

Reply to Common Council File No. 200403  
From DOA-Budget and Management Division

July 10, 2020

Ref: 20023

Common Council File 200403 contains a resolution to increase the appropriation authority for the 2020 Grant and Aid fund for operating grants by \$125 million. This is necessary due to the City's receipt of significant amounts of unanticipated grants in 2020.

The purpose of the resolution is to provide sufficient appropriation authority in the Grant and Aid fund for grant expenditures expected to occur in 2020. The 2020 budget was adopted in November 2019 and provided approximately \$95 million in Grant and Aid appropriation authority based on anticipated grant funding known at that time. Since that time, several large additional grants have been provided to the City, primarily as a result of the COVID-19 pandemic. Total additional grant funding to date in 2020 is about \$137 million. These grants are needed by the City to cover unanticipated expenses necessary to respond to the COVID-19 public health emergency.

The resolution increases the 2020 Grant and Aid fund appropriation authority by \$125 million. Combined with carryover appropriation authority from 2019, this \$125 million increase should be sufficient to cover all potential grant expenditures in 2020. The additional grant expenditures are necessary to enable the City to respond to the public health emergency, including contact tracing, testing and assistance to individuals, families and businesses.

Approving the resolution will ensure that the City can expend all the grants it has received to respond to and mitigate the COVID-19 pandemic. Adoption of this resolution increases appropriation authority in the Grant and Aid fund; it does not authorize acceptance and expenditure of grant awards. Departments still need to submit a file to the Common Council in order to receive authorization to accept and expend a specific grant award.

**RECOMMENDATION: Adopt Common Council File Number 200403**

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Eric Pearson  
Financial Operations Manager

ECP: ns