


FROM	NAME & TITLE	Henry J. Raymond, Deputy Finance Director <i>HJR</i>	CITY of BALTIMORE MEMO	
	AGENCY NAME & ADDRESS	Department of Finance Room 469, City Hall (396-4676)		
	SUBJECT	City Council Bill No. 10-0631 Charter Amendment Nonlapsing Funds for Quality Schools – Reinvesting in our Youth		

TO

DATE:

The Honorable President and Members
Of the City Council
C/O Karen Randle
Room 409, City Hall

January 10, 2011

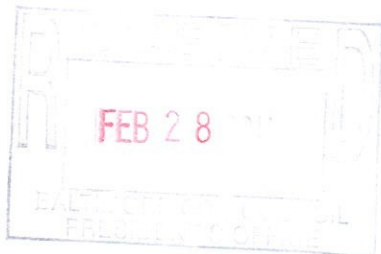
City Council Bill 10-0631 requests the establishment of 1 or more continuing, nonlapsing funds for purposes of enhancing the educational environment in Baltimore City, by creating modern state-of-the-art schools; by submitting an amendment to the qualified voters of the City for adoption or rejection. As this is a proposed amendment to the City Charter, it is required to be submitted for approval to the qualified voters of Baltimore City.

The specific purposes of the nonlapsing fund includes: 1) new school construction; 2) renovate and improve existing City school buildings; 3) renew athletic facilities and expand recreational activities; and 4) modernize education-related equipment and curriculum. The bill states that the fund may comprise money appropriated in the annual Ordinance of Estimates, grants or donations made to the fund, and proceeds from fines, fees and programs dedicated to the fund by ordinance.

The Finance Department does not support Bill Number 10-0631 for the following reasons. First, the designation of funds for a particular purpose, in this case to enhance the educational environment in Baltimore City, limits the flexibility of current or future Administrations to allocate resources according to current priorities. The Department of Finance believes that decisions regarding the allocation of resources among priorities, including enhancing the educational environment in Baltimore City, ought to be part of the annual budget planning process rather than adding language to the City charter or code to commit funds to one purpose or another for the current year and years into the future. Second, to the extent this bill provides the City Council the authority to dedicate proceeds from fines, fees and programs to this fund by ordinance, this could potentially put the City's operating budget at risk during the course of a given fiscal year.

For these reasons, the Department of Finance opposes Bill Number 10-0631.

cc: Edward Gallagher
William Voorhees
Angela Gibson



Unfav.