

MINUTES

SPECIAL MEETING

THIS MEETING OF THE BOARD OF ESTIMATES WAS CALLED  
TO RECEIVE THE REPORT BY THE CITY COUNCIL ON THE  
ADOPTION OF THE FISCAL YEAR 2021 OPERATING AND CAPITAL  
BUDGET ORDINANCE AND TO CERTIFY THE REAL AND PERSONAL  
PROPERTY TAX RATE FOR FISCAL YEAR 2021.

**MINUTES****SPECIAL MEETING**

Honorable Bernard C. "Jack" Young, Mayor  
Honorable Brandon M. Scott, President  
Honorable Joan M. Pratt, Comptroller and Secretary  
Matthew Garbark, Acting Director of Public Works  
Dana P. Moore, Acting City Solicitor

President: "Good evening. Ah - the Special Meeting of the June, the Special Meeting of June 15, 2020 of the Board of Estimates is now called to order. Before we proceed, I want to give everyone a sense of how the meeting will flow. First we will receive the report by the Council on the adoption of the Fiscal Year 2021 Operating and Capital Budget Ordinance. Second, we will adopt and certify the Real and Property -- the Real Personal Property Tax Rate for 2021. At this time, I want to recognize Councilman Costello for joining us. Thank you for being here. Councilman Costello ah -- the Chair of the Budget and Appropriations Committee who will present the adopted budget to the Board. Chairman Costello."

Councilman Eric Costello: "Thank you Mr. President. Ah -- thank you Mr. Mayor, Madam Comptroller, and honorable members of the Board of Estimates. The City Council Budget and Appropriations Committee ah -- held hearings over ah -- the past week. We did

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about 52 hours' worth of hearings last week. First Mr. Mayor, I want to thank you and your team especially Bob Cename. Ah -- I know that there was a lot work that went into this budget. I thought overall that this was a very responsible budget, especially considering ah -- all of the things that were occurring with respect to COVID-19 and how you all had to retool and account for \$103,000,000.00 short fall ah -- projected revenue for the year. Um -- we did adopt the proposed budget as is with the exception of certain cuts that were made. Those cuts totaled \$9,337,457.00 in General Funds, \$13,102,650.00 of Grant funds. For a grand total of \$22,440,107.00. I'd be happy to answer any questions ah -- Mr. President that you or the honorable members of the Board have."

President: "I have none. Seeing as the Board has none. Thank you. Thank you Mr. Chairman. Thank you for again leading us through ah -- the budget season. We know there were long nights and long days. So I want to thank you for doing a great job and everyone ah -- from the Mayor's team, all the agencies. Ah -- and the person who's going to speak next, Director Cename from the Bureau of Budget and Management Research as well. Ah -- Mr. Cename the floor is yours."

Bob Cename: "Hi good evening, Bob Cename. Ah -- Budget Director, ah -- good evening Mr. President and Mr. Mayor, ah Madam

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Comptroller, members of the Board. So, as Councilman Costello said, ah -- the what we're asking tonight is for the Board to certify the Property Tax Rate. So the original Ordinance of Estimates that was proposed ah -- to the City Council totaled \$1,932,008 billion in General fund ah -- costs. The City Council passed ah -- about \$9.3 million of reductions to that General funds ah -- expenditure. What that means is that we are asking tonight to certify the Tax Rate at a lower rate than what had been proposed. Ah -- and just for, just to walk folks through it. A one penny of assessable base on our normal tax rate generates about \$4.5 million of revenue. And since the cuts were \$9.3 million, the reduction to the property tax is a little bit over two cents. Ah -- the proposed ah -- Property Tax Rate that we had proposed earlier to the Board is \$2.248 per \$100.00 of assessed value. Ah -- we're certifying the rate now at \$2.227 per \$100.00 of assessed value. Ah -- that's for the Real Property Tax Rate. For the Personal Property Tax Rate ah -- the Personal Property Tax Rate needs to be by law exactly 2.5 times the Real Property Tax Rate, and that number is \$5.568 per \$100.00 of assessed value for Personal Property. I do want to mention this is a relatively unusual situation if we have cuts to the Ordinance and so what that means is that once we certify the

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rate tonight, if the Board does certify the rate at 2.227, the Council will have the option later in the later session tonight to either to keep the Property Tax Rate at what was proposed at the higher level at 2.24 to reduce it to its 2.22 level that we're certifying, which is the minimum it needs to be to raise the money needed for the Ordinance of Estimates. Ah -- I would just urge the Council tonight to leave the Property Tax Rate as is. I say that because even though we have made some small reductions to the Budget, ah we're in a very dire financial situation still, and I just don't think at this time that it's right to be reducing the Property Tax Rate. We would rather have that little bit of cushion going in ah -- to Fiscal 21 given the economic situation. And with that I can certainly pause and answer any questions anybody has on the call."

President: "Thank you. Any questions from Board members? Seeing none, thank you. I will now ah -- open the floor for members of the Board who want to speak. Mr. Mayor, ah -- Madam Comptroller."

Mayor: "I just want to I --."

President: "Mr. Mayor you muted yourself."

Mayor: "I just want to thank the Chairman of the Budget Committee and his committee for ah -- for the job that they did and I respect the Council's cuts and I'm going to let them stand."

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President: "Thank you. Thank you Mr. Mayor. Madam Comptroller."

Mayor: "Let me mute myself."

President: "Madam Comptroller, you're muted. You're on mute."

Comptroller: "Can you hear me. Okay."

President: "Yes ma'am."

Comptroller: "Okay. I'd like to thank you Mr. President. I'd also like to thank the Mayor and the City Council, and the Department of Finance for all of the hard work and effort that culminates with the passing of the Fiscal Year 2021 Budget. Tonight, the Board will approve the Fiscal 2021 Ordinance of Estimates which comprises among other things the City's Operating and Capital Budgets along with the City's Real and Personal Property Tax Rates. As we all know, developing this budget was particularly challenging a particularly challenging task given the unprecedented decrease in revenue due to COVID-19 pandemic. With a revenue loss of \$103 million in Fiscal 2021, the Mayor and his team had to make some extraordinarily tough decisions to reduce costs without cutting vital services and programs that directly affect the people. Throughout this year's budget process, I have expressed my support for robust funding for public health services, especially substance use disorder and mental health treatment given that City

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residents will be dealing with the effects of the pandemic for the foreseeable future. I also support the Mayor's commitment of financial resources to programs that provide housing and counseling for persons experiencing homelessness. Most importantly, this budget makes a substantial commitment to Baltimore City Public Schools with both operating and capital funds. This investment will go a long way creating a better future for our children and for our City. Over the last few days, my office has received dozens of emails from constituents expressing their support for reducing funding for the Baltimore Police Department and redirecting these resources to other agencies. I thank the Council for the steps they have taken in this direction. The money we are committing to public health, parks and rec centers, support for the homeless, and public schools will address the root causes of poverty and reduce violence in our City. Thank you, Mr. President, Mr. Mayor. And let's continue to work the work of moving our City forward with the support of our City Council, our employees and the people we serve. Thank you."

President: "Thank you. And thank you Madam Comptroller. And with the passage of this budget, the City of Baltimore reaffirms its commitment to reimagining and reallocating its budget away from

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our current dependence on the Police Department. We must diversify our investments into City agencies that will proactively focus on developing our youth and communities. As I said from the very beginning, we can responsibly reduce Baltimore's budget dependence on BPD while also adhering to the mandates of the Federal Consent Decree and also understanding Baltimore's ongoing crime epidemic. I want to thank all the members of the Council for their hard work throughout this budget process. I want to lift up again, the Chairman of the Budget Councilman Costello, the Vice Chair, all of those who say came into City Hall and served as the Chair for hour's here. And I finally like to thank the members of the public who participated in this year's budget process. We are grateful for your participation and believe that your involvement is ultimately represented in today's budget ah -- for the upcoming fiscal year. And again, thank everyone very, very much. I will now entertain a Motion to Certify the Tax Rate."

Acting City Solicitor: "I --."

Comptroller: "Dana, do you want me to do it?"

Acting City Solicitor: "Um -- this is Acting City Solicitor Dana Moore. The only thing that we're voting on tonight is the Tax Rate. And I move that we ah -- Certify the Tax Rate."



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Comptroller: "I second."

Acting Director of Public Works: "Bob for the record give us the number."

President: "Bob for the record can you give us the numbers for the Tax Rate? Can you read those into the record please?"

Mr. Cename: "Sure. So it's for the Real Property Tax Rate. It's \$2.00 -- \$2.227 per \$100.00 of assessed value. And for the Personal Property Tax Rate which by law has to be 2½ times the real rate ah -- its \$5.568 per \$100.00 of assessed value."

President: "Alright. Thank you."

Acting City Solicitor: "So if I could just, if I could just clarify the Motion then with that explanation. So the motion is that this body approve the Real Property Tax Rate of \$2.227 per \$100.00, and the Personal Property Tax Rate of \$5.568 per \$100.00. That is the motion."

Comptroller: "I second."

President: "Thank you. I have a motion and a second to approve the Certification of the Fiscal Year 2021 Tax Rate at \$2.227 per \$100.00 of assessed value for Real Property, other than public utility and a Tax Rate of \$5.568 of \$100.00 of assessed value for Personal Property and Public Utility Property. All those in favor say Aye. All opposed Nay. The motion carries. As there --."

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Acting Director of Public Works: "Evan's got a letter asking to speak to the Board of Estimates."

President: "Ah -- Board members we have a letter that we are going to ah -- bring to the Board members right now. Please stay put. As there is no more business before the Board, ah -- we -- the Board will be adjourned until its regularly scheduled meeting on Wednesday, June 17. Thank you."



Joan M. Pratt  
Secretary