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**BALTIMORE CITY COUNCIL
FINANCE AND PERFORMANCE
COMMITTEE**

Mission Statement

The Committee on Finance and Performance (FP) is responsible for matters concerning fiscal oversight throughout the year. FP will improve the Council's understanding of the City's budget and to understand how agencies are performing and delivering city services, in addition to reviewing their spending throughout the year. FP will hold regular hearings on financial information, including, revenue, budgets, and audits. The committee's areas of jurisdiction include:

- Fiscal Oversight
- Budget Process
- Agency Performance
- Quarterly Budget Hearings
- Agency Performance Hearings
- Audit Oversight
- Revenue Certification

**The Honorable John T. Bullock
Chairman**

PUBLIC HEARING

**THURSDAY, OCTOBER 3, 2024
3:00 PM**

COUNCIL CHAMBERS

Legislative Oversight LO21-0003

Quarterly Budget Briefings

Bureau of Budget and Management Research

Quarterly Projection – Fiscal Year Ending June 30, 2024

Capital Budget

An Update

Baltimore City Public Schools

Quarterly Budget Report

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BILL SYNOPSIS

Committee: Finance and Performance

Legislative Oversight # LO 21-0003

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

Sponsor: Councilmember Costello, et al

Introduced: January 25, 2021

Purpose:

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 School to brief the City Council on how the City’s actual finances compare to its budget projections.

Effective: On the 30th day after the date it is enacted

Note: This Legislative Oversight does not require a committee vote and will remain active until the end of the term.

Agencies Reporting

Finance – Bureau of Budget and Management Research	PowerPoint Presentation to be shown
Capital Budget	PowerPoint Presentation to be shown
Baltimore City Public Schools	PowerPoint Presentation to be shown

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, representative(s) from the Bureau of Budget and Research Management (BBMR) came before the committee to discuss quarterly projections.

Following are notes from the hearing:

Major Speakers

- Bob Cename, Bureau of Budget and Management Research – BBMR
- Ty’lor Schnella, 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.
 - BBMR
 - This quarter the Bureau is projecting an overall surplus
 - Revenue received has improved and if continued, City will not have to use the Fund Balance
 - Discussed the areas for:
 - Projected Surpluses
 - Projected Deficits
 - The Parking Authority of Baltimore City has approximately 35 vacancies
 - The largest projected deficit is within the Fire Department due to overtime cost
 - The average vacancy rate for City government is approximately 20%
 - Capital Budget
 - Note: Projections and/or a Presentation for Capital Budget was not given during this hearing.
 - 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 concern were:
 - BBMR
 - Chairman Bullock asked the representative from BBMR to talk more about the impact of and/or Transfer/Recordation Taxes
 - Investment Earnings – Walk us through the process for same
 - Concern: Number of vacancies for School Health Worker positions
 - How can we fill these needed positions?
 - We need to reduce those vacancies
 - Talk about the appeal process pertaining to Property Taxes
 - Do you think the collection rate for Real Property will eventually decline?
 - How many employees work in the Tax Sales Collection Unit?
 - Concern: Timeliness of mailing out notifications

- Need to be proactive!
 - Deficit within Fire Department
 - Do you have any additional information about the deficit and/or any potential solutions that you may want to share?
 - Per Member Porter: Can you (BBMR) share some of your recommendations to improve operations during the upcoming budget season?
3. Hearing called to recess.
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On Thursday, February 15, 2024, representative(s) from the Baltimore City Public Schools (BCPS) came before the committee to discuss quarterly projections.

Following are notes from the hearing:

Major Speakers

- Maryann Cox, Baltimore City Public Schools (BCPS)

Major Issues Discussed

1. 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 past summer programs.
 - Noted:
 - Federal revenue is considerably less than what was received during previous fiscal year
 - FEMA revenue is less too!
 2. Committee/council members asked questions, stated concerns, and made comments. Some highlighted topics of discussion, comments and/or concern were:
 - Comments pertaining to SEED schools
 - The representative from BCPS was asked to talk about the following topics:
 - Increase cost for fringe benefits
 - Investment earnings
 - Financial Advisor
 3. Hearing called to recess.
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Additional Information

Fiscal Note: See PowerPoint Presentations – to be shown during the hearing.

Information Source(s): Hearing Notes:

- Notes taken during the hearings on February 15th and February 29, 2024.
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Analysis by: *Marguerite M. Currin*
Analysis Date: September 30, 2024

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