

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 2017 OPERATING AND CAPITAL  
BUDGET ORDINANCE AND TO CERTIFY THE REAL AND  
PERSONAL PROPERTY TAX RATE FOR FISCAL YEAR 2017.

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Honorable Bernard C. "Jack" Young, President  
Honorable Stephanie Rawlings-Blake, Mayor  
Honorable Joan M. Pratt, Comptroller and Secretary  
George A. Nilson, City Solicitor  
Rudolph S. Chow, Director of Public Works - **ABSENT**  
David E. Ralph, Deputy City Solicitor  
S. Dale Thompson, Deputy Director of Public Works  
Bernice H. Taylor, Deputy Comptroller and Clerk

President: "Good Evening, the June 23, 2016 Special Meeting of the Board of Estimates is now called to order. Before we proceed, I would like to give an overview of this meeting's agenda. First, we will receive the report by the City Council on the adoption of the Fiscal Year 2017 Operating and Capital Budget Ordinance. Second, the Board will adopt and certify the Real and Personal Property Tax Rate for Fiscal Year 2017. At this time, I would like to recognize the members of City Council that is here today with um -- Chair of the Budget, Councilwoman Helen Holton uh -- Councilman Robert Curran, Councilwoman Mary Pat Clarke--"

Councilwoman Mary Pat Clarke: "Thank you."

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President: "--and Councilwoman Sharon Green-Middleton. Did I miss any other Council people? Okay, now I would like to recognize Councilwoman Helen Holton, Chair of the Budget and Appropriation Committee who will present the adopted budget to the Board."

Councilwoman Helen Holton: "Thank you Mr. President, members of the Board of Estimates. Uh -- we were -- we received a Ordinance of Estimates for General Fund appropriation in the amount of \$1,762,781,452.00. There were no cuts made to the budget by the City Council and the budget was passed as submitted."

President: "Thank you."

Councilwoman Holton: "You're welcome."

President: "Alright, now I would like to recognize Mr. Andrew Kleine, Director of the Bureau of Budget and Management Research."

Mr. Andrew Kleine: "Good evening Mr. President, Madam Mayor, Madam Comptroller, members of the Board of Estimates. The City Charter, Article VI, Section 7(c) requires the Board of Estimates to certify to the City Council uh -- sufficient Property Tax uh -- rates for the coming Fiscal Year, Fiscal Year 17."

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As um -- Councilwoman Holton explained the appropriation that was passed by the uh -- City Council matched the recommendation of the Board of Estimates. The estimated General Fund revenue exclusive of Property Tax is \$889,691,104.00. Uh -- that means the Property Tax Revenue required uh -- to fund this appropriation is \$873,090,348.00. Uh -- the sufficient tax rates uh -- to generate that revenue are \$2.248 per \$100.00 of assessed value for person -- for real property other than public utility and uh -- \$5.62 per \$100.00 of assessed value for personal property and public utility real property. I -- I ask the Board to certify those tax rates to the City Council which will then take up the Tax Rate Ordinance."

President: "Okay, thank you. Um -- at this time, I will open up the floor to the Mayor and any other member of the Board who would like to speak."

Mayor: "If you don't mind -- thank you. Thank you very much um -- Mr. President. The Fiscal 2017 budget is my last as Mayor of the City of Baltimore. Over the past seven years, we have been

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challenged with many things, the great Recession, historic snowstorms, civil unrest, a spike in homicides, and growing demands for the City to step in and meet critical needs where the State and the Federal government have stepped back. We have risen to the challenge. I know the difficult decisions we made to balance our budgets have been -- excuse me, have been painful. They've improved the results for our citizens, and have put government on a more sustainable fiscal course. Because I refused to kick the can down the road, and because I have been unafraid of confronting tough challenges, Baltimore is growing. And to keep to the right trajectory, I know that the Fiscal 2017 budget represents an unprecedented choice. We've struggled with the competing demands to fund crime initiatives for years versus investing in crime prevention and deterrents. This budget takes us a step -- a step in the new direction. We believe that smarter policing can get the job done with a smaller force.

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Over two years, we are eliminating 450 funded police positions and spending more money on strategies to use that will make law enforcement more noble, holding them accountable to the public they serve. Stronger use such as equipping officers with body-worn cameras and other technologies expanding the CitiWatch program, upgrading the crime lab and hiring data analysts, as well as supporting crime prevention programs like CeaseFire, Safe Streets and Metro Crime Stoppers are critical to this new approach. And here's the best part, in addition to control our police spending, we're able to fund City schools at nearly \$10.5 million dollars above the State-mandated level. I'm proud of what this budget does for schools. Most importantly, that our commitment to build up our -- commitment to build our relations, and that my award-winning Vacants to Value program has leveraged tens of millions in new State investment. And every household will have a trash can that will help make our City cleaner, and again, by reducing property taxes for Baltimore City homeowners ensuring that we're on track for my plan of 20 cents by 2020. This year's budget negotiations were difficult.

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We had to cut further into a lean budget to fund the additional after-school funding. I want to thank the Council President and the Budget Chief for working with me, and the Finance Director, I want to thank him for helping with the compromise, working out the compromises to get this done. While the budget is now approved, there is some unfinished -- there's still some unfinished business. The budget relies on an increase to the uh -- parking tax to fully fund the Charm City Circulator. If the Council does not approve the parking tax increase, I will be forced to provide the 30-day's notice required for major circulation -- Circulator route uh -- reductions. I want to reiterate that I'm proud of the tough fiscal decisions that we have made over the years, while facing very serious budget challenges. We've continued to do more with less. I want to thank the members of my administration, the Council President, the members of the City Council and the Comptroller for working to continue to move Baltimore forward. Thank you."

President: "Thank you. Madam Comptroller."

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Comptroller: "Good afternoon. Coming up with a balanced budget that addresses the needs of our City is very difficult. The collaborative effort between our elected officials has made it possible year after year, as we work to meet competing service needs. I thank the Mayor, the President of the City Council, the City Council, and the Department of Finance for their hard work on the Fiscal 2017 budget. Government always works best when we work together to address the needs of our City. Public safety is a critical and an important service. We must, however, continue to monitor closely our spending to ensure that it is in line with the budget. On-going efforts of the Police Department to work more closely with our citizens will make our City safer for people to work, raise their families, and enjoy the variety of amenities that our City offers to its residents and visitors. I am pleased that the budget includes \$4.2 million to pay for the 2,500 children to participate in after-school programs and operate community programs at six schools. As we all know, it is important that we continue to invest in our youth who are our future leaders of tomorrow.

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Working together with the Mayor's office, the Municipal Telephone Exchange has started to implement VoIP, which will greatly improve voice telecommunications and result in cost savings over time to our citizens. Because of the size of the project it will be phased-in. The Municipal Post Office in Fiscal 2017 will increase efficiencies in mailing operations by presorting City out-going United States Postal Service mail, which will generate savings. For many years, I have requested and advocated for full funding of the Department of Audits so that it can meet its Charter mandate, and be responsive to the reasonable requests of our citizens that city agencies be regularly audited. As previously stated, I am concerned that outsourcing of the audit function to the private sector is neither prudent nor fiscally sound. It is my hope that this matter -- this important matter will also be resolved for our citizens in the future.

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Madam Mayor, Mr. President, members of the City Council, and the Department of Finance, I thank you for working diligently to balance the Fiscal 17 budget, and that we will be able to serve the needs of our City and our citizenry. Thank you very much."

President: "Thank you. I would like to thank the Mayor and I'd like to thank Chairwoman Holton and Mr. Raymond who worked so hard to help us with this budget. I recognized early on that the Mayor's budget was lean and didn't offer many areas for trimming. But my Council colleagues and I were determined to comb over the budget in the least disruptive way possible to find savings to help restore the \$4.2 in funding cuts. Thanks to everyone involved -- who was involved that we were able to keep money in place for our most vulnerable people and that's our children, um -- and with that I will entertain a Motion to certify the Tax Rate."

Mayor: "Thank you very much Mr. President, I move to certify the Tax Rate at \$2.248 of \$100.00 of assessed value for Real Property other than public utility and the Tax Rate of \$5.62 of \$100.00 of assessed value for Personal Property and Public Utility Real Property for the budget, for the Fiscal 2017."

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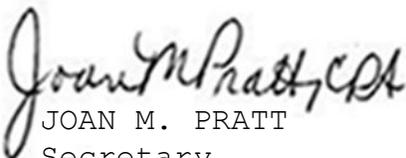
Comptroller: "Second."

City Solicitor: "I Second the Motion."

President: "I have a Motion and second to approve the certification of the Fiscal Year 2017 Real Property Tax Rate at \$2.248 to \$100.00 of assessed value and Personal Property Tax Rate at \$5.62 per \$100.00 of assessed value. All those in favor say AYE, all opposed NAY, MOTION carries."

There being no more business, the Board is adjourned until its regularly scheduled meeting on Wednesday July -- I mean June 29<sup>th</sup>."

Mayor: "Thank you."



JOAN M. PRATT  
Secretary