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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**

**THURSDAY, MAY 16, 2024  
1:05 PM**

**COUNCIL CHAMBERS**

**Legislative Oversight 21-0003**

**Quarterly Budget Briefings**

*Bureau of Budget and Management Research*  
*Quarterly Budget Briefing – FY 2024*

*Department of Planning (Capital Budget)*  
*An Update*

*Baltimore City Public Schools*  
*Quarterly Budget Briefing*  
*FY25 Budget Overview*

# CITY COUNCIL COMMITTEES

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Mark Conway  
Ryan Dorsey  
Antonio Glover  
Odette Ramos  
Robert Stokes  
*Staff: Anthony Leva (410-396-1091)*

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Danielle McCray  
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Robert Stokes  
Danielle McCray  
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**LEGISLATIVE OVERSIGHT**

**Committee:** Ways and Means

**Legislative Oversight # LO 21-0003**

**Quarterly Budget Briefings**  
**Bureau of Budget and Management Research**  
**Capital Budget**  
**Baltimore City Public Schools**

For the purpose of calling on the Directors of the Finance Department’s Bureau of Budget and Management Research (BBMR), Capital Budget, and the Baltimore City Public Schools (BCPS) to brief the City Council on how the City’s actual finances compare to its budget projections.

**Agencies/Organizations Reporting**

Bureau of Budget and Management Research	Laura Larsen
Department of Planning (Capital Budget)	Nichole Stewart
Baltimore City Public Schools	Maryann Cox

**Analysis**

**Current Law**

**Baltimore City Code – Article 1, Subtitle 1-City Council, 1-6**

**§ 1-6. Agencies to provide legislative information.**

It shall be the duty of the head of every City department or bureau established by the Baltimore City Charter or by ordinance to provide all technical materials, plats, drawings, and information that are requested by any member or the President of the City Council for the purpose of introducing legislation into the Council.

*(City Code, 1976/83, art. 1, §6.) (Ord. 76-080.)*

**Background**

**On Thursday, February 29, 2024**, a representative from **BBMR** came before the committee to discuss the second quarter projections for the Fiscal Year 2024 budget.

**Following are notes from the February 29<sup>th</sup> hearing:**

**Major Speakers**

Bob Cenname, Bureau of Budget and Management Research

Ty'lor Schnell, Mayor's Office

**Major Issues Discussed**

1. The representatives from BBMR gave a Powerpoint presentation. **Copies are on file.** Following are notes from the hearing.

**a. BBMR**

- i. This quarter the Bureau is projecting an overall surplus
- ii. Revenue received has improved and if continued, City will not have to use the Fund Balance
- iii. Discussed the areas for:
  1. Projected Surpluses
  2. Projected Deficits
- iv. The Parking Authority of Baltimore City has approximately 35 vacancies
- v. The largest projected deficit is within the Fire Department due to overtime cost
- vi. The average vacancy rate for City government is approximately 20%

**b. Capital Budget**

- i. **Note: Projections and/or a Presentation for Capital Budget was not given during this hearing.**
- ii. **Chairman Bullock asked the representative from the Mayor's Office to explain the reason(s) why representatives from Capital Budget were unable to attend the hearing.**

2. Committee/council members asked questions, stated concerns, and made comments. Some highlighted topics of discussion, comments and/or concerns were:

**a. BBMR**

- i. Chairman Bullock asked the representatives from BBMR to talk more about the impact of and/or Transfer/Recordation Taxes
- ii. Investment Earning – Walk us through the process for same
- iii. Concern: Number of vacancies for School Health Worker positions
  1. How can we fill these needed positions?
  2. We need to reduce those vacancies
- iv. Talk about appeal process pertaining to Property Taxes
  1. Do you think the collection rate for Real Property will eventually decline?
- v. How many employees work in the Tax Sales Collection Unit?
  1. Concern: Timeliness of mailing out notifications
  2. Need to be proactive!
- vi. Deficit within Fire Department
  1. Do you have any additional information about the deficit and/or any potential solutions that you may want to share?

- vii. Per Member Porter: Can you (BBMR) share some of your recommendations to improve operations during the upcoming budget season?
3. Hearing called to recess.

**On Thursday, December 7, 2023**, a representative from **Department of Planning** came before the committee to discuss budget updates for the FY24 Capital Budget.

**Following are Capital Budget notes from the December 7<sup>th</sup> hearing:**

**Major Speaker**

Nichole Stewart

**Major Issues Discussed**

1. The presentation included information about the Capital Improvement Program for Fiscal Year 2024
  - a. Including recommendations for the six (6) year Capital Improvement Program
  - b. Capital Budget and Expenditure Analysis Limitations
  - c. Handout displaying (list of projects, project numbers, and the agencies receiving capital projections) a summary of FY2024 1<sup>st</sup> Quarter Spending

**On Thursday, February 15, 2024**, a representative from **BCPS** came before the committee to discuss budget updates from the first 6 months of the fiscal year.

**Following are notes from the February 15<sup>th</sup> hearing:**

**Major Speakers**

Maryann Cox, Baltimore City Public Schools

**Major Issues Discussed**

2. The representative from BCPS gave a PowerPoint presentation. A copy is on file. The presentation consisted of data collected during the first six (6) months of the fiscal year; through December 30, 2023, which covers approximately four (4) months of school operations and the past summer programs.
  - a. Notes:
    - i. Federal revenue is considerably less than what was received during the previous fiscal year
    - ii. FEMA revenue is less too!
3. Committee/council members asked questions, stated concerns, and made comments. Some highlighted topics of discussion, comments and/or concerns were:
  - a. Comments pertaining to SEED schools
  - b. The representative from BCPS was asked to talk about the following topics:
    - i. Increase cost for fringe benefits
    - ii. Investment earnings
    - iii. Financial Advisor
4. Hearing called to recess.

**On Thursday, May 16, 2024**, representatives from BBMR, the Planning Department, and BCPS will come before the Ways and Means committee to present their quarterly budget updates.

BCPS will also present an overview of their FY25 operating and capital budgets directly following their FY24 quarterly briefing. The representatives from BCPS are also scheduled to come back before the committee/council members on **June 4, 2024** to discuss their budget in-depth and answer any questions/concerns regarding their budget.

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### **Additional Information**

**Fiscal Note:** None.

**Information Source(s):** LO21-0003. Hearing notes from the December 7<sup>th</sup>, February 15<sup>th</sup> and February 29<sup>th</sup> hearings.

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Committee Staff: Niya N. Garrett

Date: May 13, 2024

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