



Brandon M. Scott
Mayor

Fiscal 2024 Recommended Budget

Department of Finance
Michael Moiseyev, Director
May 31, 2023

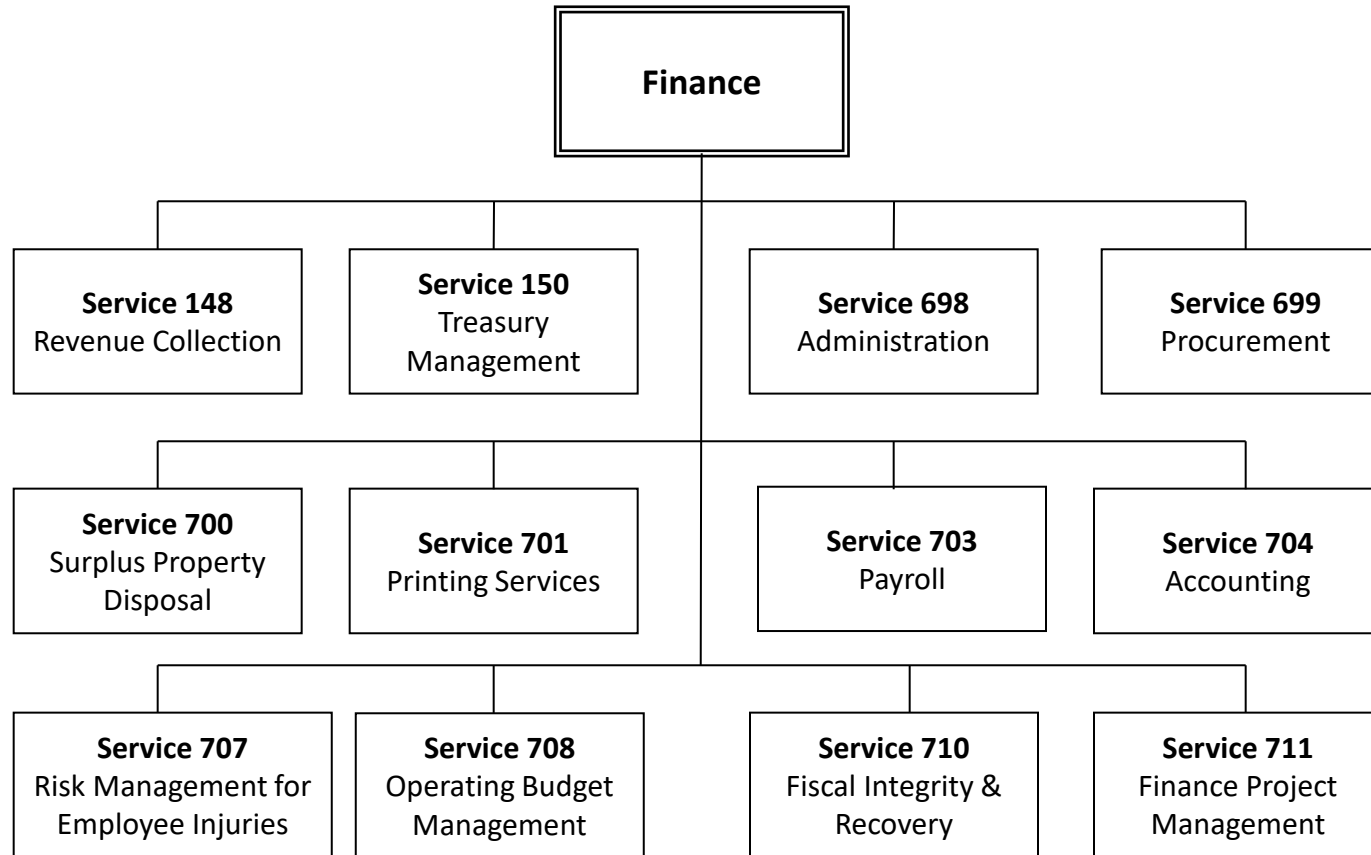
Fiscal 2024 Agency Overview

Agency Mission

- The mission of the Department of Finance is to provide a full range of services to City agencies; collect and invest all monies due the City; manage City debt; develop and implement the annual operating budget; manage the City's self-insurance programs; maintain the City's financial records; and execute fiscal policy as established by the Board of Estimates.

Fiscal 2024 Goals

- To enhance the level of service and transparency citywide, the Department will continue its modernization projects with work on implementing the budget module of Workday, the Real Property modernization project, and the Procurement transformation.
- The Department will continue to work to align our recruitment goals and increase hiring to ensure the Department attracts and retains qualified, diverse workforce with the skillsets and experience that match the changing needs of an enterprise system.



Operating Budget Management

Pillar: Responsible Stewardship of City Resources

Service Number: 708

FY24 Rec. Budget: \$2,376,143

Service Description: This service provides management of the City's annual operating budget. Revenues and expenditures are monitored throughout the year. The service conducts research and analysis on management, performance, and financing City services. In addition, this service analyzes the budget impact of State and local legislation.

Major Budget Items

The budget assumes up to \$100,000 in savings from staff turnover and vacancies based on recent trends.

The recommended funding level includes \$30,000 to support an internship program.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of residents engaged in annual budget planning process	1,720	2,357	3,434	3,000	4,172	3,810	4,300
Revenue Forecast Accuracy (% of variance from budget)	3.2%	-1.1%	0.8%	2.0%	9.8%	2.0%	2.0%

Revenue Collection

Pillar: Responsible Stewardship of City Resources

Service Number: 148

FY24 Rec. Budget: \$13,060,646

Service Description: This service collects all money that is due to the City through various taxes, fines, fees and penalties. Customers can pay most bills in person, online, using a smartphone, over the telephone, or by mail. The service operates a call center to address payment and billing questions during normal business hours.

Major Budget Items

The recommended funding level includes one Manager position to improve span of control, one HR support position, and one Cash Processing position.

The recommended funding level includes \$110,000 to continue to upgrade staff and customer service space in the Abel Wolman building.

The service includes five Collections positions focused on customer service and collections issues related to I-83 camera citations. The source of funds is the I-83 Traffic Camera Special Fund.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of calls requiring assistance	274,862	337,083	330,000	330,000	323,000	330,000	330,000
# of minutes average call center wait time	10	8	8	10	12	7	7

Treasury and Debt Management

Pillar: Responsible Stewardship of City Resources

Service Number: 150

FY24 Rec. Budget: \$1,256,822

Service Description: This service provides for the management of the City's cash, investments, debt, and banking services. This service also maintains the City's banking and trustee relationships so that the City's corporate cash, payroll and trust accounts are properly administered.

Major Budget Items

The recommended budget eliminates one-time funding of \$150,000 for GO bond advertising. This funding is required only every other fiscal year to align with local elections.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Interest % on GO Bonds issued	2.82%	1.85%	1.73%	2.75%	3.68%	3.80%	3.50%
% rate of return on short-term (6-month) investments	2.17%	1.45%	0.08%	0.10%	0.21%	0.08%	4.25%

Administration-Finance

Pillar: Responsible Stewardship of City Resources

Service Number: 698

FY24 Rec. Budget: \$2,607,070

Service Description: This service is responsible for the overall fiscal strategy and fiscal management of the City. The Office coordinates all human resources activities; manages the combined charity management contract; performs management analysis; and executes initiatives with other agencies to improve the efficiency and effectiveness of government.

Major Budget Items

The Fiscal 2024 budget creates one Chief of Staff position and two additional HR support positions to support Department-wide needs.

The recommended budget creates a Principal Program Assessment Analyst position to expand the Department's Corporate Compliance work.

The budget eliminates one-time funding for ERP support. All Workday-related support costs are budgeted in Baltimore City Office of Information and Technology.

Procurement

Pillar: Responsible Stewardship of City Resources

Service Number: 699

FY24 Rec. Budget: \$4,363,421

Service Description: This service offers City agencies a professional procurement practice for the purchase of goods and services to be used in City operations and capital projects. The use of a centralized purchasing system is mandated by the City Charter and includes goods and services required by City agencies, except public works and professional services.

Major Budget Items

The budget assumes an additional \$150,000 in savings from staff turnover and vacancies based on recent trends.

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of bids per formal solicitation	3	2	3	5	4	5	5
% of purchase orders meeting benchmark timeframes	89%	91%	93%	90%	89%	90%	90%

Surplus Property Disposal

Pillar: Responsible Stewardship of City Resources

Service Number: 700

FY24 Rec. Budget: \$166,701

Service Description: This service offers City agencies a professional service for the proper disposition of surplus property. The use of a centralized surplus property system is required by the City Charter.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
\$ generated annually	\$584,505	\$964,595	\$1,646,769	\$1,500,000	\$3,483,260	\$2,500,000	\$2,500,000
# of auctions hosted	0	208	129	240	104	240	104

Printing Services

Pillar: Responsible Stewardship of City Resources

Service Number: 701

FY24 Rec. Budget: \$3,143,971

Service Description: This service is an Internal Service Fund operation supplying document services to the City of Baltimore government. The services offered to City agencies and the Baltimore City Public School System are professional graphic design, printing, copying, document scanning, data center printing, and forms distribution.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Average # of days for print job turnaround	4	5	3	10	3	3	3
# of billable jobs	14,495	12,411	12,477	15,000	14,073	12,500	14,000

Payroll

Pillar: Responsible Stewardship of City Resources

Service Number: 703

FY24 Rec. Budget: \$2,539,151

Service Description: This service is responsible for paying weekly, bi-weekly employees, and seasonal employees. Key activities include: ensuring proper internal controls over the payroll process; coordinating quarterly payroll tax reporting; managing garnishment process; reconciling payroll bank accounts; and coordinating year-end processing of W-2's.

Major Budget Items

As part of an effort to better reflect where work is being performed within Accounting services, the recommended budget moves positions between Services 902: Accounts Payable, 703: Payroll, and 704: Accounting.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of off-cycle checks	1,914	2,421	10,019	1,800	33,045	2,200	2,200
# of payroll checks / advices issued	357,122	339,170	349,349	350,000	371,517	175,000	360,000

Accounting

Pillar: Responsible Stewardship of City Resources

Service Number: 704

FY24 Rec. Budget: \$3,823,600

Service Description: This service provides accounting and reporting services for the City, including preparation of the Annual Comprehensive Financial Report. The service is responsible for ensuring internal controls for processing financial transactions and that transactions and reports are recorded and prepared in accordance with GAAP.

Major Budget Items

As part of an effort to better reflect where work is being performed within Accounting services, the recommended budget moves positions between Services 902: Accounts Payable, 703: Payroll, and 704: Accounting.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
Average # of days for month-end close	5	5	7	5	9	7	5
# of transactions / journal entries (in millions)	3.2	3.2	3.1	2.1	3.3	3.0	3.0

Risk Management for Employee Injuries

Pillar: Responsible Stewardship of City Resources

Service Number: 707

FY24 Rec. Budget: \$4,228,414

Service Description: This service administers the City's risk management and insurance program for City assets and liabilities. This service seeks to prevent employee injuries by promoting accident prevention, providing safety training, and ensuring regulatory compliance.

Major Budget Items

The budget eliminates funding for two vacant Safety Officer positions and redirects the funding towards one new manager position overseeing insurance placements.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of claims received annually (per 100 employees)	18	9	7	15	18	15	15
# of random drug / alcohol tests completed	3,369	1,298	2,562	3,500	1,377	3,500	3,500

Fiscal Integrity and Recovery

Pillar: Equitable Neighborhood Development

Service Number: 710

FY24 Rec. Budget: \$1,263,691

Service Description: This service aims to identify and eliminate inefficiencies, and to implement processes to prevent fraud in property tax collections. Key activities include: assessment appeals, appraisal reviews for the Historic Tax Credit, PILOT record management, and management of the City's real property tax credits.

Major Budget Items

The recommended budget eliminates one-time funding of \$144,000 for tax credit system development work that is no longer needed.

The budget maintains funding to support Tax Credit System development costs for the Residential Retention and Energy Conservation Tax Credits.

The recommended budget includes funding for two new positions to support tax appeals, PILOT reviews, tax credit analysis, and other revenue-generating activity.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of tax credit applications rejected or revoked	152	323	493	365	386	260	285
\$ estimate increase in property tax revenue attributable to successful appeals (in \$ millions)	\$4.90	\$0.50	\$2.36	\$2.90	\$4.34	\$1.50	\$2.92

Finance Project Management

Pillar: Responsible Stewardship of City Resources

Service Number: 711

FY24 Rec. Budget: \$1,469,119

Service Description: This service is responsible for coordinating, designing, and implementing all systems changes within the Department of Finance. This includes the management of the upgrade and implementation of the Tyler Technologies MUNIS tax and license system. This service helps coordinate activities for the WorkDay ERP implementation.

Major Budget Items

The recommended budget maintains the current level of service.

Performance Measures

Measure	FY19 Actual	FY20 Actual	FY21 Actual	FY22 Target	FY22 Actual	FY23 Target	FY24 Target
# of functional design documents completed	2	2	2	2	N/A	2	N/A
# of systems transferred off mainframe	1	1	2	2	N/A	3	N/A