

Andrew Klein

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| FROM | NAME & TITLE | Andrew Kleine, Chief |
| | AGENCY NAME & ADDRESS | Bureau of the Budget and Management Research Room 469, City Hall (396-4941) |
| | SUBJECT | City Council Resolution # 16-0302R |

CITY of
BALTIMORE
MEMO



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

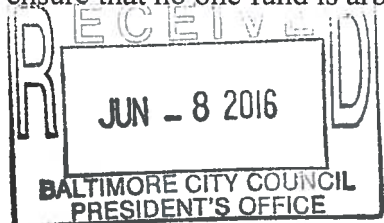
DATE: June 7, 2016

Attention: Natawna Austin

City Council Bill 16-0302R has been introduced for the purpose of calling on the Departments of Public Works and Finance to report on the collection, use, and planned use of Stormwater Enterprise Fund fees, and the volume and value of participation credits and mitigation variances accepted to date.

The Bureau of Budget and Management Research provides the following comments based on the questions identified within the resolution:

- **Historical Expenditures:** Prior to the institution of the Stormwater Utility (enterprise) fund, spending on Stormwater Management averaged \$11.2 million per year in operating costs and \$3.0 million per year in capital improvements. This is based upon average expenditures between Fiscal 2010 and Fiscal 2013.
- **Current and Planned Operating Budgets:** In Fiscal 2016, the Stormwater Fund is appropriated for \$20,159,377 in operating funds. The Fiscal 2017 recommended operating budget includes \$21,602,132 in the Stormwater Fund.
- **Stormwater Capital Budget:** In Fiscal 2016, the Stormwater Fund is appropriated for \$6,070,000 in capital funds. The Fiscal 2017 recommended capital budget includes \$9,679,000 from the Stormwater Fund.
- **Billed and Collected Fees:** The Stormwater Utility billed \$23.4 million in Stormwater fees in Fiscal 2014, and collected \$17.7 million in revenue. In Fiscal 2015, Public Works billed for \$28.9 million in Stormwater fees, and receipted \$28.3 million in revenue. As of the end of May, Public Works has billed for \$26.4 million in Stormwater fees during Fiscal 2016. Actual revenues will not be finalized until the end of Fiscal 2016 and subsequent completion of the Fiscal 2016 CAFR statement.
- **Reconciliation of Partial Utility Bill Payments:** Residents of Baltimore receive four separate itemized charges as part of their utility bills (Water Utility, Wastewater Utility, Stormwater Utility, and the Maryland Bay Restoration Fund). When there is partial payment of a bill, the Bureau of Revenue Collection uses a proportional allocation methodology for payments to each fund. This methodology is employed to ensure that no one fund is arbitrarily assigned preference in receipt of fee revenue.



comments

In conjunction with the Department of Finance, the Department of Public Works has prepared a presentation to assist in addressing questions posed by Council Resolution 16-0302R. The Department of Finance will be on hand to respond to any additional questions as necessary.

Cc: Henry Raymond
Angela Gibson

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