


FROM	NAME & TITLE	Robert Cename, Budget Director <i>R. Cename</i>	CITY of BALTIMORE <b>MEMO</b>	
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432, City Hall		
	SUBJECT	City Council Bill 21-0131- Supplementary General Fund Operating Appropriation- Health Department - \$22,620,168		

DATE:

TO

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

October 6, 2021

**Position: Support**

The Department of Finance is herein reporting on City Council Bill 21-0131, Supplementary General Fund Operating Appropriation- Health Department - \$22,620,168, the purpose of which is to increase the Fiscal Year 2021 appropriation of General Funds by \$22,620,168 to the Health Department.

**Background**

Fiscal 2021 was an extraordinary year in which the full financial impacts of the COVID-19 pandemic came to light and the uncertainty of events exacerbated the economic hardships experienced by residents and businesses throughout Baltimore City. As a result, the City incurred new expenses to try to minimize economic impacts and control the spread of COVID-19. These expenses included direct health responses, assistance programs for vulnerable populations, small business support, and the gradual restoration of in-person governmental operations.

The Baltimore City Charter requires that each agency ends the fiscal year in balance. The Department of Finance recommends appropriation transfers and supplementary appropriations when an agency is projected to close the fiscal year in deficit. This supplemental appropriation is required to meet the Charter mandate.

**Fiscal Impact**

The Health Department incurred unexpected expenditures resulting from the COVID-19 pandemic, including older adult food insecurity program costs, vaccine administration and personnel costs, and expenses related to sheltering and quarantining vulnerable populations. This supplemental appropriation of \$22,620,168 is necessary to accommodate these unbudgeted costs. FEMA funding will be used to cover these supplemental expenses.

**Conclusion**

This supplemental appropriation is required to meet the Charter mandate that annual agency expenditures do not exceed appropriations, and is necessary due to the increased costs related to the ongoing COVID-19 pandemic.

**For the reasons stated above, the Department of Finance supports City Council Bill 21-0131.**

cc: Henry Raymond  
Natasha Mehu  
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