000	-\$3,000,000	-13.0%
Total	\$76,117,944	\$72,446,206	-\$3,671,738	-4.8%

Grant Changes by Department

Department of Administration

Community Development Block Grant (CDBG) funding is included in this department. The projected increase of \$1,256,125 is mainly due to an increase in CDBG funding. CDBG allocations were increased in 2010, after the 2010 Budget, and will continue into 2011. The department anticipates an increase of

\$1.3 million, or 4.8%, in grant funds from the 2010 Budget for a total of \$27.2 million.

Fire Department

Grant funding to the department decreases by \$395,000, or 30%, to \$908,000. The decrease is due to losses in funding from the following grants: Urban Areas Security Initiative (UASI), Metropolitan Medical Response System and EMS Funding Assistant Program.

Fire and Police Commission

The Commission appears to have an increase of \$207,992. This is due to a change in location of the Office of Homeland Security. The grant funds are also carried over and are primarily from UASI funding.

Police Department

Grant funding to the department decreases by \$1.7 million or 14.8%. Most of the decrease is from a \$800,000 reduction in the Brewers grant and a \$1.25 million reduction in the COPS Secure Our Schools and COPS in Schools grants. Some new or increased grants are also anticipated in 2011.

Unanticipated Grant Funding

Unanticipated grant funding is down \$3 million to \$20 million. This figure is an estimate by the Budget Office in conjunction with the Comptroller's Office and is based on anticipated grant opportunities.

ARRA

Most American Recovery and Reinvestment Act (ARRA) funding was in 2009 and 2010. One grant, totaling \$2.5 million, for the Broadband Technology Opportunities Program, is expected for 2011 but has yet to receive Common Council approval. The primary recipients of this funding will be the Library and Department of Administration (ITMD). Position changes associated with this grant were not included in the 2010 Proposed Budget. The City has also applied for an additional \$10 million in funding for 2010 for the Putting Prevention to Work program. An Economic Stimulus Task Force was created by the Common Council to monitor and oversee the City's application for and use of ARRA funds.

Capital Grants

Only operating grants are included in the Grants and Aid Fund. Discussion of capital grants can be found in the Capital Improvements section as well as LRB's departmental reports.