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**BALTIMORE CITY COUNCIL
WAYS AND MEANS
COMMITTEE**

Mission Statement

The Committee on Ways and Means (WM) is responsible for ensuring taxpayer dollars are expended prudently and equitably. WM will exercise regular oversight of the City's budget, expenditures, loans, and other financial matters. The committee's areas of jurisdiction include: budget & appropriations, taxation, financial services, consumer protection, audits, and the Comptroller's Office.

**The Honorable Eric T. Costello
Chairman**

PUBLIC HEARING

**TUESDAY, MARCH 12, 2024
10:01 AM**

COUNCIL CHAMBERS

Council Bill #24-0488

**Supplementary General Fund Operating Appropriation –
M-R: Arts and Culture - \$581,334**

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BILL SYNOPSIS

Committee: Ways and Means

Bill: 24-0488

Supplementary General Fund Operations Appropriation – M-R: Arts and Culture - \$581,334

Sponsor: *President Mosby at the request of the Department of Finance (Administration)*

Introduced: *February 12, 2024*

For the purpose of providing a Supplementary General Fund Operating Appropriation in the amount of \$581,334 to M-R: Arts and Culture – Service 824 (Events: Arts: Culture: and Film), to provide funding for general operations; and providing for a special effective date.

Effective: On the date it is enacted

Agency Reports

City Solicitor	Favorable
Department of General Services	Does Not Oppose
Baltimore Office of Promotion and the Arts	None as of this writing
Department of Finance	Favorable
Board of Estimates	Approved

Analysis

Current Law

Article VI – Board of Estimates, Section 8 – Ordinance of Estimates – Deficiencies and Supplementary Appropriations of the **Baltimore City Charter** governs the mandates for supplementary appropriations.

§ 8. Deficiencies: Supplementary appropriations.

(b) Supplementary appropriations — when authorized

Except as provided herein, the Ordinance of Estimates shall include all the moneys to be appropriated by the City for all purposes for the fiscal year for which the ordinance is applicable.

(2) Additional appropriations are permitted during the fiscal year only in the following circumstances and under the following conditions: (i) Excess revenues. Revenues from any source other than the full rate property tax and other taxes imposed under the authority of Article II, in excess of or in addition to those relied on by the Board of Estimates in determining the tax levy required to balance the budget, may be made available for expenditure by the municipal agency responsible for the production of those revenues by a supplementary appropriation ordinance recommended to the City Council by the Board of Estimates, duly passed by the City Council by a majority vote of its members and approved by the Mayor.

(iii) Material changes; new programs.

Further appropriations for programs included in the proposed Ordinance of Estimates made necessary by a material change in circumstances, or additional appropriations for new programs which could not reasonably be anticipated at the time of the formulation of the proposed Ordinance of Estimates may be made available to the appropriate municipal agency for expenditure by a supplementary appropriation ordinance recommended to the City Council by the Board of Estimates, duly passed by the City Council by a vote of three-fourths of its members and approved by the Mayor.

(c) Supplementary appropriations – Requisites of ordinance.

Every such further or additional appropriation shall be embodied in a separate ordinance limited to a single program, purpose, activity, or project therein stated, and each such supplementary appropriation ordinance shall also, anything contained in the Charter to the contrary notwithstanding, provide the revenue necessary to pay the appropriation by a source, other than the full rate property tax, imposed under the authority of Article II. The revenue shall be levied and collected as directed in the ordinance. The estimate of the revenues to be derived from any source proposed in a supplementary appropriation ordinance shall be made by the Board of Estimates.

Background

In June 2023, the Baltimore City Council reduced the budget in Service 824 of the Baltimore Office of Promotion and the Arts (BOPA) by \$1,744,002 in an amendment to the Ordinance of Estimates for the Fiscal Year Ending June 30, 2024.

At the time of the reduction, the citizens of Baltimore were concerned about:

- BOPA’s board governance and membership
- The operations of the Baltimore Film Office
- The operations of the Baltimore Arts Council and the Public Arts Commission, and
- BOPA’s ability to carry out its mandate to produce events and festivals, administer grants, manage arts education and public art programming, provide film production support, and provide oversight of Baltimore City facilities it its care.

On Tuesday, September 26, 2023, the committee held a hearing on **Council Bill 23-0426** - Supplementary General Fund Operating Appropriation in the amount of \$581,334 to discuss and/or receive updates regarding the above listed concerns; the bill passed favorably out of committee and was approved by the Mayor and City Council. Thereby, 1/3 of the \$1,744,002 was returned to BOPA.

On Tuesday, December 12, 2023, the committee held a hearing on **Council Bill 23-0452** - Supplementary General Fund Operating Appropriation in the amount of \$581,334. This supplemental appropriation returned another 33% of the funds that reduced back into BOPA’s budget; bring the amount of funds returned to BOPA to \$1,162,668.

On Tuesday, March 12, 2024, the committee will hold a hearing on **Council Bill 24-0488** - Supplementary General Fund Operating Appropriation in the amount of \$581,334. This supplemental appropriation will return the remaining 33% of the funds that were reduced back into BOPA's budget. This will bring the amount of funds returned to BOPA to \$1,744,002 and the committee will have returned the full amount of the reduced funds.

Following are notes taken during the December 12th hearing for **Council Bill 23-0452**:

Major Speakers

Todd Yuhanick, Baltimore Office of Promotion and the Arts (BOPA)

Major Issues Discussed

1. The Chairman went over the agency reports with the agency representatives.
2. The Chairman asked the representative from BOPA to talk about some of the progress they have made and about the governance of the Board.
3. The representative talked about the following topics:
 - a. Their work with the Mayor's office
 - b. Their partnership with the Waverly community
 - c. About the book festival

He also stated, "We are back on track to providing world class events."

4. No one signed in to testify
5. The hearing recessed at 10:25 AM and reconvened at 5:05 PM. The vote taken; Member Dorsey explained his vote, "I am still unsatisfied with BOPA's progress and is concerned with the creation of the Board; my vote is no." Vote passed; Favorable. Hearing concluded.

Additional Information

Fiscal Note: Funds from surplus revenue – Transfer Taxes

Information Source(s): Baltimore City Charter, Council Resolution 23-0177R, Council Bills 23-0381, 23-0426, 23-0452, and 24-0488, and notes taken during the September 26th and December 12th hearings.

Analysis by: Niya N. Garrett
Analysis Date: March 7, 2024

Direct Inquiries to: 410-396-1268

Council Bill 24-0488

AGENCY REPORTS

SEE ATTACHED

CITY OF BALTIMORE

BRANDON M. SCOTT,
Mayor



DEPARTMENT OF LAW
EBONY M. THOMPSON,
CITY SOLICITOR
100 N. HOLLIDAY STREET
SUITE 101, CITY HALL
BALTIMORE, MD 21202

March 4, 2024

The Honorable President and Members
of the Baltimore City Council
Attn: Natawna Austin, Executive Secretary
Room 409, City Hall
100 N. Holliday Street
Baltimore, Maryland 21202

Re: City Council Bill 24-0488 – Supplementary General Fund Operating Appropriation –
M-R: Arts and Culture – \$581,334

Dear President and City Council Members:

The Law Department reviewed City Council Bill 24-0488 for form and legal sufficiency. The bill provides a Supplementary General Fund Operating Appropriation in the amount of \$581,334 to M-R: Arts and Culture – Service 824 (Events: Art: Culture: and Film), to provide funding for general operations. This is the 3rd supplemental appropriation that will restore funding to the Baltimore Office of Promotion and the Arts in recognition that BOPA has complied with the requested actions of the City Council. This supplementary appropriation will restore the final portion of the monies originally cut from the Ordinance of Estimates for Fiscal Year 2024. This supplementary appropriation shall fund BOPA for the 4th quarter of Fiscal Year 2024. The money for this supplementary appropriation is from Transfer Tax revenue in excess of the revenue relied on by the Board of Estimates in determining the tax levy required to balance the budget for Fiscal Year 2024. The bill would take effect on its date of enactment.

City Charter Art. VI, § 8(b)(2)(iii) permits a supplementary appropriation when there has been “a material change in circumstances, or additional appropriations for new programs that could not reasonably be anticipated at the time of the formulation of the proposed Ordinance of Estimates” for the fiscal year. The supplementary appropriation must be recommended by the Board of Estimates and approved by the Mayor and City Council via an ordinance. The ordinance must identify the source of the funds and may only involve a “single program, purpose, activity or project.” City Charter, Art. VI, § 8(c). The Law Department approves this bill for form and legal sufficiency.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Michele Toth".

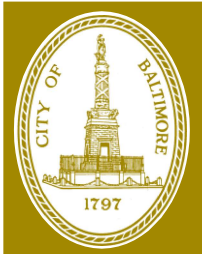
Michele Toth
Assistant Solicitor

cc: Ebony Thompson
Nina Themelis
Tiffany Maclin
Elena DiPietro
Hilary Ruley
Ashlea Brown
Jeff Hochstetler

FROM	NAME & TITLE	Berke Attila, Director
	AGENCY NAME & ADDRESS	Department of General Services 200 N. Holliday Street, Rm 800
	SUBJECT	City Council Bill 24-0488

CITY OF
BALTIMORE

MEMO



DATE:
February 13th, 2024

TO The Honorable President and Members of the City Council
City Hall, Room 400, 100 North Holliday Street

Position: Does Not Oppose

The Department of General Services (DGS) is in receipt of and reporting herein on City Council Bill 24-0488: Supplementary General Fund Operating Appropriation – M-R: Arts and Culture.

Legislation Background

The purpose of this resolution is to provide a Supplementary General Fund Operating Appropriation in the amount of \$581,334 to M-R: Arts and Culture – Service 824 (Events: Art: Culture: and Film), to provide funding for general operations; and providing for a special effective date.

Comments

DGS does not oppose this bill. If you have any questions, please do not hesitate to contact our Legislative Liaison Annie Fullas at annie.fullas@baltimorecity.gov or at (667) 208-0380.

Sincerely,
Berke Attila
Berke Attila
Director, DGS

FROM	NAME & TITLE	Robert Cenname, Deputy Finance Director <i>RC</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 469, City Hall		
	SUBJECT	City Council Bill 24-0488 Supplementary General Fund Operating Appropriation - M-R: Arts and Culture \$581,334		

DATE:

TO

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

February 21, 2024

Position: Support

The Department of Finance is herein reporting on City Council Bill 24-0488, Supplementary General Fund Operating Appropriation - M-R: Arts and Culture. The purpose of this legislation is to restore \$581,334 to Service 824: Events, Art, Culture, and Film, which supports the Baltimore Office of Promotion and the Arts (BOPA) budget.

Background

As part of the Fiscal 2024 budget process, the City Council adopted an amendment to budget to reduce funding for BOPA by \$1,744,002. The amendment detailed four concern areas that needed to be addressed for funding to be restored:

1. BOPA's board governance and structure,
2. Operations of the Baltimore Film Office,
3. Operations of the Baltimore Arts Council and Public Arts Commission, and
4. BOPA's ability to carry out its mandate to produce events and festivals, administer grants, manage arts education and public art programming, provide film and production support, and provide oversight of Baltimore City facilities in its care.

The Administration and City Council have determined marked progress has been made in these areas in the time since 23-0177R was adopted. This Resolution seeks to restore \$581,334 in funding to BOPA in recognition that BOPA has complied with the requested actions of the City Council.

Fiscal Impact

The Bureau of the Budget and Management Research is proposing to fund this supplemental appropriation through a projected surplus in transfer tax revenue. Despite increasing interest rates, the volume of activity in the real estate market remained strong into Fiscal 2023. Early projections for fiscal 2024 indicate these trends will continue generating a surplus in this revenue source.

This third and final supplemental appropriation will fully restore BOPA's Fiscal 2024 appropriation.

Conclusion

The Department of Finance has no objections to the proposed supplemental appropriation.

cc: Michael Mocksten
Nina Themelis



TO: Board of Estimates, Office of Comptroller

FROM: AGC2300-BBMR - Bureau of Budget Management Research : AGC4356
- M-R Art and Culture

DATE: 01/26/2024

Submission #: SB-24-10033

SUBJECT: FY24 Supplemental Appropriation Request-Baltimore Office of
Promotion and the Arts-Restoration of City Council Reduction

ACTION REQUESTED OF BOARD OF ESTIMATES:

The Board is requested to approve a Supplemental Appropriation Adjustment Order increasing appropriation in the General Fund budget of the Baltimore Office of Promotion and the Arts (BOPA), Service 824: Events, Art, Culture and Film.

**PERIOD OF
CONTRACT/AGREEMENT:**

AMOUNT AND SOURCE OF FUNDS:

Transaction Amount: \$ 0.00

Project Fund	Amount
1001-CCA000406-SC670701	\$ 581,334.00
1001-RC0045	-\$ 581,334.00

BACKGROUND/EXPLANATION:

As part of the Fiscal 2024 budget process, City Council reduced the Ordinance of Estimates by \$1,744,002 in Service 824: Events, Art, Culture, and Film, which supports Baltimore Office of Promotion and the Arts (BOPA) budget. City Council Resolution 23-0177R, introduced on June 14, 2023, detailed concerns regarding the following: 1) BOPA's board governance and structure, 2) operations of the Baltimore Film Office, 3) operations of the Baltimore Arts Council and Public Arts Commission, and 4) BOPA's ability to carry out its mandate to produce events and festivals, administer grants, manage arts education and public art programming, provide film production support, and provide oversight of Baltimore City facilities in its care.

The Administration and City Council have determined marked progress has been made in these areas in the time since 23-0177R was adopted. This is the third supplemental appropriation request that will restore funding to BOPA in recognition that BOPA has complied with the requested actions of City Council. This funding will restore BOPA funding for the 4th quarter of Fiscal 2024.

This supplemental request is supported by a surplus of revenue in the General Fund, specifically in revenue generated from transfer taxes.

COUNCIL DISTRICT: Citywide

EMPLOY BALTIMORE:	LIVING WAGE:	LOCAL HIRING:	PREVAILING WAGE:
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N/A	N/A	N/A	N/A
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1% FOR PUBLIC ART: N/A.

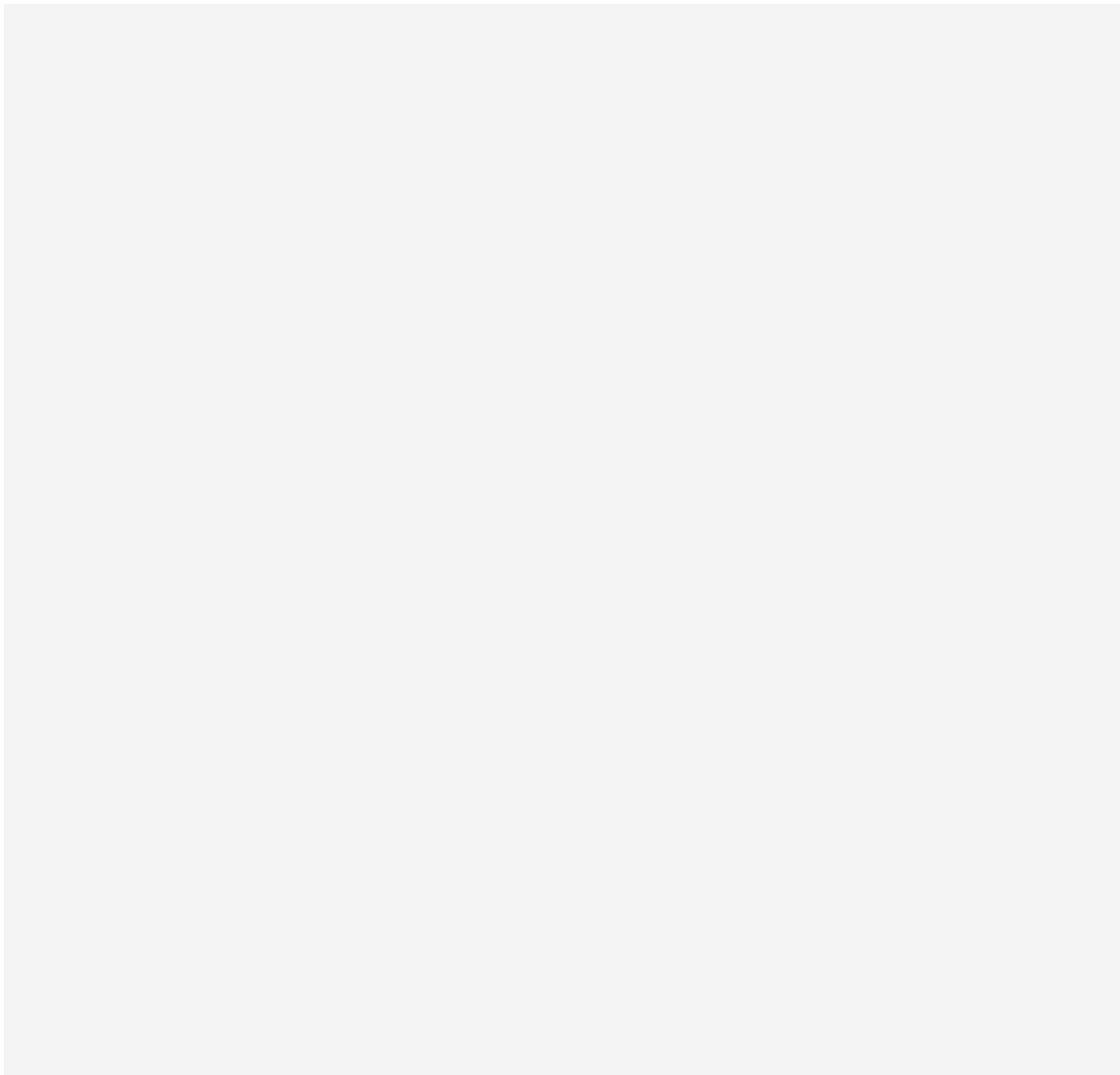
ENDORSEMENTS:

Finance (BBMR) has reviewed and approved for funds.



Clerk, Board of Estimates

01-24-2024



**CITY OF BALTIMORE
COUNCIL BILL 24-0488
(First Reader)**

Introduced by: The Council President
At the request of: The Administration (Department of Finance)
Introduced and read first time: February 12, 2024
Assigned to: Ways and Means Committee

REFERRED TO THE FOLLOWING AGENCIES: City Solicitor, Department of Finance, Baltimore Office for Promotion and the Arts, Department of General Services, Board of Estimates

A BILL ENTITLED

1 AN ORDINANCE concerning

2 **Supplementary General Fund Operating Appropriation –**
3 **M-R: Arts and Culture – \$581,334**

4 FOR the purpose of providing a Supplementary General Fund Operating Appropriation in the
5 amount of \$581,334 to M-R: Arts and Culture – Service 824 (Events: Art: Culture: and
6 Film), to provide funding for general operations; and providing for a special effective date.

7 BY authority of
8 Article VI - Board of Estimates
9 Section 8(b)(2)(iii) and (c)
10 Baltimore City Charter
11 (1996 Edition)

12 **Recitals**

13 ***Part 1. Baltimore Office of Promotion and the Arts – Background***

14 The City Council reduced the Ordinance of Estimates for Fiscal Year 2024 by \$1,744,002 in
15 Service 824 (Events: Art: Culture: and Film), which supports the Baltimore Office of Promotion
16 and the Arts’ (“BOPA”) budget. City Council Resolution 23-0177R, adopted on June 14, 2023,
17 detailed concerns regarding the following: (1) BOPA’s board governance and structure;
18 (2) operations of the Baltimore Film Office; (3) operations of the Baltimore Arts Council and
19 Public Arts Commission; and (4) BOPA’s ability to carry out its mandate to produce events and
20 festivals, administer grants, manage arts education and public art programming, provide film
21 production support, and provide oversight of Baltimore City facilities in its care.

22 The Administration and City Council have determined that marked progress has been made
23 in these areas in the time since 23-0177R was adopted. Ordinance 23-274, effective October 15,
24 2023, and Ordinance 24-300, effective January 17, 2024, each restored \$581,334 to Service 824,
25 totaling \$1,162,668.

EXPLANATION: CAPITALS indicate matter added to existing law.
[Brackets] indicate matter deleted from existing law.

Council Bill 24-0488

1 This is the 3rd supplemental appropriation that will restore funding to the Baltimore Office of
2 Promotion and the Arts in recognition that BOPA has complied with the requested actions of the
3 City Council. This supplementary appropriation will restore the final portion of the monies
4 originally cut from the Ordinance of Estimates for Fiscal Year 2024. This supplementary
5 appropriation shall fund BOPA for the 4th quarter of Fiscal Year 2024.

6 ***Part 2. Supplementary Appropriation***

7 The revenue appropriated by this Ordinance represents Transfer Tax revenue in excess of the
8 revenue relied on by the Board of Estimates in determining the tax levy required to balance the
9 budget for Fiscal Year 2024.

10 This additional revenue could not have been reasonably anticipated when the Ordinance of
11 Estimates for Fiscal Year 2024 was formulated.

12 This appropriation is made necessary by a material change in circumstances since the
13 Ordinance of Estimates for Fiscal Year 2024 was formulated or is for a new program that could
14 not have been reasonably anticipated when that Ordinance of Estimates was formulated.

15 On January 24, 2024, the Board of Estimates recommended this appropriation to the City
16 Council.

17 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That
18 \$581,334 shall be made available to M-R: Arts and Culture – Service 824 (Events: Art: Culture:
19 and Film) as a Supplementary General Fund Operating Appropriation for Fiscal Year 2024, to
20 provide funding for general operations. The source of revenue for this appropriation is Transfer
21 Tax revenue in excess of the amount from this source that was relied on by the Board of
22 Estimates in determining the tax levy required to balance the budget for Fiscal Year 2024.

23 **SECTION 2. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on the date it is
24 enacted.