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FROM	NAME & TITLE	Robert Cenname, Budget Director	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall (410) 396-4774		
	SUBJECT	City Council Bill 19-0382—Charter Amendment-City Administrator		

DATE:

TO

The Honorable President and
Members of the City Council
City Hall, Room 400

January 13, 2020

Position: Defer to Department of Law

The Department of Finance is herein reporting on City Council Bill 19-0382, Charter Amendment-City Administrator, the purpose of which is to establish the position of City Administrator as the Chief Administrative Officer of Baltimore City.

Background

Currently, the Mayor of Baltimore operates and manages all City operations through the appointment and management of agency heads and commissions. The proposed legislation would create the position of City Administrator and Deputy City Administrator with the purpose of managing day to day operations of City agencies. The City Administrator would be appointed and removed at the discretion of the Mayor, and approval of City Council. The City Administrator would have the authority to appoint and remove agency heads and commissioners, as well as create and abolish offices or functions within City agencies.

Fiscal Impact

City and County Administrators in surrounding Maryland jurisdictions and other peer cities earn \$248,285 on average, as presented in the table below, with fringe benefits amounting to a total cost of \$317,747.

Jurisdiction	Administrator Salary
Baltimore County, MD	\$ 240,000.00
Anne Arundel County, MD	\$ 205,583.00
Howard County, MD	\$ 231,612.00
Prince George's County, MD	\$ 234,000.00
Montgomery County, MD	\$ 303,091.00
Washington, D.C.	\$ 307,000.00
Philadelphia, PA	\$ 205,000.00
Cincinnati, OH	\$ 260,000.00
Average	\$ 248,285.75

Assuming the Deputy City Administrator prescribed in the bill made 80% of the average of local and peer City Administrators, they would earn an average of \$198,628 with a total compensation of \$257,953. **The combined costs of the two positions would be \$575,494.**

While this is the only hard cost prescribed in this bill, the bill gives the City Administrator ability to create positions to staff the Office of the City Administrator. The bill does not limit or change the staffing of the Mayor's Office. There is the risk that the City Administrator creates duplicative functions to the Mayor's Office, generating expensive redundancies across their and the Mayor's staff.

Other Considerations

Having a City Administrator is considered a strong practice by good government organizations such as Governing Magazine and National League of Cities. A study by Governing Magazine showed that over half of municipalities of over 2,500 people had non-elected administrators.¹ A City Administrator can often bring professional experience to day to day operations, as well as an understanding of best practices in municipal service delivery. There is evidence that suggests that having professional management lowers the chance of public corruption² and an organization run by a professional manager is likely to have improved internal controls and a well-trained staff.³

It is important to note that the creation of a City Administrator can be done without a Charter amendment. The Mayor could designate one of their staff as City Administrator and empower them to manage City operations through the executive authority of the Mayor. The City administrator and their support staff could be established by realigning current agency functions and moving key units or staff under the direct supervision of the City Administrator.

However, this bill as written seems to create conflicting or overlapping authority between the Mayor and City Administrator. These changes in responsibility would require a much larger reconciliation of the Charter to clarify the responsible party for the various responsibilities and submissions, such as Article VI, § 6 that requires the Director of Finance to submit the Ordinance of Estimates to the Board of Estimates.

Conclusion

The Department of Finance believes that having a professional City Administrator could complement the strong Mayor form of government that the City of Baltimore is currently operated under. By focusing on day-to-day operational issues, a City Administrator could empower the Mayor to focus on policy direction and external coordination with stakeholders. A City Administrator could also provide some level of stability during times of political transition.

However, as written, this bill creates some confusion on overall accountability and authority between the Mayor and City Administrator.

For the reasons stated above, the Department of Finance defers to the Department of Law on City Council Bill 19-0382.

cc: Henry Raymond
Matthew Stegman
Nina Themelis

¹ International City/County Management Association. (2006). Municipal Year Book: 2006. Washington, DC: Author.

² <https://icma.org/blog-posts/study-confirms-council-manager-governments-are-more-ethical>

³ Rich, Kevin T., and Jean X. Zhang. 2014. Does Audit Committee Monitoring Matter in the Government Sector? Evidence from Municipal Internal Control Quality. Journal of Government and Nonprofit Accounting 3(1): 58–80