

EXECUTIVE SUMMARY

GRANT AND AID FUND

2010 PROPOSED BUDGET

CATEGORY	2008 Actual	2009 Budget (*)	2008-2009 Change	2010 Proposed (*)	2009-2010 Change
Grantor Share (non-City)	\$55,500,463	\$78,370,351	N/A	\$76,117,944	(2.9%)
TOTAL	\$55,500,463	\$78,370,351	N/A	\$76,117,944	(2.9%)

(*) Includes "unanticipated" grant funding of \$18,000,000 in 2009 and \$23,000,000 in 2010.

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 Milwaukee Code of Ordinances, no expenditures may be made from this account without Common Council approval. In order 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.

- 1) The American Recovery and Reinvestment Act ("ARRA") will provide millions in additional grant funding to the City, the vast majority of which will be received in 2009. These one-time awards are not included in the 2009 \$78.3 million appropriation authority for the Grant and Aid parent account. Common Council approval is required to increase this appropriation authority. **(Page 1)**

- 2) Only grants anticipated to be awarded in 2010 are reflected in the \$76.1 million 2010 proposed Budget grant total. The \$76.1 million represents operating grants only. Capital improvement grant funding is not included in this total. **(Page 2)**

- 3) The Comptroller's Office has recommended funding authority of \$23 million for "unanticipated" grants in 2010, a \$5 million increase from 2009. Because revenues offset the account and there is no "draw down" without an award, this unanticipated grant expenditure authority has no impact on the tax levy. **(Page 2)**

- 4) A brief synopsis of grant funding by department is provided on **Pages 2 and 3**. More extensive analysis of individual grants is provided within the department summaries prepared by the Legislative Reference Bureau.

**GRANT AND AID FUND
2010 PROPOSED BUDGET
SUMMARY PREPARED BY LEGISLATIVE REFERENCE BUREAU**

2009-2010 COMPARISON OF PROJECTED GRANT ACTIVITY

Department	2009	2010	Dollar Change	% Change
Administration	\$ 24,367,358	\$25,910,997	\$1,543,639	6.3%
Health	16,748,550	8,158,750	(8,589,800)	(51.3%)
Police	12,012,109	11,833,912	(178,197)	(1.5%)
Public Works	3,702,534	3,581,585	(120,949)	(3.3%)
Fire	1,245,000	1,303,000	58,000	4.7%
City Development	1,240,000	1,235,000	(5,000)	(0.4%)
Library	1,054,800	1,084,700	29,900	2.8%
City Clerk	0	10,000	10,000	n/a
Unanticipated	18,000,000	23,000,000	5,000,000	27.8%
Total	\$78,370,351	\$76,117,944	(\$2,252,407)	(2.9%)

The above table summarizes total 2009 authorized and 2010 anticipated grant funding by participating departments. A departmental synopsis of projected 2010 grant funding is provided in the next section. More extensive analysis of individual grants is provided within the department summaries prepared by the Legislative Reference Bureau.

➤ **2009 American Recovery and Reinvestment Act**

The American Recovery and Reinvestment Act (“ARRA”) of 2009 has made available various formula and competitive grants to departments within the City of Milwaukee, a majority of which will be awarded in 2009. These realized or anticipated ARRA awards are not included in the table above, however, as ARRA grants represent one-time funding distinct from the ongoing Grant and Aid Fund program.

Nonetheless, ARRA awards will accumulate in the Grant and Aid Fund parent account, causing this account to exceed the \$78.4 million in appropriation authority approved in the 2009 Budget. Resolution File #090508 sought authorization to increase the 2009 Grant and Aid Fund parent account by \$120,500,000 in anticipation of various ARRA grants. Though recommended for adoption, this file has been sent back to committee in order to increase the authorization figure. Based on known formula grant awards and actual and planned competitive applications, the Budget Office estimates that the City could receive more than \$330 million in ARRA grant funding. Various ARRA grants received to-date by the City are displayed in the following table.

CITY ARRA AWARDS TO-DATE

<i>AWARD</i>	<i>AMOUNT</i>
Surface Transportation Funding	\$15.7 million
COPS Hiring Recovery Program Grant	\$10.3 million
Public Housing Capital Fund	\$10.3 million
Workforce Investment Grants	\$8 million
Homelessness Prevention and Rapid Re-Housing Program	\$6.9 million
Energy Efficiency Block Grant	\$5.8 million
Community Development Block Grant	\$4.5 million
Edward Byrne Memorial Justice Assistance Grant	\$4.1 million
Youth Build Grant	\$1 million

➤ **2010 Grants Defined**

Only grants anticipated to be awarded in 2010 are reflected in the 2010 Proposed Budget grant total. Though they may represent programs and/or activities that will occur in 2010, grant funds awarded in prior years are not included in the 2009 total.

The \$76,117,944 in projected 2010 grants represents operating grant funding only. Certain City departments, particularly the Department of Public Works, also receive significant grant funding for capital improvement projects, which are not included in this total.

➤ **Unanticipated Grants**

The Comptroller's Office has recommended funding authority of \$23 million for "unanticipated" grants in 2010, up \$5 million from 2009. Use of this funding authority is typically the result of anticipated grants being received at higher than budgeted amounts, rather than unanticipated new grants being received. Because revenues offset the account and there is no "draw down" without an award, increasing expenditure authority has no impact on the tax levy.

GRANT FUNDING BY DEPARTMENT

➤ **Community Development Grants Administration**

The Community Development Grants Administration anticipates receiving approximately \$25.9 million in grant funding, a \$1.5 million increase from the 2009 budget. An estimated \$16.9 million of this projected funding is through the Community Development Block Grant Program ("CDBG"). CDBG funds support neighborhood strategic planning efforts that target the City's federal block grant allocation toward city neighborhood priorities and needs. Forecasted CDBG funding in 2010 represents a \$900,000 increase from projected 2009 amounts.

➤ **Health**

Projected Health Department grant funding decreases over 50% in 2010 to \$8.2 million. The marked reduction from the \$16.7 anticipated in 2009 can partly be attributed to three grants, totaling \$8 million, front-loaded to the 2009 allocation. Foundation grants have also declined, a result of depressed economic conditions. New 2010 Health Department grants, along with anticipated funding, include:

- *Breast and Cervical Cancer Wise Woman Grant: \$150,000*
- *Immunization Grant – Robert Wood Johnson Foundation: \$80,000*
- *Milwaukee Adolescent Pregnancy Prevention Partnership Grant: \$15,000*
- *Mayor's Against Guns Violence Grant: \$75,000*
- *STD Dual Protection Program Grant: \$160,000*

➤ **Police**

Anticipated Police Department grant funding decreases slightly to \$11.8 million in 2010, primarily a result of the timing of a 2-year 2009 Bradley Center Program Grant. New awards anticipated in 2010 include:

- *Homicide Review Project Grant: \$100,000*
- *Human Trafficking Task Force Grant: \$136,838*
- *Transit Security Grant: \$300,000*

➤ **Public Works**

Department of Public Works grant funding in 2010 is projected to be \$3.6 million, a 3.3% decline from 2009 amounts. The decrease can be attributed to a one-time grant received in 2009 for evaluating and reviewing the city's stormwater system, and the state's elimination of all local Recycling Efficiency Incentive Grants in 2010.

➤ **Fire**

Fire Department grant funding is expected to rise from \$1.2 million in 2009 to \$1.3 million in 2010. An increase of \$90,000 in the Metropolitan Medical Response System Grant accounts for this change.

➤ **City Development & City Clerk**

Projected Department of City Development grant funding remains fairly flat at \$1.2 million for 2010. In fact, virtually all 2009 grants are again anticipated in 2010 with funding levels staying relatively unchanged. However, the Historic Preservation Grant, with anticipated 2010 funding of \$10,000, is being moved to the Office of the Common Council – City Clerk due to the transfer of Historic Preservation program staff between the departments.

➤ **Library**

Library grant funding is anticipated to be \$1,084,700 in 2010. The roughly \$30,000 increase from 2009 is primarily a result of the following:

- *Wisconsin Regional Library for the Blind and Physically Handicapped Grant*: Projected funding increase of \$27,800.

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