



CATHERINE E. PUGH
MAYOR

Fiscal 2018

Executive Summary

Board of Estimates Recommendations



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CATHERINE E. PUGH
MAYOR

This mural, titled *New Day*, was sponsored by the Baltimore Office of Promotion & the Arts during its Open Walls Project. The mural is located at 1137 Harford Road.

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Wednesday, May 3, 2017

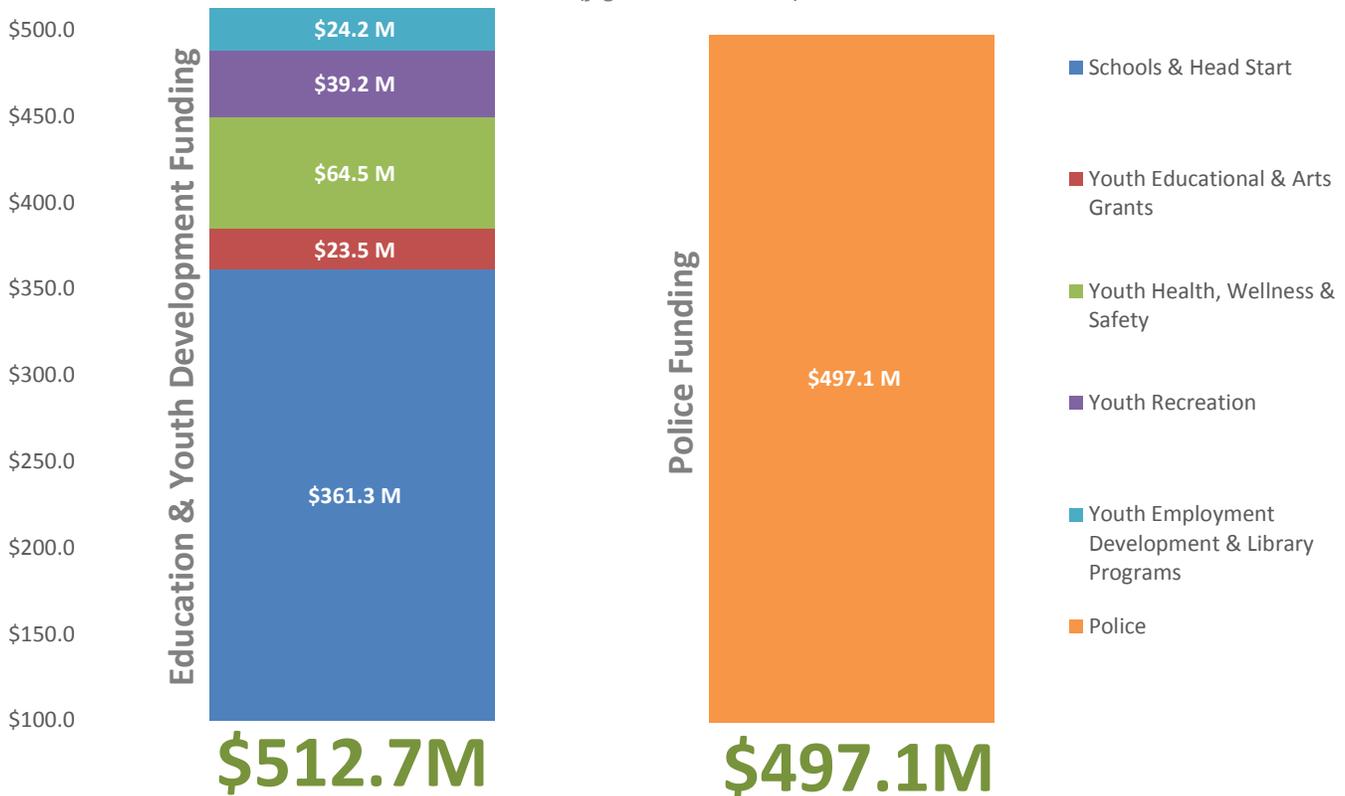
**The Honorable Bernard C. “Jack” Young and members of the City Council
City Hall, Room 400
Baltimore, Maryland 20212**

Re: Fiscal 2018 Proposed Ordinance of Estimates

The Fiscal 2018 Board of Estimates budget recommendation shifts the priorities of City government, investing more in education and youth development than police. Making Baltimore safe will take a smart crime-fighting strategy and more money for programs that give residents – especially our youngest ones – opportunities to succeed in life.

Fiscal 2018 Youth & Police Funding

(figures in millions)



The budget totals \$3.9 billion, including \$2.8 billion for operating expenses and \$1.1 billion for capital investment. The General Fund budget totals \$1.83 billion, a 4.1% increase from the Fiscal 2017 Adopted Budget. It is a responsible plan that includes a major new commitment to City Schools, maintains core City services, continues Property Tax reduction for homeowners, and targets investments to make the City cleaner and safer.

A Plan that Puts Children First

The chart on the first page of this letter shows something extraordinary – probably unprecedented in the City’s modern history. In Fiscal 2018, the City will spend more money on education and youth development than policing. This is no accident.

I have pledged \$90.2 million over three years to help Baltimore City Public Schools (BCPS) avoid mass layoffs and stabilize its finances until the Governor and General Assembly can consider changes to school funding formulas recommended by the Kirwan Commission. The Fiscal 2018 installment is \$22.4 million, which the State has more than matched. The City’s share is funded from General Fund balance, a reduced contribution to the Budget Stabilization Reserve, and reductions to the Police Department’s budget. Starting in Fiscal 2019, the City’s contribution will include a permanent \$10 million Maintenance of Effort (MOE) increase.

I have also secured \$5.4 million in new Highway User Revenue from the State to provide free student transportation on MTA. Lack of transportation is too often a barrier to our young people attending school and participating in afterschool programs, recreation and cultural activities, getting jobs, and accessing services vital to their future success.

With \$3.7 million in State and local funding – funding I worked hard for in last year’s General Assembly session – we will extend library hours across our 22 branches, with a focus on underserved neighborhoods. The voter-approved Youth Fund will dedicate \$11.9 million to evidence-based programs that help children and youth succeed.

The Police Department’s budget includes \$10 million to implement mandated improvements under the consent decree with the U.S. Department of Justice, while at the same time reducing base funding by \$5.5 million below the current level of service. These savings are directed to increasing support for City Schools.

City Schools is confronting a \$130 million structural budget gap and has asked the City and State for help. The gap results from several factors, such as declining enrollment, the costs of expanding Pre-K and educating students with special needs, growing employee pay and benefits, underutilized schools, and the cost of school modernization.

The City will provide more than \$350 million of support to City Schools in Fiscal 2018, including a \$268 million MOE payment, more than \$20 million to the school modernization fund, \$17 million in additional capital project funding, and school health and crossing guard services. City Schools’ general fund operating budget will total roughly \$1.3 billion, made up of state and local aid determined by formulas that equalize wealth across Maryland’s 24 jurisdictions. In the counties, State aid flows through the county government; Baltimore is an exception because of the separation of schools from City government in 1997.

Beyond its direct support for schools, the budget plan invests more than \$150 million for children and youth through recreation centers, after-school programs, maternal and child health, job training, libraries, and much more.

Closing the Budget Gap

The City has made significant progress toward fiscal sustainability over the past four years, but in spite of growing tax revenue and reforms that “bent the curve” on pension and health benefit costs, we still face annual General Fund shortfalls. For Fiscal 2018, the Finance Department projected General Fund revenue growth of \$56 million (3.1%) versus growth of \$76 million (4.3%) in the cost of maintaining the current level of City services and meeting legal requirements, resulting in a \$20 million gap. An Infographic explaining this budget gap can be found on page viii.

On the revenue side, Property Tax growth of close to \$30 million is partially diverted to the Children & Youth Fund. Income tax revenue is projected to continue on a strong trajectory, as high-earning households become a larger part of the City’s population. On the expense side, the combined cost of a 2% employee cost-of-living adjustment plus pension and health benefit inflation is \$40 million. Compliance with the Department of Justice consent decree for Police Department reforms is budgeted at more than \$10 million.

The Board of Estimates' budget plan takes several steps to achieve a balanced General Fund budget.

To generate new revenue, we will restart the traffic camera program (+\$5 million net of expenses), expand municipal advertising (+\$1 million), seek reimbursement for the full cost of security and traffic control for Orioles and Ravens games (+\$1 million), and make demand-based parking meter rate adjustments downtown (+\$0.7 million).

To reduce costs, we will limit eligibility for new public safety property tax incentives to employees who relocate to Baltimore (-\$2.4 million), refinance the Convention Center Hotel loan (-\$2.1 million), and re-bid the employee wellness program contract (-\$0.6 million). Also, the full cost of the street sweeping service will be borne by the Stormwater Fund, saving the General Fund \$2.6 million.

Investing in Outcomes

Using my Five Pillars as a guide, the budget plan was built around the following Outcomes:

Thriving Youth & Families	Vibrant Economy
Safe Neighborhoods	Sustainable Infrastructure
Healthy Communities	High Performing Government

Descriptions of how the budget plan aligns with each of these Priority Outcomes starts on page 81. Some highlights:

Thriving Youth & Families

The budget plan includes \$22.4 million in bridge funding to help stabilize City Schools, the first installment of a three-year, \$90.2 million commitment. The plan provides funding for a range of services that support youth and families. In addition to support for City Schools, these services include:

- 41 recreation centers, plus two new centers under construction.
- 22 libraries, which will offer extended hours.
- B'More for Healthy Babies, whose maternal and child health interventions have reduced infant mortality by 38 percent since they started in 2009.
- Youth Opportunity Centers and the YouthWorks Summer Jobs program. YouthWorks will partner with public, private and non-profit organizations with a goal of placing 12,500 young adults in jobs that prepare them for future employment.
- After school and youth enrichment programs that impact more than 30,000 young people and have been shown to increase school attendance.

Safe Neighborhoods

Total funding for Safe Neighborhoods is \$888 million, including \$497 million for the Police Department, \$267 million for Fire and EMS and \$124 million for State's Attorney, Sheriff, courts, traffic safety, and crime prevention activities.

- The plan includes \$10 million in new operating and capital funding to implement the pending consent decree based on the Department of Justice review of the Baltimore Police Department. The funding will expand officer training and purchase technology to help the department monitor interactions between police and residents.
- The plan also installs 6,000 new street lights in areas of the City where they will make residents feel safer.

Healthy Communities

The Community Survey has shown that the City's cleanliness is a major source of dissatisfaction for residents. The budget plan continues funding for municipal cans, which have reduced rat complaints, as well as 1+1 trash and recycling collection, street and alley cleaning, graffiti removal, and business district cleaning. Total funding for Healthy Communities is \$235 million.

I have ordered stepped up cleaning efforts, and the budget plan includes a series of new strategies:

- An expanded "Big Belly" trash can program will curb corner can overflow and improve cleanliness in commercial districts.
- A "Small Haulers Program" will offer a new disposal site to reduce illegal dumping.
- The Environmental Control Board will take action to reduce the number of repeat sanitation violators.
- B'more Beautiful will mobilize volunteers to promote cleanliness and address sanitation issues in neighborhoods.

Vibrant Economy

The recommended budget plan totals \$160 million in funding support for strategies to increase the number of jobs, employment rate, number of visitors, and the diversity of economic sectors in Baltimore in Fiscal 2018. The plan continues the 20 Cents by 2020 Property Tax reduction plan for homeowners. The Targeted Homeowners Tax Credit will reduce the average effective rate to \$2.10 per \$100 of assessed value, a \$0.15 (6.6%) reduction since Fiscal 2012, saving the average homeowner \$300 a year. The plan also includes:

- \$11.6 million for workforce development initiatives targeted at Baltimore City residents. The plan supports new mobile job centers that will bring employment services into the neighborhoods where they are needed most. The Mayor's Office of Employment Development will enroll 7,613 residents in skills workshops, a 16% increase over Fiscal Year 2016 enrollment.
- \$4.4 million to support small businesses, with a particular focus on minority and female entrepreneurs and technology start-ups. The Emerging Technology Centers (ETCs), Small Business Resource Center, Minority and Women's Business Opportunity Office, and Baltimore Development Corporation (BDC) will work together to incubate hundreds of new businesses and attract and retain thousands of jobs in the City.
- \$5.9 million for economic development activities to build the City's tax base, drive economic growth and create jobs by leveraging public and private investment to revitalize neighborhoods. BDC's goal is to create nearly 800 new jobs in business districts outside of downtown in Fiscal 2018.
- \$8.4 million for Arts and Cultural institutions, which combined are anticipated to attract 930,000 visitors to the City in Fiscal 2018. 43,500 students will benefit from the free educational programming provided by the Baltimore Symphony Orchestra, Baltimore Museum of Art, and Walter's Art Museum, up from 42,000 in Fiscal 2016.

Sustainable Infrastructure

The Fiscal 2018 capital plan totals \$1.1 billion, including new funding for water and wastewater system improvements, school modernization, recreation centers, library renovation, blight elimination, and transportation projects. Details about the Capital Budget can be found on page 149.

The Operating Budget includes \$792 million for services that support the City's public infrastructure and boost neighborhood investment, including:

- Maintenance and repair of over 120 playgrounds and 350 outdoor recreational facilities.
- Re-paving 60 lane miles of neighborhood streets.
- Proactive pruning for more than a third of the City's street trees, which extends tree life and reduces costs of emergency work orders and storm damage.
- Expanded street sweeping and other stormwater management projects that keep tens of thousands of tons of debris out of the Harbor.
- Building eight new miles of bike infrastructure to support the BikeShare program and replace car trips.
- Support for blight elimination efforts that will leverage \$30 million in private investment in targeted areas.

High Performing Government

One of my Five Pillars is Accountability & Transparency, which are hallmarks of high performing government. The budget plan includes \$144 million for financial, legal, information technology, human resources, and other functions that support the delivery of services to residents. I have called on those who oversee these functions to be innovative in making their services more cost-effective and helping operating departments do the same. Examples of how support agencies are seeking to innovate include:

- The Department of Human Resources is working to revamp the civil service recruitment rules to speed up the hiring process.
- The Mayor's Office of Information Technology is migrating the City's data to the cloud, reducing costs and improving cyber security.
- The Law Department is going paperless to cut litigation costs and expedite responses to Public Information Act requests.
- The Finance Department is expanding online bill pay options, which is more convenient for customers and brings down the cost per transaction.
- Departments across City government are using Lean Government process improvement and the Innovation Fund to deliver better service. Success stories include faster development plans review, same day career center service for ex-offenders, turning tree waste into revenue, and streamlining the asthma program intake process.

I ask for your support for the Board of Estimates' budget recommendations. This plan reflects our shared belief that investing in our children's future must come first, and that tough choices made today will pay off in the future. It is also faithful to Baltimore's tradition of sound financial management – a balanced budget that lowers taxes and keeps us on the path to fiscal sustainability.

Sincerely,



Catherine E. Pugh
Mayor
City of Baltimore

EXPLAINING THE GAP

General Fund spending is outpacing the growth in revenue. In Fiscal 2018, the City is projecting revenue of \$1.82B coupled with spending of \$1.84B to maintain current service levels. The projected budget gap is \$20M. The City must adopt a balanced budget.



/BaltimoreBudget



www.budget.baltimorecity.gov



OutcomeStat.baltimorecity.gov

This document provides a sample of the City's Fiscal 2018 Key Cost Drivers

Icons created by Freepik from www.flaticon.com

Introduction

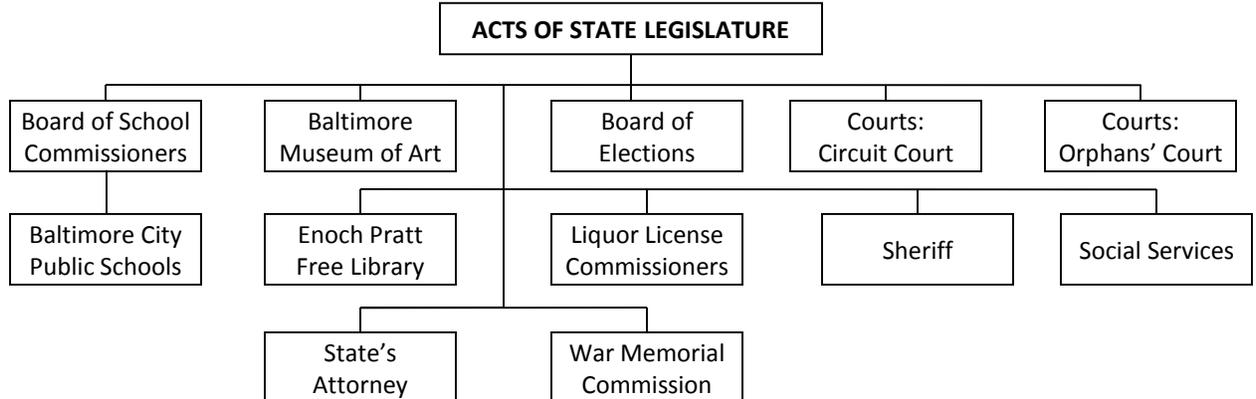
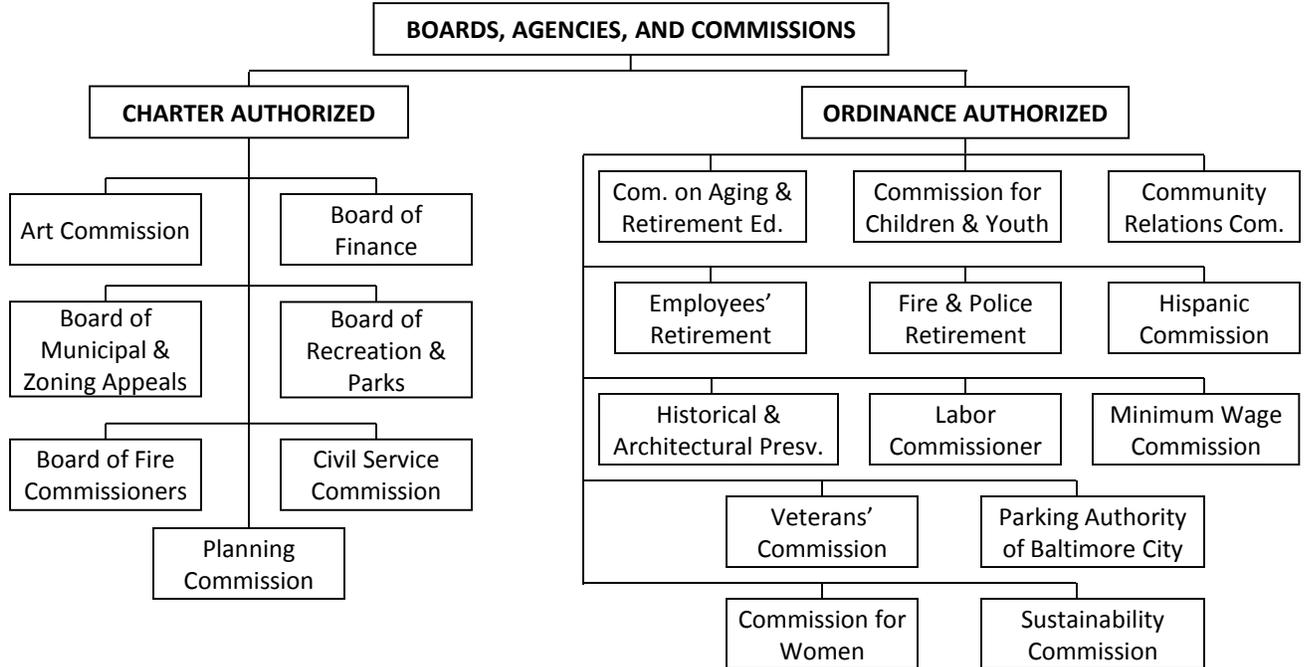
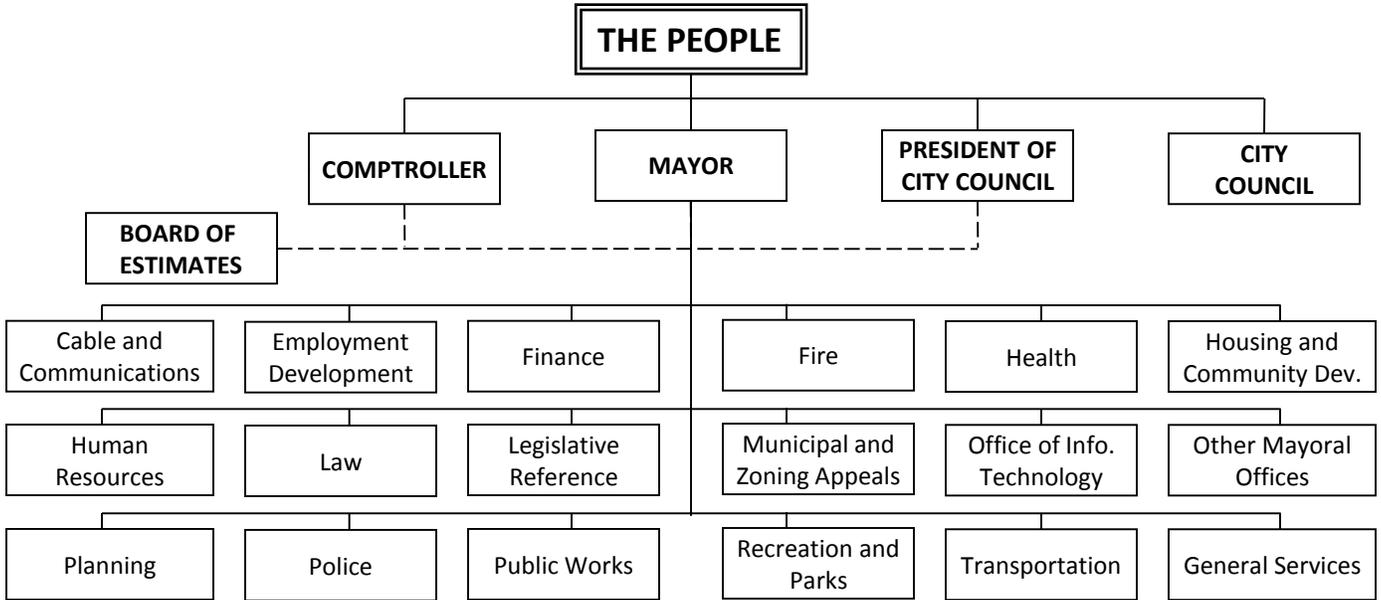
Fiscal 2018

Executive Summary

Board of Estimates Recommendations

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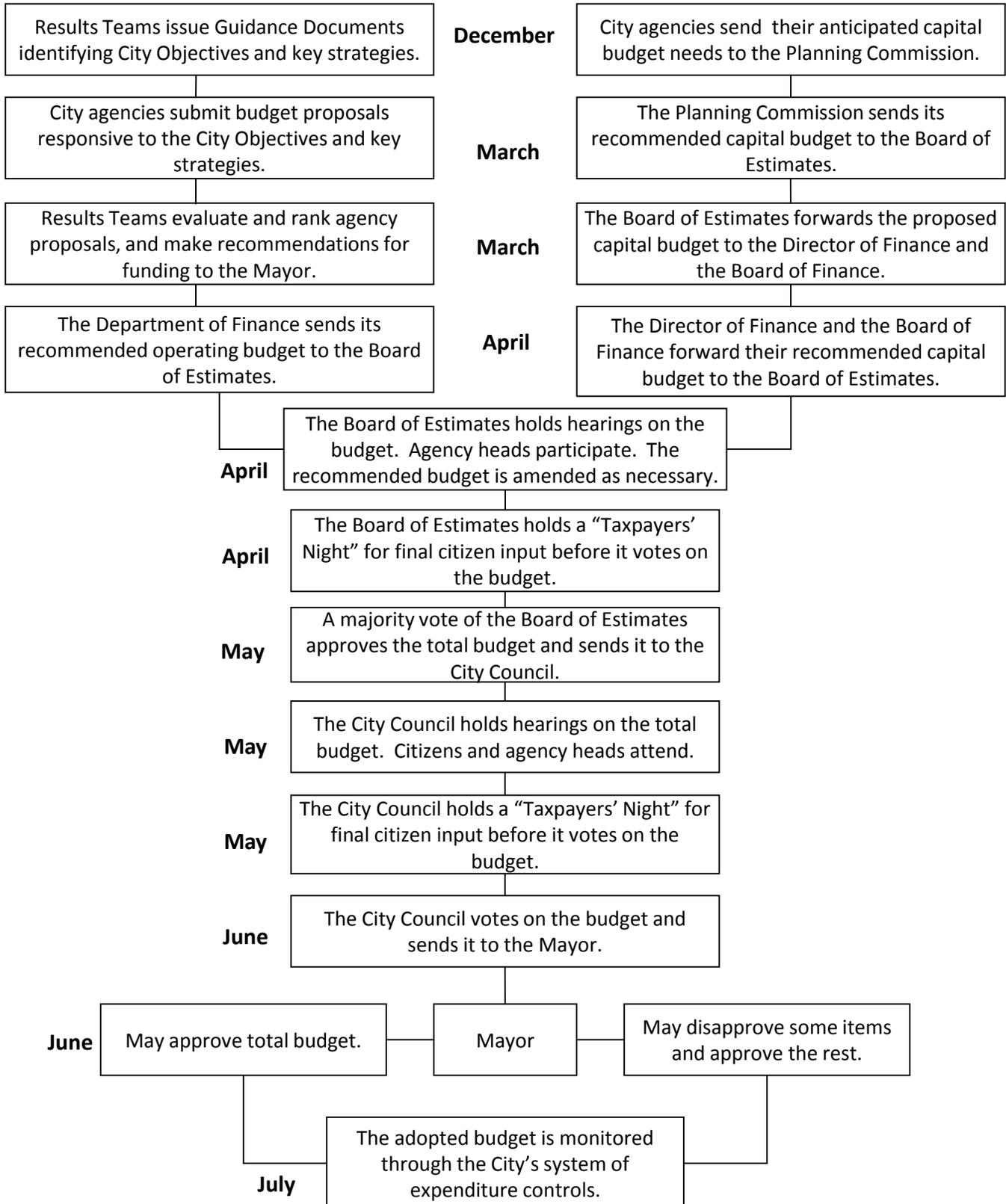
MUNICIPAL ORGANIZATION CHART



The City of Baltimore's Budget Process

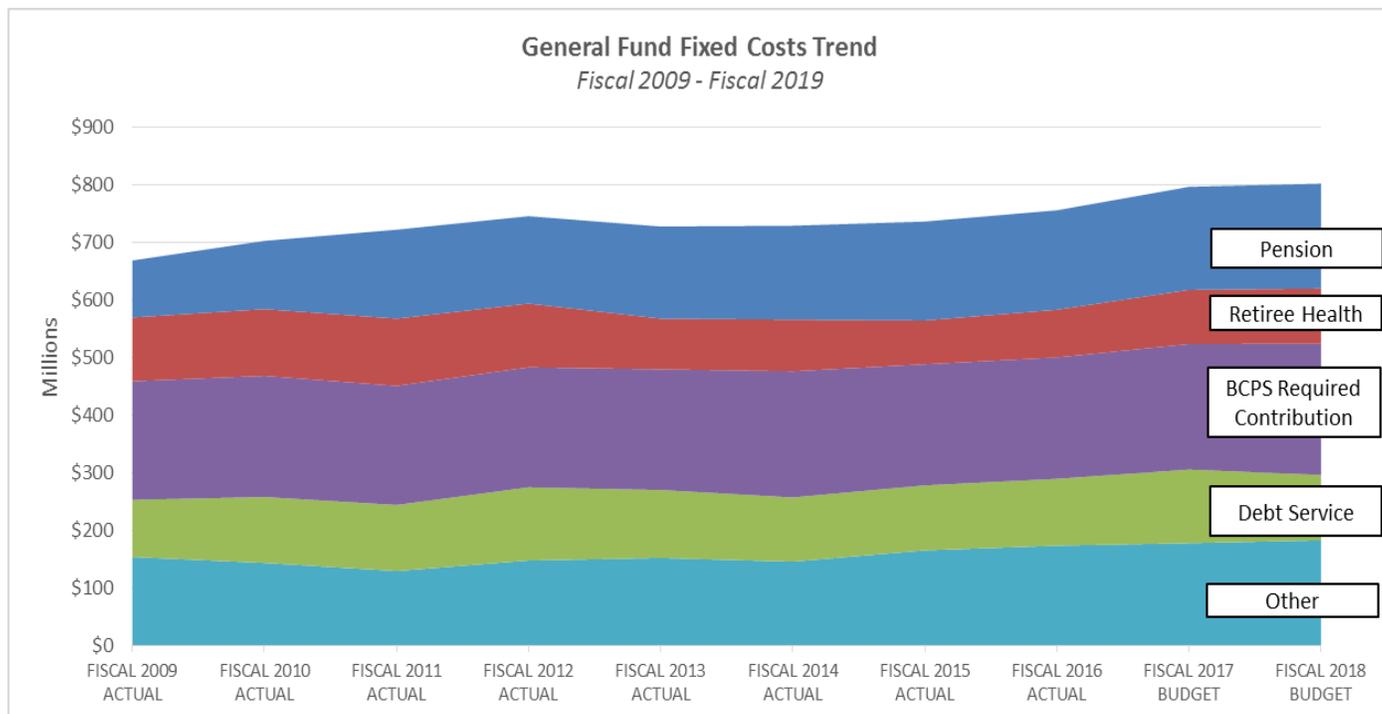
Operating Budget

Capital Budget



What are Fixed Costs?

In general, “fixed costs” are expenses that the City is required to pay by law or contract and cannot be easily reduced in the short-term. As shown in the chart below, the City’s fixed costs include contributions to employee pension systems, health care for retirees, the State-mandated Maintenance of Effort (MOE) contribution to Baltimore City Public Schools (BCPS), and payment of debt service.



Pension Costs: The City funds three pension systems: for sworn fire and police employees, civil service employees, and elected officials.

Retiree Health: The City subsidizes medical and prescription drug benefits for about 16,000 people in the retiree health plans. This figure includes about 6,000 BCPS retirees.

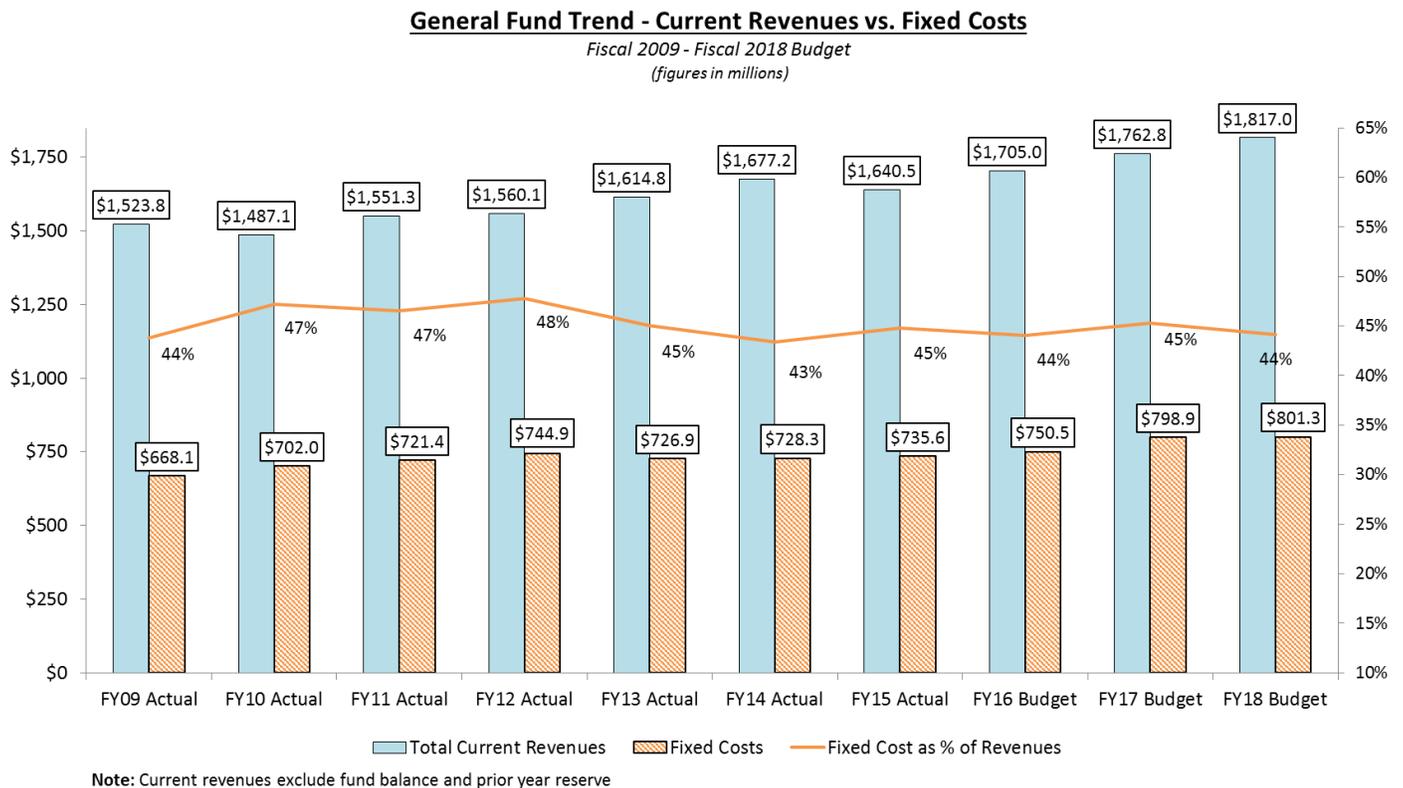
BCPS Required Contribution: State law requires that Baltimore City maintain its education funding effort from year to year on a per-pupil basis and pay a portion of the normal cost of the teacher pension system.

Debt Service: The City Charter mandates that payment of the principal and interest on municipal debt must be funded. The General Fund budget includes funding to pay debt on General Obligation Bonds used for capital projects, county transportation bonds, Tax Incremental Financings (TIF), Conditional Purchase Agreements (CPA), and economic development loans from the State.

Other: Other fixed costs include worker’s compensation claims; insurance and liability costs; a State mandated contribution to Baltimore City Community College; gas, electric, sewer and water costs; and tipping fees for solid waste disposal.

Fixed Cost Trends

From Fiscal 2009 to Fiscal 2012, fixed costs grew from only 44% of General Fund revenues to 48% of General Fund revenues. Since Fiscal 2013, due to a series of reforms, fixed costs have leveled off at around 44% of General Fund revenue, as represented by the line in the graph below.



General Fund fixed costs within the Fiscal 2018 Executive Summary Budget grew \$2.4 million versus Fiscal 2017 budgeted levels. Increases to BCPS Maintenance of Effort, pension contributions, and City vehicle rental were offset by lower debt service costs for Conditional Purchase Agreements and General Obligation Bonds. Reforms to contain fixed costs growth have included changes to pension and health benefit programs in previous years.

Employees' Retirement Systems

In 2010, the City reformed the Fire and Police Employee Retirement System (FPERS), which had grown in cost by 81% from \$48 million Fiscal 2005 to \$87 million Fiscal 2010. These reforms included:

- Replacing the variable benefit with a cost of living adjustment capped at 2%.
- Modifying age and years of service requirement to 25 years of completed service or age 55 with 15 years of completed service.
- Increasing employee contributions from 6% to 10% over a four year period from Fiscal 2011 to Fiscal 2014.
- Extending the time period used for calculating average final compensation from 18 months to 3 years.

In 2013 the City also reformed the Employee Retirement System (ERS) for civilian employees. These reforms included:

- For existing civilian employees hired before July 1, 2014, phasing in employee contributions of 1% of salary per year up to a cap of 5% contributions by Fiscal 2018.

- Creating a new hire system for employees hired after July 1, 2014. These employees can choose to enter the new Retirement Savings Plan (RSP) with mandatory employee contributions plus a City match, or a hybrid plan which includes a mix of RSP and a guaranteed benefit under the Employee Retirement System.

The chart on below shows that these reforms have significantly reduced the rate of growth of the City’s contribution (as compared with Fiscal 2009-Fiscal 2011 time period). The FPERS reforms have been challenged in both federal and state court and litigation remains pending.

For the Fiscal 2015 year-end report which informed the Fiscal 2017 budget, the actuary for each pension system recommended and the respective Boards’ adopted changes to the valuation methodology:

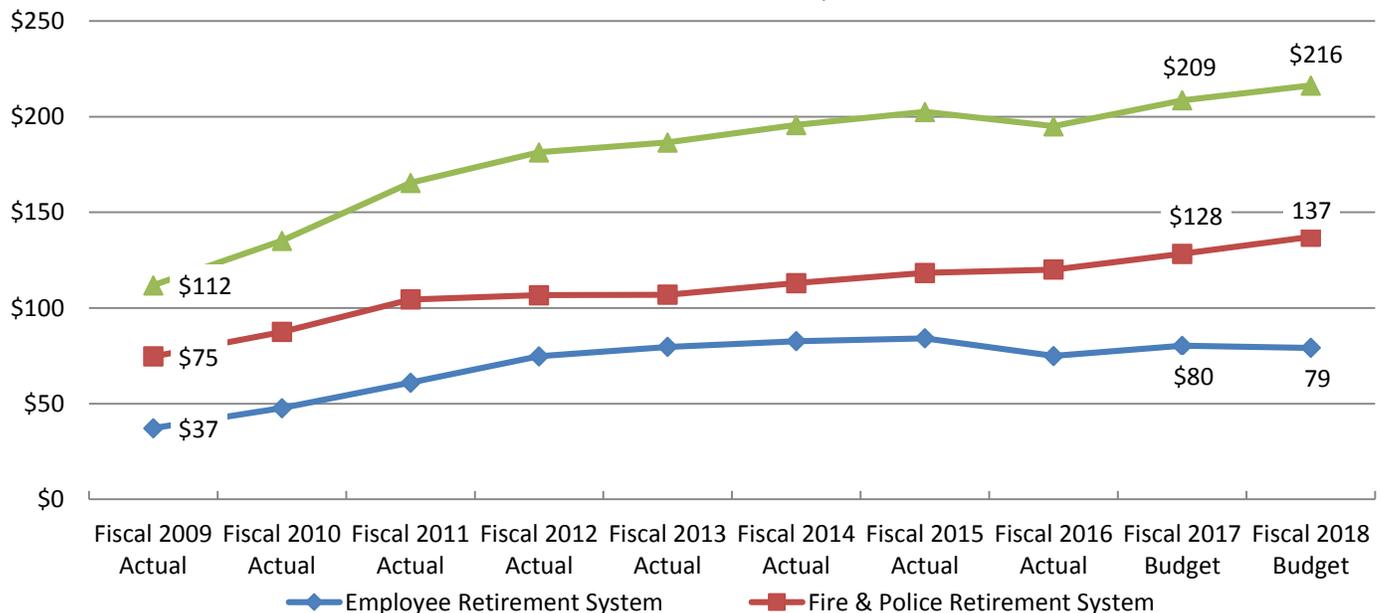
- The Fire and Police system is using more conservative rate of return assumptions (decreasing from 7.75% to 7.50%) and a decreased inflationary assumption (from 3.75% to 3.00%); use the Entry-Age Normal funding method; and adjust the amortization period associated with the system’s total liability (from 20 to 25 years).
- The ERS and EOS system is using more conservative interest rate assumptions (7.50% for pre-retirement and 6.30% for post-retirement ERS groups). In Fiscal 2020 the pre-retirement rate will be further lowered to 7.00%.

The Fiscal 2016 year-end valuation reports, which inform the Fiscal 2018 budget, reported the following information:

- The Fire and Police pension system earned 0.1% on investments versus the new 7.5% benchmark, leading to a \$9 million increase in budgeted contributions for FPERS.
- The Employee Retirement System’s investment return of 2.68% also fell short of the new 7.5% benchmark, but the higher contribution was partially offset by phase-in of an additional 1% of employee contributions (now at the cap of 5% in Fiscal 2018). The City’s budget for civilian pension contributions decreased by \$1 million.

Contribution to the Employee's Retirement Systems (All Funds)

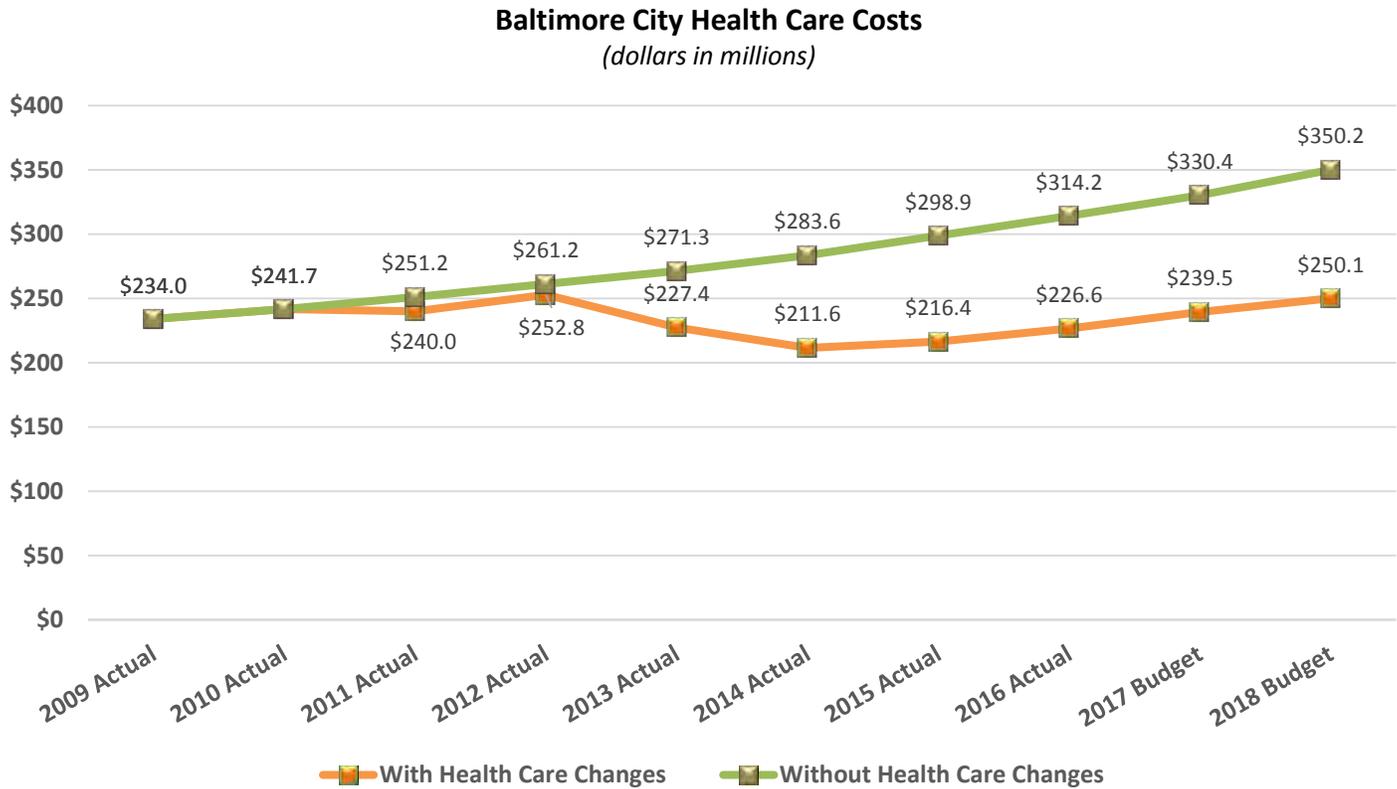
(dollars in millions)



Note: ERS figures also include Library, Sheriff's Office and Elected Officials

Health Care for Employees and Retirees

From Fiscal 2005 to Fiscal 2010, the City's cost of providing medical and drug benefits to its employees and retirees grew by \$69 million (40%), from \$172.2 million to \$241.7 million, as shown in the graph on below. These costs were on an unsustainable path, and could no longer be ignored as the City faced the fiscal consequences of the Great Recession.



Several changes to health care plans have been made that have collectively reduced the City's costs by \$100 million compared to baseline estimates. The recent changes are summarized below:

Fiscal 2011 Changes

- 10% prescription drug premium co-share for retirees

Fiscal 2012 Changes

- Prescription co-pay tier adjustments for retirees
- Reduce the number of Medicare supplemental plan options for retirees from five to two
- \$100 annual pharmacy deductible for retirees
- Drug Quantity Management
- Prescription Drug Prior Authorization
- Mandatory pre-certification/enhanced utilization review/case management
- Step Therapy

Fiscal 2013 Changes

- As of January 1, 2013, the City pays 79.2% of premium costs for a new standard network medical benefit plan that requires deductibles and co-insurance. Employees can opt to pay the full incremental cost for a medical

plan with lower out-of-pocket costs. The City also requires all employees and retirees to pay 20% of their prescription drug premium costs.

Fiscal 2014 Changes

- The City conducted a dependent eligibility audit to ensure that health care benefits are not provided to ineligible recipients. As a result of the audit, approximately 1,500 ineligible dependents were dropped from coverage, saving \$4.5 million.
- The City will sunset the supplemental prescription drug benefit for Medicare-eligible retirees as of 2020, which is when equivalent federally-subsidized coverage becomes available through the Affordable Care Act. The decision to sunset this benefit in 2020 generates savings in the Fiscal 2018 budget because the actuarial liability for future retiree prescription drug coverage can be decreased. Decreased costs can be observed as it relates to a reduced OPEB liability as identified in the following section.

Fiscal 2017 Changes

- The City shifted several health care plans to a self-funded model, which decreases external administrative costs and provides the City with greater flexibility in determining premiums. This shift decreased City costs by \$7 million in calendar year 2017.
- The City reduced Medicare supplemental plan reimbursements paid by the City from 100% to 80%, which decreased costs by \$8.6 million in calendar year 2017.

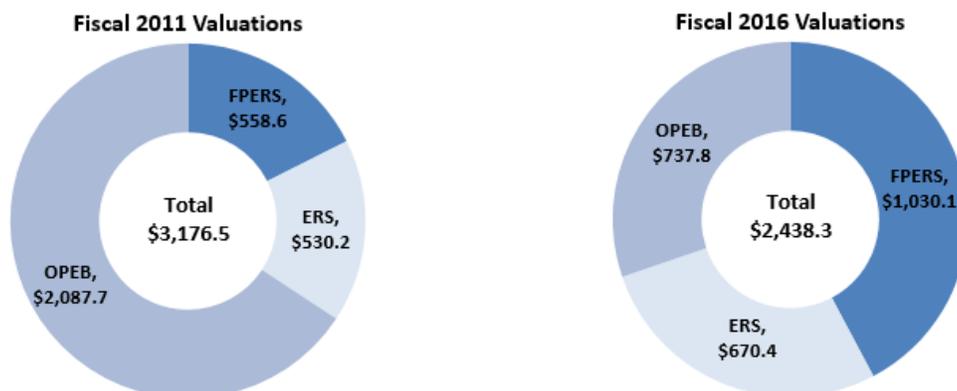
Long-Term Liabilities for Pensions and Retiree Health Care

As with many cities and states across the country, Baltimore faces large-scale, long-term liabilities associated with retiree pension and health benefits. Pensions and retiree health plans have pay-as-you-go costs equal to the benefits distributed or claimed that year, but they also have accrued obligations to be paid in the future. Actuaries determine the amount of assets that must be set aside now to ensure adequate resources are available in the future.

The pie charts below show that Baltimore’s long-term unfunded liabilities totaled more than \$3.1 billion in Fiscal 2011 and were reduced to \$2.4 billion as of the Fiscal 2016 valuations.

Unfunded Pension and OPEB Liabilities

(dollars in millions)



OPEB: Other post-employment benefits, namely retiree health care coverage.

FPERS: Fire and Police Employees' Retirement System.

ERS: Employee Retirement System for civilian employees.

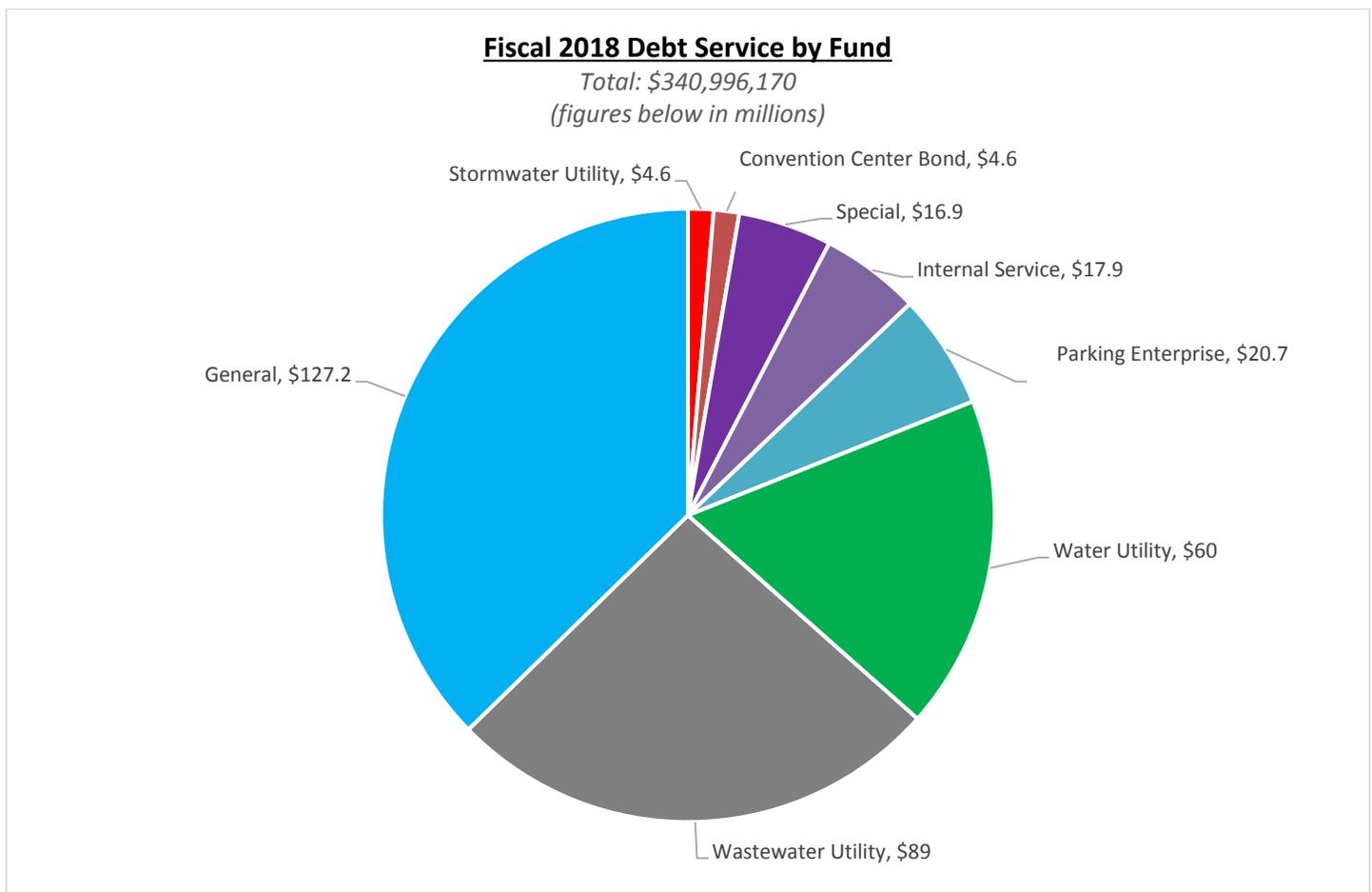
Note: The relatively small Elected Officials' Retirement System is not shown; this system was valued at \$23.4 million as of June 30, 2015, and was 171% funded.

The overall reduction is driven by lower Other Post-Employment Benefits (OPEB), primarily retiree health care, stemming from redesign of the City’s medical plans, increased cost-share for prescription drug coverage, sunset of prescription drug benefits for Medicare-eligible retirees in 2020, and establishment of a waiver plan for Medicare drug coverage to account for increased federal subsidies, among other actions.

Due in large part to these reforms, the unfunded OPEB liability has been reduced by \$1.3 billion since the Fiscal 2011 valuation. Liabilities for the FPERs pension plans continue to grow due to ongoing amortization of past investment losses and adoption of more conservative actuarial methods. Steady market performance improved the overall position of the ERS pension plan between Fiscal 2011 and Fiscal 2014, but the funding ratio has yet to return to the Fiscal 2011 level. As of the Fiscal 2016 valuation, the funded ratio for ERS is 71.2% and for F&P is 71.4%.

Debt Service

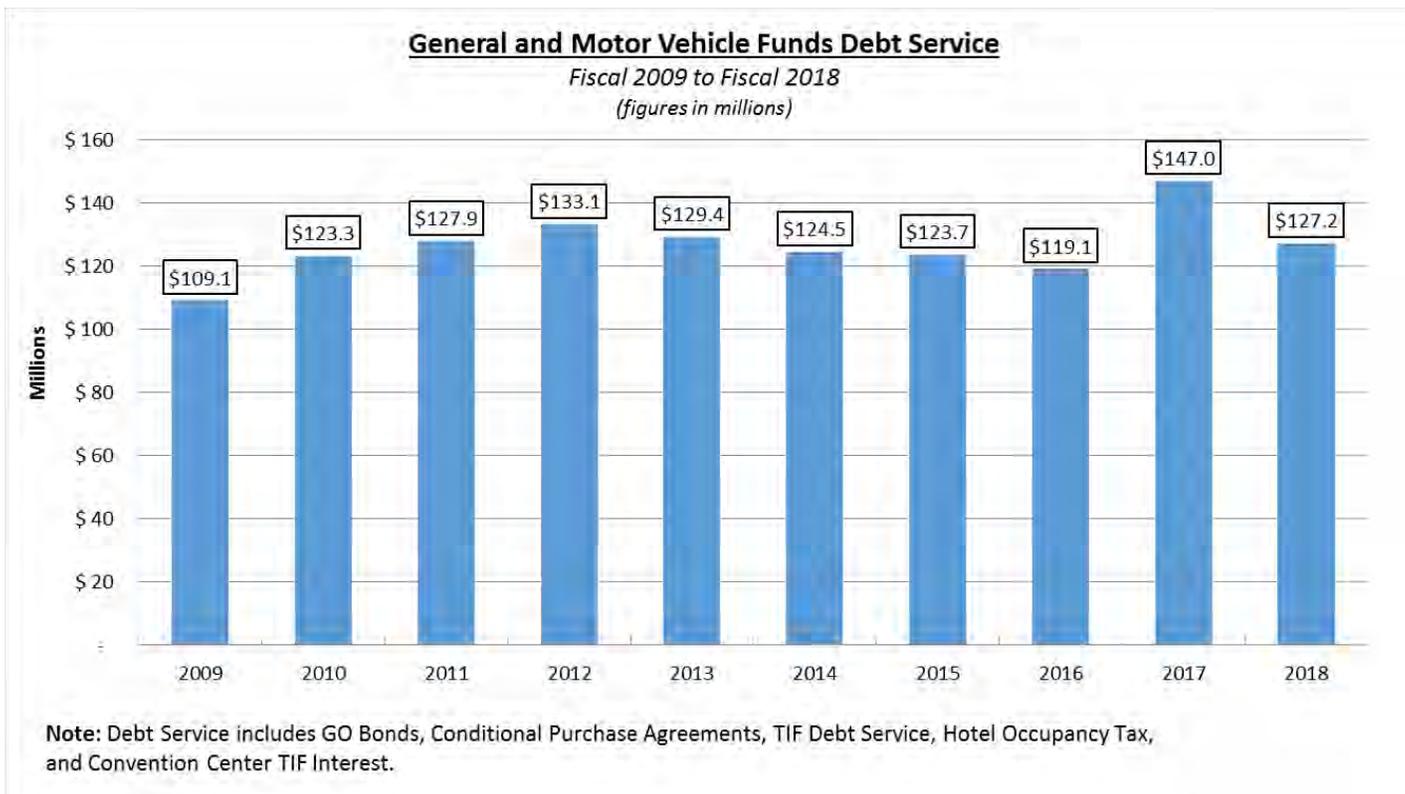
The City’s total debt service is expected to be \$340.1 million for Fiscal 2018. The graph below shows that the General Fund is the most significant debt service funding source.



The Fiscal 2018 General Fund recommendation of \$127.2 million is \$19.8 million below the Fiscal 2017 adopted budget. This decrease results in part from paying off Industrial Development Authority (IDA) projects in Fiscal 2017, which generated an \$11.8 million reduction.

The Fiscal 2015 Budget included a one-time appropriation of \$10.8 million for debt prepayment, which will reduce the City’s baseline debt service costs by \$5 million over the next ten years. The Fiscal 2018 debt prepayment is \$1.2 million. Debt service accounts for 7% of the Fiscal 2018 General Fund budget.

The following chart illustrates General Fund debt service over the past 10 years:



Risk Management

Risk Management costs, primarily captured within the City's "Other" fixed costs, includes workers' compensation, liability, insurance, and administration.

The City's self-insured costs (workers' compensation and liability) are informed through an annual actuarial valuation. Other insurance and administrative costs are informed through actuals; these costs include personnel in the Department of Finance (Risk Management) and the Law Department (Workers' Compensation and Auto Liability), as well as other brokerage, medical, and contractual costs.

The City shares a portion of the Risk Management costs with the Baltimore City Public Schools (BCPS), based upon the BCPS share of annual claims. While most costs are budgeted centrally within the City's Self-Insurance Fund (Service 126), workers' compensation is allocated across City agencies, and administrative costs are captured within the Risk Management and Law services

The City will contribute to the Self Insurance Stabilization Reserve to pay down a deficit that has accumulated in the Risk Management fund. In Fiscal 2018, the City will be contributing \$5.7 million to support the Self Insurance Stabilization Reserve.

The City's share of Risk Management costs can be summarized as follows:

Subobject Id	Cost Center	Fund Source	Fiscal 2017	Fiscal 2018
740	Workers' Comp - Direct	Multiple Funds	\$51,299,210	\$50,861,987
720	Property and Casualty Insurance	General Fund	944,499	986,057
721	Auto/Animal Liability Insurance	General/Fleet Funds	2,189,152	2,285,474
723	General Tort Liability Insurance	General Fund	1,520,518	1,587,421
370 (Police)	Civil Rights Insurance	Multiple Funds	2,100,000	2,146,200
724	Insurance - Other Risks	General Fund	1,686,244	1,760,439
725	Risk Management Administration	Multiple Funds	8,164,486	8,369,008
726	Self-Insurance Stabilization Reserve	General Fund	5,500,000	5,742,000
Grand Total			\$73,404,109	\$73,738,586

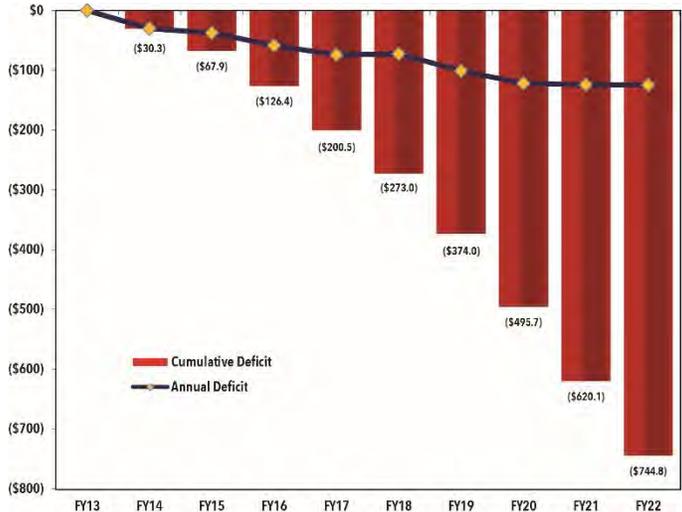
Overview



Prior to the City's release of *Change to Grow: A Ten-Year Financial Plan for Baltimore*, Baltimore was like many governments nationally, faced with the aftermath of the most severe economic downturn in generations. The City witnessed its revenue eroding while key expenditure drivers such as employee healthcare and retirement costs were growing at unsustainable rates. These challenges were compounded by a longer-term legacy of aging infrastructure, high taxes, and sections of the City blighted by crime and vacant properties.

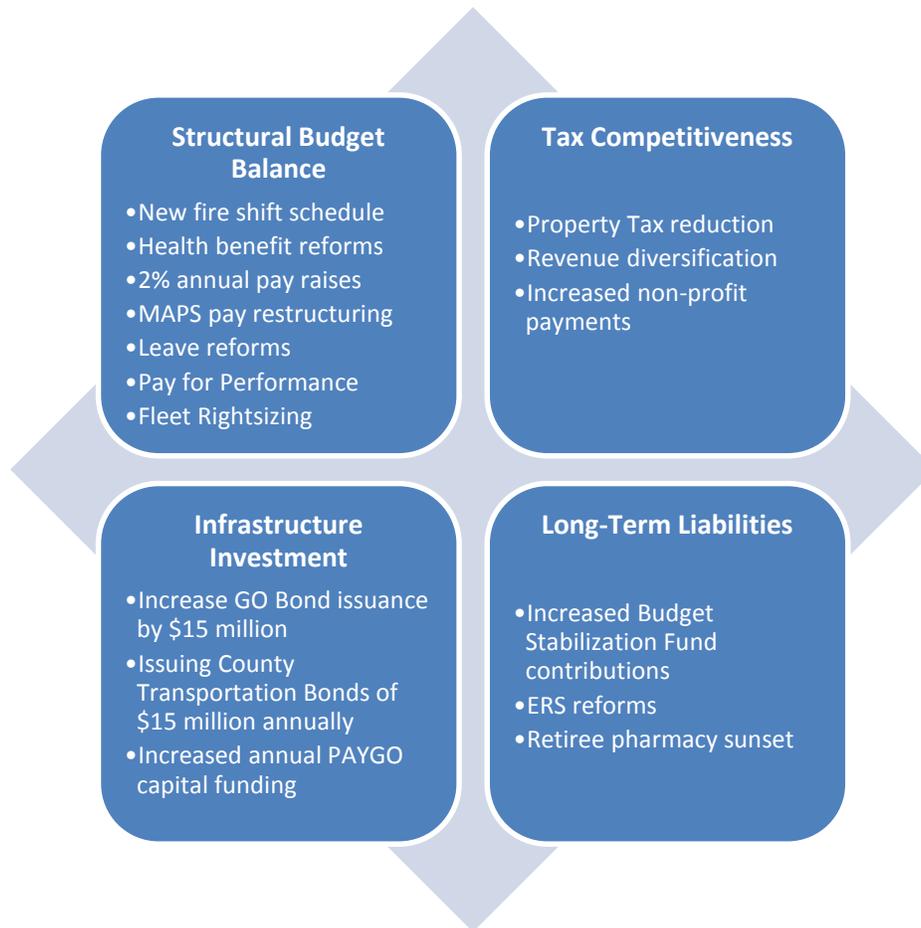
The City's Ten-Year Plan marked the first step to addressing these structural challenges. The Ten-Year Plan is a first-of-its-kind, long-term fiscal roadmap to help achieve the goal of growing Baltimore by 10,000 families over the next decade. The plan sets forth a set of actions designed to bring the City's recurring revenues and expenditures into alignment, while also prioritizing new investments to strengthen Baltimore's fiscal foundation and promote economic and community stability and growth.

The Ten-Year Plan began with a baseline projection of the City's finances over the period of Fiscal 2013 through Fiscal 2022. The initial projection demonstrated baseline revenues not keeping pace with recurring current service expenditures. A gap of \$30 million in Fiscal 2014 would grow to \$125 million annually by Fiscal 2022, resulting in a cumulative shortfall of \$745 million.



Further, the City's prospective fiscal gaps would be even greater if Baltimore were investing at sustainable levels in maintaining basic infrastructure and providing for actuarial funding requirements associated with current retiree medical benefits. Adding these costs would increase the cumulative shortfall by \$1.3 billion for a total shortfall of over \$2 billion.

Since the adoption of the Ten-Year Plan, the City implemented a number of initiatives to reduce the fiscal gap, including the following:



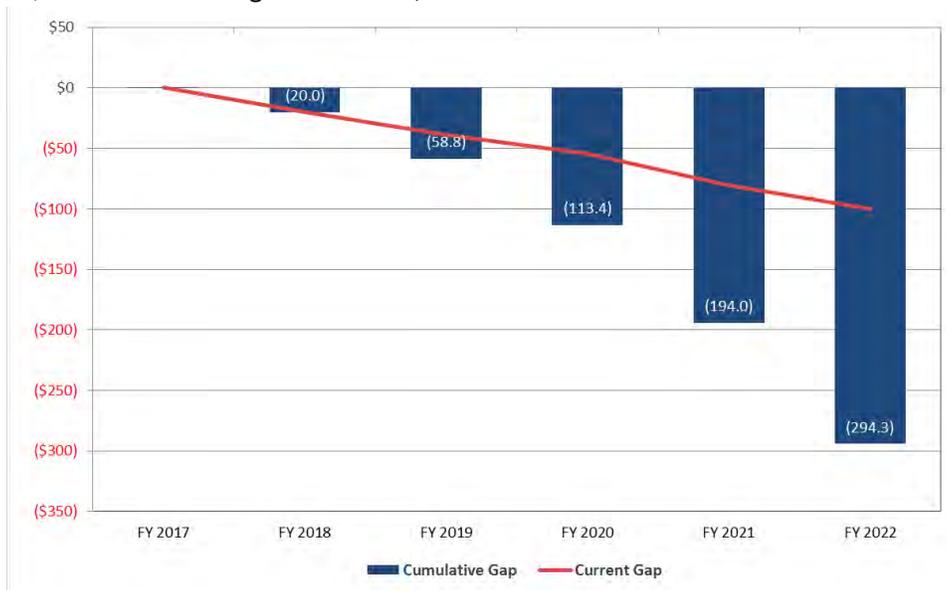
As shown in the table below, the City is projected to save \$571 million over the Ten-Year Plan period due to the initiatives that are already complete. These savings are in addition to \$615.3 million of savings from health benefit reforms, which were implemented in 2013 before the plan was finalized, and incorporated into the baseline forecast. The net savings of \$311.3 million includes initiatives implemented by the City that cost \$260 million.

Initiative	10-Year Plan	Current	Difference
ERS Reform	\$153.4	\$80.5	(\$72.9)
Fire Shift	\$121.4	\$72.3	(\$49.1)
Stormwater	\$118.5	\$104.5	(\$14.0)
Sunset Retiree Pharmacy	\$87.3	\$117.9	\$30.6
Annual Non-profit Contribution	\$54.6	\$36.0	(\$18.6)
Improved Revenue Collection	\$40	\$40	\$0
Fleet Right-sizing	\$38	\$9	(\$29.0)
FY14 Revenue Package	\$33.2	\$39.5	\$6.3
Dependent Audit	\$29	\$29	\$0
Parking Management	\$13	\$11	(\$2.0)
A-time Reform	\$12	\$2.2	(\$9.8)
EZ Credit	\$11	\$11	\$0
BCPS City Services Transfer	\$9	\$0	(\$9.0)
Leave Reforms	\$9	\$5.7	(\$3.3)
Conduit Fund Payment	\$6.8	\$6.8	\$0
BIF/ERF	\$5.7	\$5.7	\$0
Mainframe Transition	(\$5.0)	(\$5.0)	\$0
Restructure MAPS Pay	(\$25.0)	(\$23.1)	\$1.9
County Transportation Bonds	(\$27.8)	(\$20.2)	\$7.5
Budget Stabilization Reserve	(\$39.0)	(\$38.0)	\$1
GO Debt Authority Increase	(\$46.4)	(\$27.8)	\$18.6
Property Tax Reduction	(\$65.2)	(\$65.2)	\$0
PAYGO Capital Funding	(\$80.5)	(\$80.5)	\$0
Total	\$453	\$311.3	(\$141.8)

\$571
(savings)

-\$260
(costs)

As part of the Ten-Year Plan implementation, the fiscal forecast is updated annually to show a more accurate projection of the City’s fiscal future. The updated projection includes the \$311.3 million in net savings from the implementation of the Ten-Year Plan initiatives shown in the table above, as well as a \$735 million increase in revenues and a \$599 million increase in baseline expenditures over the period. As shown in the table below, the resulting cumulative General Fund projected fiscal gap is \$298 million through Fiscal 2022, without additional initiatives.



Fiscal 2018 Initiatives

While the initiatives implemented through Fiscal 2017 have made a meaningful dent in the original projected shortfall, a significant gap remains over the Ten-Year Plan period. To continue addressing this long-term challenge, the Fiscal 2018 budget contains additional initiatives to improve the efficiency of government, further reduce the property tax rate for homeowners, make much-needed infrastructure investments, and reduce the City's long-term liabilities.

Structural Budget Balance

Municipal Advertising: Municipal advertising can take several forms, including corporate sponsorship of athletic facilities, naming rights on public buildings, and both indoor and general outdoor advertising. When the City's new zoning code legislation, Transform Baltimore, goes into effect in late Fiscal 2017, provisions blocking the City from general outdoor advertising will be lessened. The Administration has budgeted \$1 million in Fiscal 2018 in advertising-related revenue.

Tax Competitiveness

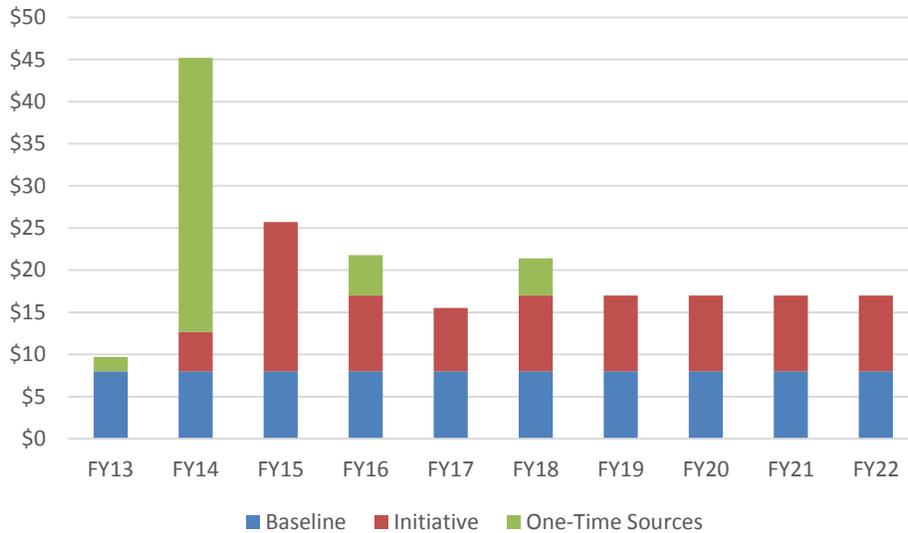
Targeted Homeowners' Tax Credit: The Fiscal 2018 budget continues the 20 Cents by 2020 Property Tax reduction plan for homeowners, which began in Fiscal 2012. The Targeted Homeowners' Tax Credit will reduce the average effective rate to \$2.10 per \$100 of assessable value, a \$0.15 or 7.5% reduction in the effective rate since Fiscal 2012.

Infrastructure Investment

PAYGO Capital Funding: As in many older cities, Baltimore's aging infrastructure and new capital investment needs require funding beyond available existing resources. In recent years, capital spending levels for most of Baltimore's basic infrastructure has been driven not by an assessment of underlying needs, but primarily by a determination of the level of debt that can be afforded.

Starting in Fiscal 2014, the City began making additional contributions to PAYGO capital funding, beyond the \$8 million baseline. In Fiscal 2014, the City contributed an additional \$37.2 million beyond the baseline to PAYGO using a surplus from the fleet reserve to fund street paving, blight elimination, recreation centers and IT modernization. In Fiscal 2015, the City contributed an additional \$17.7 million beyond the baseline, including \$5 million for police technology modernization.

The Fiscal 2016 budget included a \$9 million contribution beyond the \$8 million baseline, plus an additional \$4.8 million of one-time funding for financial technology upgrades from a settlement with Unisys Corporation. In the Fiscal 2017 budget, the City contributed an additional \$7.5 million above the baseline, and in the Fiscal 2018 budget the City will contribute \$9 million beyond the \$8 million baseline, plus an additional \$4.4 million of one-time funding to comply with the Department of Justice consent decree for Police Department reforms. In each budget from Fiscal 2019 through Fiscal 2022, the City plans to include at least \$9 million beyond the baseline to provide additional resources that will not count against the City's debt limit. The table on the next page summarizes this information.



GO Bond Authority: The Ten-Year Plan recommended that the City increase its GO Bond Authority from \$50 million to \$65 million annually. While the increase was delayed due to the requirement of voter approval, the additional bond issuance was built into the Fiscal 2016 budget. The Fiscal 2018 budget maintains the additional issuance and this is projected to continue throughout the period.

Extend County Transportation Bond: The City plans to continue to issue County Transportation Bonds in the amount of \$30 million biannually, pursuant to the Ten-Year Financial Plan. Transportation Bonds were previously issued irregularly, on an as-needed basis. This increased issuance will result in \$105 million in capital spending over the period, and will help to offset lost Highway User Revenue (HUR) funding from the state.

Addressing Long-Term Liabilities

Budget Stabilization Reserve: The Budget Stabilization Reserve (BSR) is the City's "Rainy Day Fund." The fund is to be used to protect the City against unforeseen emergency expenditures or revenue shocks. As part of improving the City's long-term financial position, the goal in the Ten-Year Plan is to further build the BSR toward the City's target level of 8.0%, or \$144 million as of Fiscal 2018. The current level of \$120 million is 6.6% of General Fund revenue represents less than one month of operating expenditures.

In order to provide additional financial support to Baltimore City Schools, the annual BSR contribution will be reduced from \$7.5 million to \$2.5 million for Fiscal Years 2018 through 2020. The budgeted contribution of \$2.5 million keeps pace with annual inflation.

BCPS OPEB Liability: In 1997, the Baltimore City Public School System (BCPS) separated from City government. Since the separation, the City has continued to bear the cost and liability of health insurance benefits for retired BCPS employees. The City and BCPS are now in discussions about transferring responsibility to BCPS for employees hired since the separation.

Future Ten-Year Plan Initiatives

The chart below shows the Ten-Year Plan initiatives that were proposed through the remainder of the period. These initiatives are projected to produce an additional \$264 million in savings for the City. Some of the initiatives listed below will be underway during Fiscal 2018, and were explained in the previous section, but savings is not assumed in Fiscal 2018 so these are still labeled as “planned initiatives.”

Initiative	10-Year Plan	Current	Difference
Streamline the Workforce	\$78.3	\$54.1	(\$24.2)
Healthcare Changes for Actives	\$77.6	\$58.9	(\$18.7)
FPERS New Hires	\$57.9	\$4.1	(\$53.8)
Retiree Healthcare Plan Changes	\$31.8	\$22.8	(\$9.0)
BCPS OPEB Liability	\$25.3	\$12.6	(\$12.7)
IAFF 90 Days of Leave	\$11.7	\$6.2	(\$5.5)
Extend Tax Reduction	(\$9.0)	(\$9.0)	\$0
Total	\$273.6	\$149.7	(\$123.9)

If all initiatives are implemented, a projected budget shortfall of \$148 million over the Ten-Year Plan period will remain. This residual gap includes a \$599 million increase in baseline expenditures and a \$735 million increase in baseline revenues, for a net baseline increase of \$136 million. The chart below outlines how the projected gap has changed year-to-year.

	Original Ten-Year Plan	Fiscal 2014	Fiscal 2015	Fiscal 2016	Fiscal 2017 (Without Initiatives)	Fiscal 2017 (With Initiatives)
	FY13 to FY22	FY14 to FY22	FY15 to FY22	FY16 to FY22	FY17 to FY22	FY17 to FY22
Gap Beginning:	(\$745)	(\$745)	(\$745)	(\$745)	(\$745)	(\$745)
Initiatives Completed (Savings)	\$0	\$465	\$515	\$535	\$571	\$571
Initiatives Completed (Costs)	\$0	(\$70)	(\$260)	(\$260)	(\$260)	(\$260)
Initiatives Planned	\$745	\$202	\$313	\$264	\$0	\$150
Baseline Expenditures Change	\$0	(\$137)	(\$425)	(\$644)	(\$599)	(\$599)
Baseline Revenue Change	\$0	\$15	\$235	\$364	\$735	\$735
Gap Ending	\$0	(\$270)	(\$367)	(\$486)	(\$298)	(\$148)

Some key changes to the baseline expenditure forecast during the Fiscal 2015-2017 planning periods included:

- Adopting more conservative investment return assumptions for ERS and F&P pension systems (+\$120M)
- New Fraternal Order of Police contract (+\$113M)
- Increasing contributions to reduce the grants deficit (+\$49M)
- Supporting the Charm City Circulator including capital replacements (+\$42M)
- Supporting the deployment of body cameras in the Police Department (+\$41M)
- Increasing contributions to reduce the risk management deficit (+\$35M)
- Supporting the ongoing operating cost of additional recreation facilities (+\$29M)
- Providing health care to part-time employees as required by the Affordable Care Act (+\$28M)
- Adopting a new municipal garbage can program (+\$24M)
- Increasing contributions to the 911 fund (+\$24M)
- Increasing the budget for Police legal fees, judgments, and lawsuits (+\$22M)
- Increasing contributions to the landfill reserve in preparation for closure (+\$18M)

- Supporting software licensing for software/hardware compliance (+\$18M)
- Replenishing the Rainy Day Fund (+\$15M)
- Absorbing half of the cost of street sweeping in the General Fund budget (+\$14M)
- Increasing the City's support of the Family League (+\$10M)

In order to address the remaining shortfall, the City will explore other innovative solutions that the City did not rely on for savings in the Ten-Year Plan. Potential initiatives include pursuing public-private partnership opportunities to leverage infrastructure investment, managed competition to ensure every tax dollar is spent efficiently on services, City office consolidation to reduce operating and capital costs of maintaining buildings, energy conservation, better risk management and other safety initiatives, and changes to sick and compensatory leave accruals.

Future initiatives planned for Fiscal 2019 and beyond are as follows:

IAFF 90 Day Leave: IAFF union members are currently allowed an additional 90 days of leave just prior to retirement. This delays the hiring of new firefighters which leads to higher overtime expenses, and increases pension payouts in retirement. Eliminating this costly and inefficient benefit would allow the City to realize over \$1 million in savings annually.

Pharmacy Benefit Management: The City is exploring the implementation of a pharmacy benefit audit and consulting initiative to ensure that the most cost-effective utilization of resources and the highest quality of services are provided to covered members. The initiative could include a historic and concurrent audit of the pharmacy benefits vendor and the retention of a consultant to identify best practices for future management. Baltimore anticipates a one-time savings could result from a historic audit, with additional ongoing cost savings associated with a concurrent audit and consulting assistance that would assist the City in ensuring favorable pharmacy contract terms.

Wellness: State and local governments across the nation are turning to comprehensive health management programs to improve employee wellness and reduce claims expenses. Recent claims data from the City's healthcare providers shows that significant savings could be realized by improving the health of City employees. As compared to the local and national book of business across all four healthcare providers, City employees have higher disease prevalence rates which leads to higher costs for the City and employees. In Fiscal 2017, the City issued a Request for Proposals (RFP) for the development and implementation of a health management program. The City expects to see savings from this initiative beginning in Fiscal 2019.

Further Health Benefits Savings: In addition to the health benefit reforms already detailed in the *Fixed Costs* section of this report, the Department of Finance and the Department of Human Resources are working with the City's benefits consultant, Segal, on options for achieving further savings while continuing to provide competitive benefits to employees.

Solid Waste Enterprise: The Ten-Year Plan recommended the establishment of a solid waste enterprise to provide a stable base of funding for sanitation, trash disposal, and future landfill needs. This approach would help to support investment in service improvements such as automated trash collection, which would help to control litter and rodent control problems, while improving efficiency. Already, four of the six largest Maryland counties charge a fee for solid waste collection (Anne Arundel, Howard, Montgomery and Prince George's), and a fifth county (Harford) requires residents to contract their own trash collection. Shifting these costs out of the General Fund would enable a comparable reduction of the property tax rate. Basing the solid waste fee on the volume of household trash ("pay as you throw") would promote recycling.

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Overview

In November 2016, Baltimore City voters approved a charter amendment establishing the Children and Youth Fund.

- The Fund is a continuing, non-lapsing fund, to be used for new programs and services for Baltimore’s youth, or to augment current programs and services. There will be a mandatory annual appropriation to the Fund, and any unspent funds will remain in the Fund.
- The Fund cannot be used to substitute for or replace funding for youth provided in the Fiscal 2017 Ordinance of Estimates, except to fund programs that would be discontinued due to lost grant funding.
- By Ordinance, the Mayor and City Council are to provide oversight, governance, and administration of the Fund.

The Children and Youth Fund Task Force has been established to make recommendations on the Fund’s governance, facilitated by the Council President’s Office. It is scheduled to meet regularly between February and May. The Task Force includes community leaders, youth program services providers, and City government representatives.

Appropriation Calculation

The annual appropriation to the Fund is to be equal to at least \$0.03 on every \$100 of assessed or assessable value of all property in the City of Baltimore, as reported by the State Department of Assessments and Taxation (SDAT) in November 2016. Grants and donations may also be made into the Fund. In Fiscal 2018, the appropriation is \$11.9 million.

Fiscal 2018 Plan

This budget proposes allocating the Children and Youth Fund as follows in Fiscal 2018:

- \$11.3 million to be allocated for youth programs per the governance model and criteria adopted by the Mayor and City Council.
- \$0.6 million (5%) for administration, grants management, and evaluation.

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Summary of Recommendations

Fiscal 2018

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Fiscal 2018
Recommended Budget Appropriation Levels

Fiscal 2018	Recommended Amount	Change from Fiscal 2017	Percent Change from Fiscal 2017
Operating Plan	\$2.8 billion	+\$124.5 million	+4.7%
Capital Plan	\$1.1 billion	+\$594 million	+113%
Total	\$3.9 billion	\$718.5 million	22.6%

The total Fiscal 2018 appropriation plan recommended by the Department of Finance for the City of Baltimore is \$3.9 billion. This is an increase of \$718.5 million or 22.6% above the Fiscal 2017 Adopted Budget.

The two components of the total recommended appropriation plan are the Operating Budget plan and Capital Budget plan. The Operating Plan is recommended at \$2.8 billion, which is an increase of \$124.5 million or 4.7%. The Capital Plan is recommended at \$1.1 billion, which is an increase of \$594 million or 113%. More explanation on the Capital Budget plan is available beginning on page 149.

FISCAL 2018
FINANCE RECOMMENDATIONS BY FUND

	Fiscal 2017 Budget	Fiscal 2018 Budget	Dollar Change	Percent Change
<i>Operating Funds</i>				
Local and State-shared Funds				
General	\$1,747,281,452	\$1,813,500,000	\$66,218,548	3.8%
Parking Management	\$24,775,005	\$25,642,970	\$867,965	3.5%
Convention Center Bond	\$4,580,088	\$4,580,088	\$0	0.0%
Total	\$1,776,636,545	\$1,843,723,058	\$67,086,513	3.8%
Enterprise Funds				
Waste Water Utility	\$249,506,065	\$269,596,071	\$20,090,006	8.1%
Water Utility	\$180,220,616	\$192,771,223	\$12,550,607	7.0%
Stormwater Utility	\$21,602,132	\$29,467,335	\$7,865,203	36.4%
Parking Enterprise	\$31,780,518	\$33,222,138	\$1,441,620	4.5%
Conduit Enterprise	\$16,000,000	\$11,746,671	(\$4,253,329)	-26.6%
Loan and Guarantee Enterprise	\$500,000	\$512,743	\$12,743	2.5%
Total	\$499,609,331	\$537,316,181	\$37,706,850	7.5%
Grant Funds				
Federal	\$168,486,073	\$174,411,770	\$5,925,697	3.5%
State	\$100,506,491	\$95,656,655	(\$4,849,836)	-4.8%
Special	\$100,623,709	\$119,303,476	\$18,679,767	18.6%
Total	\$369,616,273	\$389,371,901	\$19,755,628	5.3%
Total Operating - All Funds	\$2,645,862,149	\$2,770,411,140	\$124,548,991	4.7%
<i>Capital Funds</i>				
Pay-As-You-Go				
General	\$15,500,000	\$21,400,000	\$5,900,000	38.1%
Conduit Enterprise	\$36,000,000	\$20,000,000	(\$16,000,000)	-44.4%
Waste Water Utility	\$10,086,000	\$15,000,000	\$4,914,000	48.7%
Water Utility	\$7,000,000	\$10,000,000	\$3,000,000	42.9%
Stormwater Utility	\$9,769,000	\$5,223,000	(\$4,546,000)	-46.5%
Total	\$78,355,000	\$71,623,000	(\$6,732,000)	-8.6%
Grants				
Federal	\$48,351,000	\$49,002,000	\$651,000	1.3%
State	\$178,859,000	\$258,485,000	\$79,626,000	44.5%
Total	\$227,210,000	\$307,487,000	\$80,277,000	35.3%
Loans and Bonds				
Revenue Bonds	\$47,120,000	\$436,378,000	\$389,258,000	826.1%
General Obligation Bonds	\$65,000,000	\$65,000,000	\$0	0.0%
County Transportation Bonds	\$15,000,000	\$15,000,000	\$0	0.0%
Total	\$127,120,000	\$516,378,000	\$389,258,000	306.2%
All Other	\$91,302,000	\$222,523,000	\$131,221,000	143.7%
Total Capital - All Funds	\$523,987,000	\$1,118,011,000	\$594,024,000	113.4%

FISCAL 2018
FINANCE RECOMMENDATIONS BY FUND

	Fiscal 2017 Budget	Fiscal 2017 Budget	Dollar Change	Percent Change
<i>Total Funds</i>				
Local and State-shared Funds				
General	\$1,762,781,452	\$1,834,900,000	\$72,118,548	4.1%
Parking Management	\$24,775,005	\$25,642,970	\$867,965	3.5%
Convention Center Bond	\$4,580,088	\$4,580,088	\$0	0.0%
Total	\$1,792,136,545	\$1,865,123,058	\$72,986,513	4.1%
Enterprise Funds				
Waste Water Utility	\$259,592,065	\$284,596,071	\$25,004,006	9.6%
Water Utility	\$187,220,616	\$202,771,223	\$15,550,607	8.3%
Stormwater Utility	\$31,371,132	\$34,690,335	\$3,319,203	10.6%
Parking Enterprise	\$31,780,518	\$33,222,138	\$1,441,620	4.5%
Conduit Enterprise	\$52,000,000	\$31,746,671	(\$20,253,329)	-38.9%
Loan and Guarantee Enterprise	\$500,000	\$512,743	\$12,743	2.5%
Total	\$562,464,331	\$587,539,181	\$25,074,850	4.5%
Grant Funds				
Federal	\$216,837,073	\$223,413,770	\$6,576,697	3.0%
State	\$279,365,491	\$354,141,655	\$74,776,164	26.8%
Special	\$100,623,709	\$119,303,476	\$18,679,767	18.6%
Total	\$596,826,273	\$696,858,901	\$100,032,628	16.8%
Loans and Bonds				
Revenue Bonds	\$47,120,000	\$436,378,000	\$389,258,000	826.1%
General Obligation Bonds	\$65,000,000	\$65,000,000	\$0	0.0%
County Transportation Bonds	\$15,000,000	\$15,000,000	\$0	0.0%
Total	\$127,120,000	\$516,378,000	\$389,258,000	306.2%
All Other	\$91,302,000	\$222,523,000	\$131,221,000	143.7%
Total - All Funds	\$3,169,849,149	\$3,888,422,140	\$718,572,991	22.7%

FISCAL 2018
OPERATING AND CAPITAL BUDGET FUND DISTRIBUTION
 Finance Recommendations

Funds	Operating Budget	Capital Budget	Total
General	\$1,813,500,000	\$21,400,000	\$1,834,900,000
Parking Management	\$25,642,970	-	\$25,642,970
Parking Enterprise	\$33,222,138	-	\$33,222,138
Convention Center Bond	\$4,580,088	-	\$4,580,088
Water and Waste Water Utilities	\$462,367,294	\$25,000,000	\$487,367,294
Stormwater Utility	\$29,467,335	\$5,223,000	\$34,690,335
Conduit Enterprise	\$11,746,671	\$20,000,000	\$31,746,671
Loan and Guarantee Enterprise	\$512,743	-	\$512,743
Federal Grants	\$174,411,770	\$49,002,000	\$223,413,770
State Grants	\$95,656,655	\$258,485,000	\$354,141,655
General Obligation Bonds	-	\$65,000,000	\$65,000,000
Special Funds	\$119,303,476	-	\$119,303,476
Revenue Bonds	-	\$436,378,000	\$437,713,000
County Transportation Bonds	-	\$15,000,000	\$15,000,000
Other	-	\$222,523,000	\$222,523,000
Total - All Funds	\$2,770,411,140	\$1,118,011,000	\$3,888,422,140

Revenue

Fiscal 2018

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The City will begin Fiscal 2018 during one of the longest periods of economic expansion in history. Since the Great Recession ended in June 2009, the nation has enjoyed 94 months of economic recovery, the third longest recovery since 1850. Many of the City’s key economic indicators have returned to pre-recession levels.

- The labor market is seeing average wages steadily rising and the unemployment rate falling below 6% at the end of 2016.
- Housing activity and average prices have regained momentum.
- Growth in the City’s wealth – measured by the State as a combination of property value and taxable income – has outpaced Maryland’s 23 counties for the past two years.

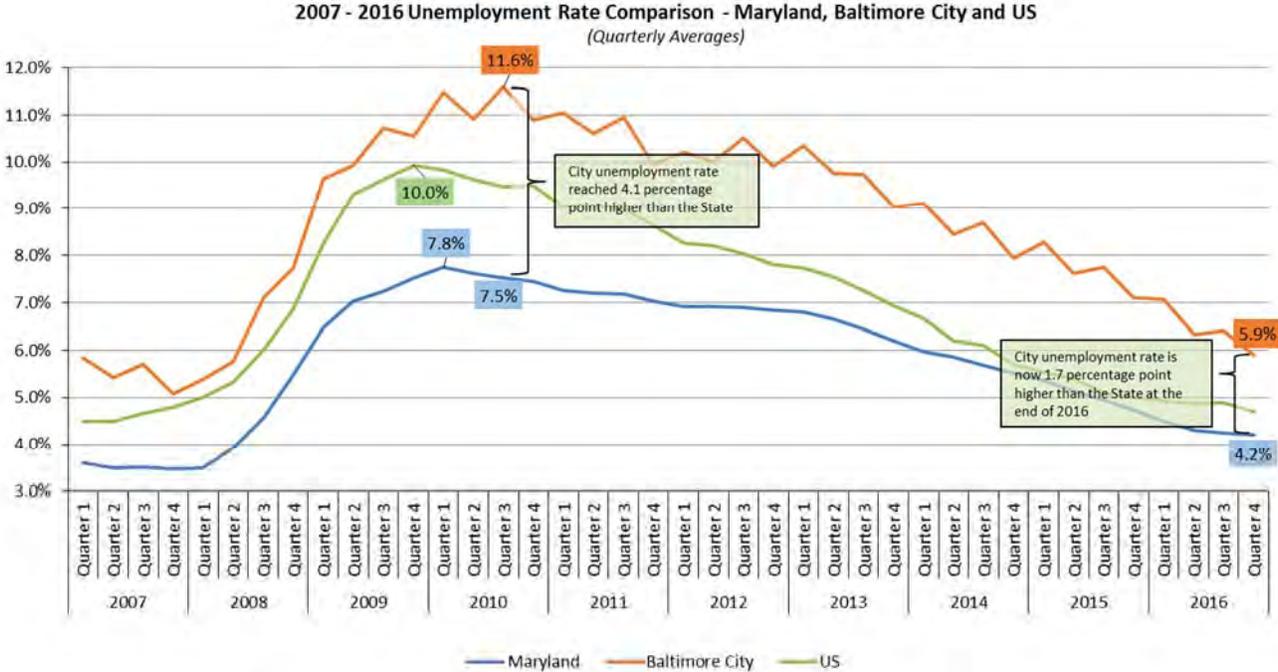
The City’s two largest General Fund revenue sources, Property and Income taxes, have increased by 18% and 26%, respectively, since Fiscal 2013.

For all of the good economic news, there are some warning signs of trouble ahead. Three major areas of concern about the City’s economy are

- 1) the increasing probability of a recession after a prolonged recovery,
- 2) President Trump’s proposed federal spending cuts, and
- 3) new Census data showing that the City lost population in 2016 after several years of modest growth.

The City’s Labor Market

The national unemployment rate peaked at 10% in October 2009, while the State peaked in February 2010 at 7.8% and the City at 11.8% in August 2010. The following chart shows the quarterly average unemployment rate comparison among the State, Baltimore City and the U.S.



After several years of job gains, the US labor market has reached what the Federal Reserve considers full employment level, an average unemployment rate below 5%. Maryland’s average unemployment rate was 4.3% during 2016 and 4.2% during its last quarter. Baltimore’s rate has historically been between 2 and 3 percentage points above the State rate. Since 2010, the City’s unemployment rate fell to an average 5.9% in the last quarter of 2016, the lowest since 2008, and narrowed the gap with the State rate from more than 4 in 2010 to less than 2 percentage points.

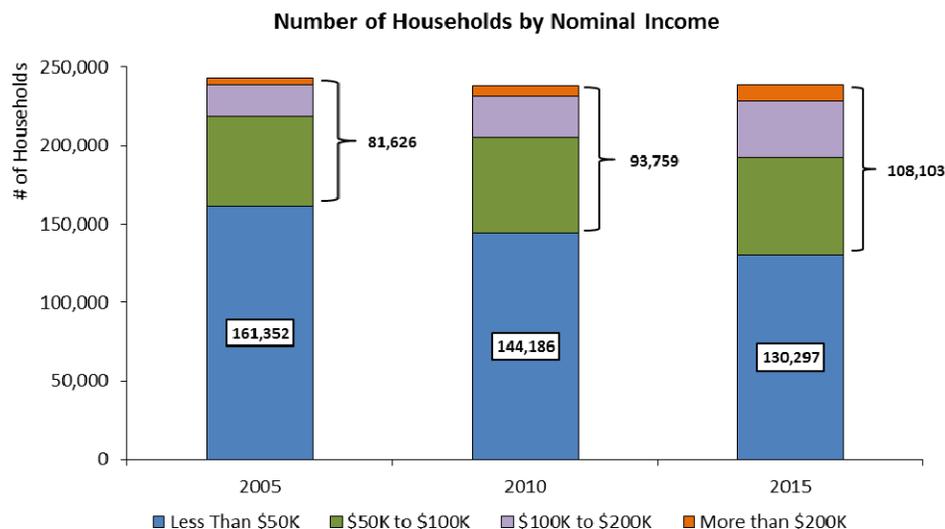
The concentration of stable health care and education related services in the City have become the drivers of the steady job absorption not only for employees in the Baltimore area, but especially for City residents. Job absorption is the capacity of the City’s job market to generate stable employment and retain the increasing City’s labor force. Jobs in the health and educational sectors represent 31.7% of the 2016 jobs located in the City, a proportion that is considerably higher than the regional and national totals of 19.2% and 15.9% respectively. While the City’s labor force has remained virtually unchanged since 2010 at a 295,500 annual average, employment of City residents has grown 5.8% from 262,300 in 2010 to 277,400 in 2016.

Recent data from the Bureau of Labor Statistics (BLS) indicates that the City has increased the number of jobs. The BLS reported an average of 366,500 jobs located in the City during 2016, representing an increase of 1.1% compared to the average of 362,600 in calendar 2015, and a 6.2% increase from 2010.

Total jobs in the City peaked in 2000 with 387,500 jobs, but then experienced an average decline of about 287 per month through calendar 2010. Calendar 2016 is the sixth year in a row since 2010 where the City has experienced employment growth at the average annual rate of 1%, an indicator of the stronger City job market after the national recession.

Preliminary 2017 figures from BLS are even more encouraging: the average number of jobs in the City increased to 369,300 as of February 2017, representing the creation of 2,800 new jobs over the last two months. These figures also reflect a net contribution of approximately 89,000 City jobs to employees living in surrounding communities. In summary, 309 new jobs per month have been created in the City since its lowest level in 2010.

The increase in City jobs, employment and local net absorption coincides with a remarkable change in the City’s household income composition. The following chart shows data from 2005 to 2015 from the Census Bureau’s American Community Survey, reflecting a material change in the number of households at different earning levels. The chart below tells the story.



In 2005, the total number of City households was 243,000, of which 161,400 or 66.4% was composed by households earning less than \$50,000 and the remaining 33.6% were those households earning more than \$50,000. Even though the City realized a net reduction of 4,600 households between 2005 and 2015, the number of households earning more than \$50,000 increased by almost 26,500 or 32.4% for a total of 108,100, while those earning less than \$50,000 decreased by 31,000 or 19.2%. Most of the growth in higher income households was for those earning \$100,000 or more. These changes in household characteristics indicate that the City has improved the quality of the jobs offered and the net absorption of these jobs has been the driver to build a stronger income tax base.

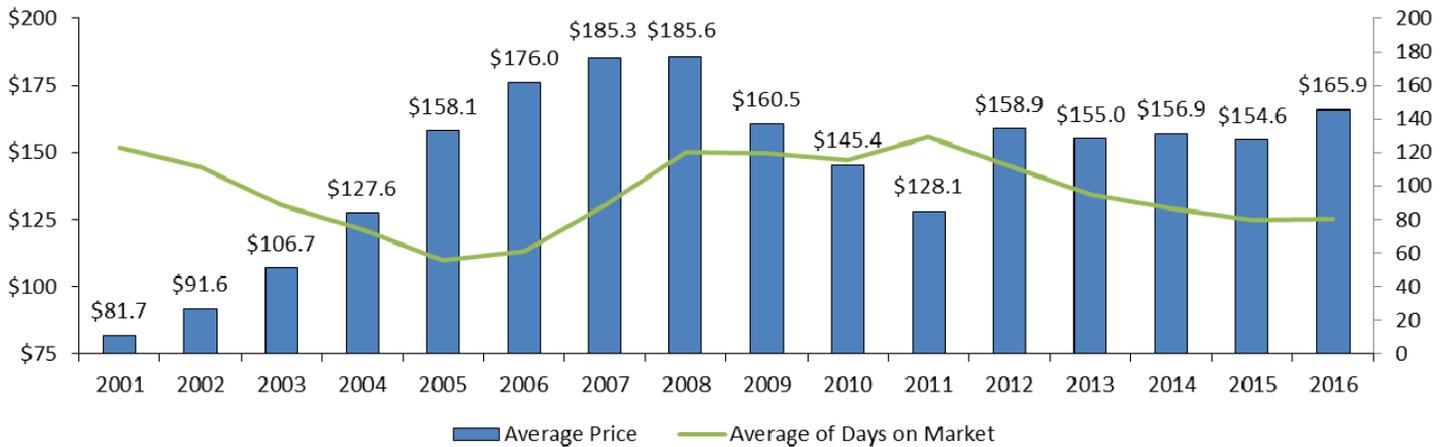
Finally, data from the Maryland Department of Planning indicate that, even though the City still has the lowest per-capita personal income in the region, it has experienced the highest annual average growth rate since 2000. The following table and chart show the recent trends in personal income growth rates for the State, the Baltimore region and the City.

	2000-2005	2005-2010	2010-2015	2015-2020
Maryland	2.23%	0.73%	1.10%	1.80%
Baltimore Region	2.52%	0.90%	1.45%	2.00%
Anne Arundel County	2.80%	0.47%	1.46%	1.97%
Baltimore County	1.87%	0.12%	1.20%	1.56%
Carroll County	1.18%	0.74%	1.42%	1.72%
Harford County	2.39%	1.64%	1.12%	2.05%
Howard County	2.31%	0.91%	1.20%	1.95%
Baltimore City	3.28%	2.08%	1.93%	2.59%

The City's Housing Market

The City's housing market has become stronger and more stable. After average prices in the City reached their lowest values in 2011 as a consequence of the collapse in the housing market, prices remained relatively stable at the annual average of \$154,600 from 2012 through 2015, and experienced a \$7,300 or 11.3% increase in 2016. This value is higher than the pre-boom average price of \$158,100. Additionally, the improvement in the City's housing market is measured by the days houses are in the market before sold. For the last two years, it has taken in average 80 days for residential properties to be sold, matching the average number of days in market during the period of highest activity. The following table shows the historical average price and days on market of properties sold in the City as reported by the Metropolitan Regional Information System.

Average Residential Prices and Days on Market
(in thousands)



The health and stability of the City’s real estate market is reflected in the recent years of reassessments for residential properties. After four years of continued assessment declines, residential properties in Group II (the middle third of the City) will experience in Fiscal 2018 a second consecutive triennial cycle of assessment increase. In Fiscal 2015 residential properties in this group experienced an average 4.4% increase in assessment and will see an increase 3.5% in Fiscal 2018. Across all three groups, Fiscal 2018 marks four consecutive years of assessments growth after four years of decline.

In addition, demand for rental housing in the City continues to be strong. According to the Comprehensive Housing Market Analysis released by the US Department of Housing and Urban Development, the City’s vacancy rate has been reduced from 10.8% in 2010 to 9.3% in 2016, which is an indication of higher demand considering the increased supply of rental housing. There were 1,148 converted, renovated or newly constructed rental units completed in 2014 and 2015. Another 535 were added in 2016 and more than 3,100 are currently under construction with expected delivery over the next two years.

Risks

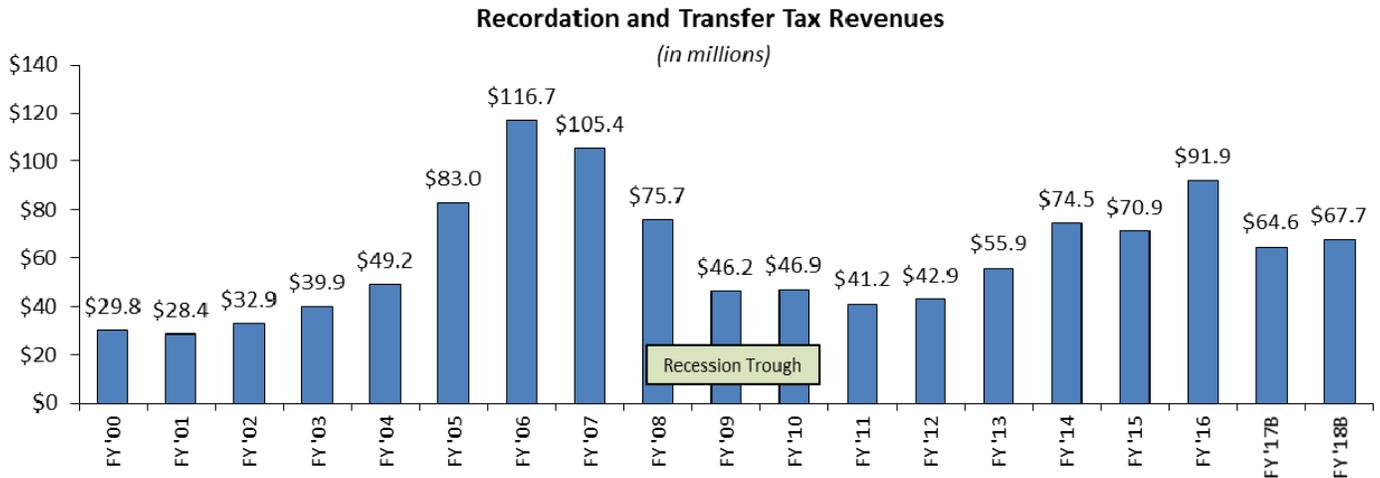
Recession: Predicting the timing, depth and duration of a recession is impossible. As of now, there is no solid indication that the U.S. economy is slowing down, so the short-term risk of a recession should not be a concern; however, based on the experience from prior economic recoveries, the economy should be approaching a recessionary period. The Fiscal 2018 Budget was prepared based on a conservative revenue projection, assuming moderate growth rates for the major sources of General Fund revenues.

Some of the City’s major revenue sources are more sensitive than others to changes in the economy.

In 2007, it took a few months after the bursting of the housing bubble for transfer and recordation taxes on property sales to begin a sharp drop. The combined receipts from these taxes went from averaging more than \$10.2 million per month during the fourth quarter of Fiscal 2007 to about \$6.3 million in the first quarter of Fiscal 2008. By the end of Fiscal 2009 they were averaging \$3.7 million combined revenue per month.

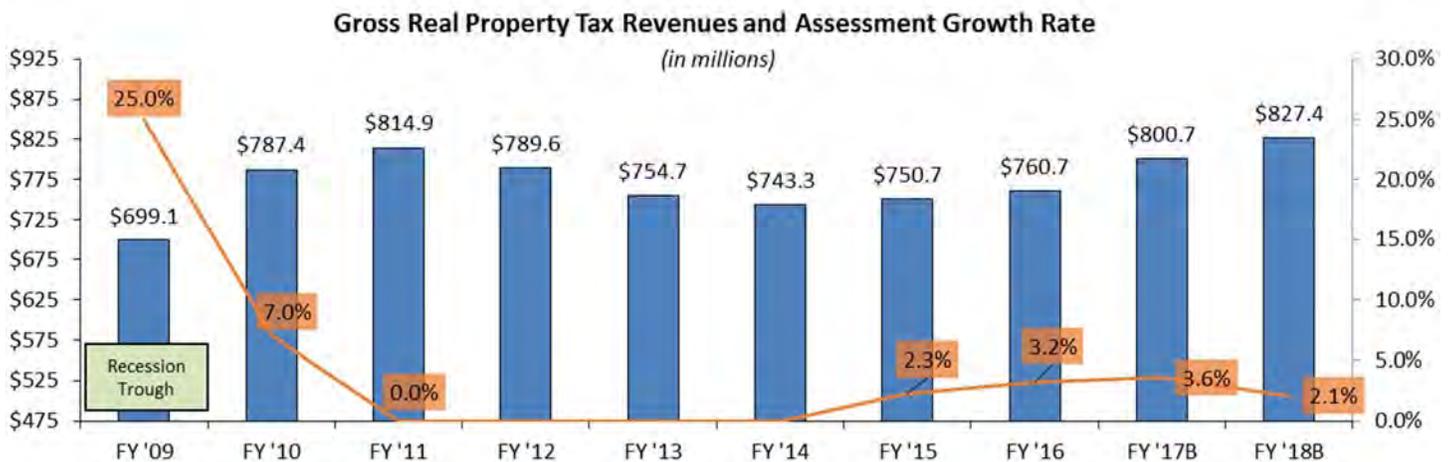
As the following chart shows, total combined transfer and recordation tax revenues experienced a decline of \$70.5 million or 60.4% between Fiscal 2006 to Fiscal 2009, and it took four years after the end of the recession to yield material increases. Transfer and Recordation Tax receipts are extremely volatile given their sensitivity to local, state and national

economic factors. To account for this volatility, revenues are projected based at the average revenue collected for the last five years.



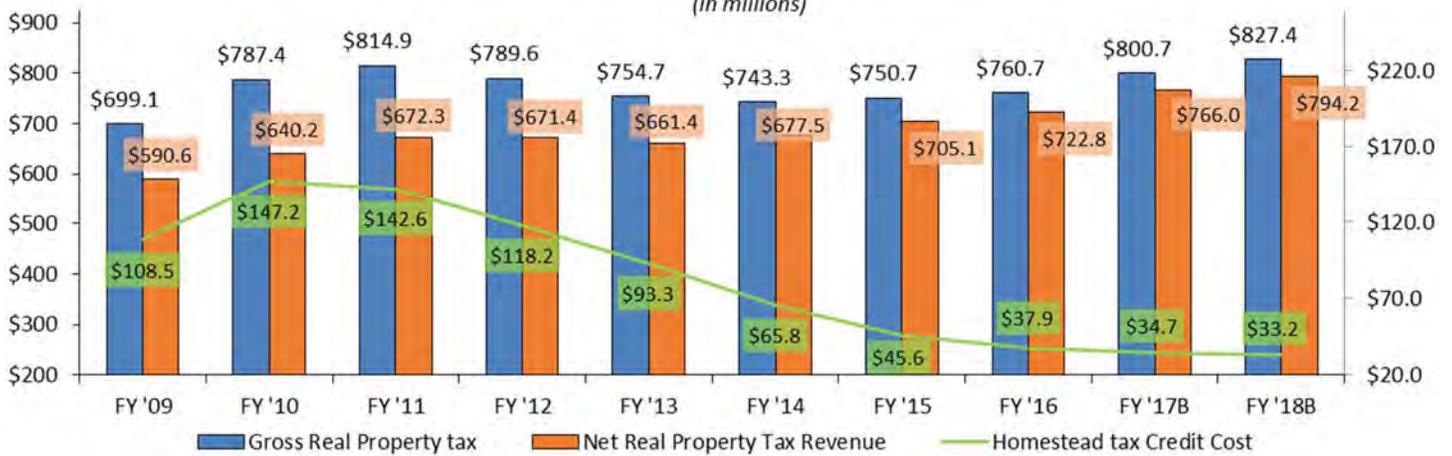
Income taxes took a full year after the economy reached its trough in 2009 to show the impact of the recession, and the City experienced a decline of 16.6% or \$41.4 million between Fiscal Years 2009 and 2010 in Income Tax revenues. The delay is explained by two reasons: first, employers progressively adjust the supply of jobs as conditions of the economy deteriorate, thereby smoothing the reduction in revenues. Second, there is operational delay between the time of collection and distribution of Income Tax revenues by the State.

Due to the triennial assessment cycle and Homestead Tax Credit, Real Property Tax revenues took even longer to show the effects of the recession and housing market meltdown. As the chart below shows, it took three years after the trough of the recession for gross Real Property Tax revenues to fall. After that the City experienced assessment reductions for four consecutive years.



During the last recession the City had a large store of assessment subject to Homestead Tax Credit that minimized the shock on revenues of the property values and assessment reductions. The following table shows how the City did not experience a significant net real property tax revenue decline due to the large amount of assessment subject to the Homestead Tax Credit.

Gross and Net Real Property Tax Revenues and Homestead Tax Credit
(in millions)



As property values and assessments dropped the Homestead Tax Credit cost was also reduced, minimizing the impact on net revenues. Unfortunately, the City is in a different environment where there is no substantial cushion from assessment subject to the homestead tax credit; therefore, if the next recession includes declining property values, revenue will fall much more quickly.

These examples highlight the varying responses of the City’s major sources of revenues to changes in the broader economy. The City is currently exploring options that could temporarily help to mitigate the impact of a recession; however, these options are still under research.

Federal Funding: President Trump’s proposed budget presents a material risk to the City. The Fiscal 2018 recommended budget includes \$230.4 million in operating and capital appropriations funded by federal grants, representing 5.9% of total spending. Services with high dependency on federal funding such as community development, affordable housing, maternal and child health, HIV services, meals for seniors, youth violence prevention, Head Start, juvenile justice, job training, community action centers, clinical health, and housing for the homeless, could be reduced or eliminated due to defunding, increasing the pressure for additional General Fund appropriations.

Population Loss: The Census Bureau’s preliminary 2016 population estimate for Baltimore City shows a decline of almost 7,200 from the 2015 estimate of 621,849, the largest year-to-year decline in the population estimate since 2001. It is not possible to accurately assess the impact of this reduction without knowing the socio-economic characteristics of the population change, but the decline is a worrisome reversal of what has been an encouraging trend for most of the decade.

Fiscal 2018
Major Revenues Forecast

General Fund

	Fiscal 2016 Actual	Fiscal 2017 Budget	Fiscal 2018 Estimated	Dollar Change	Percent Change
Revenue Category					
Property Taxes	\$827,872,509	\$873,090,348	\$902,689,903	\$29,599,555	3.4%
Income Taxes	345,983,124	317,656,198	350,808,000	33,151,802	10.4%
Highway User Revenues	142,212,569	142,300,081	146,251,280	3,951,199	2.8%
State Aid	104,923,612	103,302,831	103,748,376	445,545	0.4%
Energy Tax	43,536,740	42,259,000	41,580,756	(678,244)	(1.6%)
Net Parking Revenue	48,128,993	39,525,585	36,301,547	(3,224,038)	(8.2%)
Telecommunication Tax	33,836,903	34,070,000	34,063,000	(7,000)	0.0%
Recordation & Transfer Tax	91,916,352	64,550,321	67,700,342	3,150,021	4.9%
Hotel Tax	29,630,497	28,419,912	29,145,912	726,000	2.6%
Speed and Red-Light Cameras	155,943	0	7,947,000	7,947,000	100.0%
Investment Earnings	1,174,481	3,633,000	1,800,000	(1,833,000)	(50.5%)
Youth Fund	0	0	(11,866,000)	(11,866,000)	0.0%
All Other	151,048,931	113,974,176	124,729,884	10,755,708	9.4%
Total General Fund Revenue	\$1,820,420,654	\$1,762,781,452	\$1,834,900,000	\$72,118,548	4.1%

Funding sources for the General Fund are anticipated to total \$1.85 billion, an increase of \$72.1 million or 4.1% from the Fiscal 2017 Adopted Budget of \$1.76 billion.

Fiscal 2018 represents the fifth year of the City's Ten-Year Financial Plan. The plan provides the City with a roadmap to avoid future fiscal shortfalls through a series of strategic initiatives that meet the City's goals of achieving structural budget balance, addressing long-term liabilities, investing in infrastructure and improving tax competitiveness.

The Fiscal 2018 budget includes the sixth year of the City's 20 Cents by 2020 property tax relief program. The Targeted Homeowners Tax Credit (THTC) now represents an average of \$0.148 per \$100 of Property Tax rate reduction for owner-occupied properties. This is an estimated average effective rate, and not all homeowners will realize this rate. The precise number for Fiscal 2018 will not be known until late May when the analysis is performed for the tax bills and submitted to The Board of Estimates. The THTC is estimated to cost \$26.1 million in Fiscal 2018, \$11.3 million of which is covered by Horseshoe Casino lease payments.

The Fiscal 2018 General Fund forecast shows a net revenue increase of \$72.1 million. Income taxes are estimated to be \$33.2 million higher than the Fiscal 2017 budget estimate. Property taxes, which comprise nearly half of General Fund revenue, are projected to be \$29.6 million higher than the Fiscal 2017 budget estimate, mainly due to the increase in real property assessments and a reduction in the estimated Homestead Tax Credit cost. These increases are partially offset by the General Fund contribution to the newly created Youth Fund and the inclusion of two new property tax credits. The General Fund contribution to the Youth Fund is \$11.9 million. This transfer value is equivalent to \$0.03 per \$100 of assessable value of all taxable property in the City as reported by the State Department of Assessments and Taxation (SDAT) in November 2016. The two new tax credits are 1) the Supplemental Homeowner's Tax Credit, a City credit

intended to provide additional tax relief to low-income City residents eligible for the existing State Homeowner’s Tax Credit and 2) the Public Safety Officer’s Tax Credit, intended to provide an incentive to non-resident public safety officers to become City residents. The Fiscal 2018 estimated cost of the Supplemental Homeowner’s Tax Credit is \$4.5 million while the Public Safety Officer’s Tax Credit is estimated at \$300,000, for a total \$4.8 million reduction to Real Property Tax revenue.

Property Taxes

The Real and Personal Property Tax rates are proposed to be maintained at \$2.248 and \$5.62 per \$100 of assessed value respectively. The SDAT estimates the value of all taxable property and issues new assessments for about one-third of properties each year. All personal property is assessed annually with valuations established by the State based upon returns filed by individual businesses.



Real Property Tax yield, prior to the adjustments for the 4% owner-occupied assessment cap (known as the Homestead Tax Credit or ATC) and all other tax credit and incentive programs, is forecasted to increase \$26.7 million, or 3.3%, from \$800.7 million in Fiscal 2017 to \$827.4 million in Fiscal 2018.

The Real Property tax revenue is partially offset by the availability of the ATC, the THTC, and the wide variety of tax credit and incentive programs offered by the City. Owner occupied residential properties are protected from the impact of assessment increases by the City’s ATC assessment growth cap. This tax credit limits growth in taxable assessments to no more than 4.0% over the prior year, one of the most taxpayer friendly caps in the State. Overall, the City’s Homestead Tax Credit cost is projected to decline by \$1.5 million (4.4%) in Fiscal 2018 to \$33.2 million as the reassessment of residential properties increases is below the 4% cap.

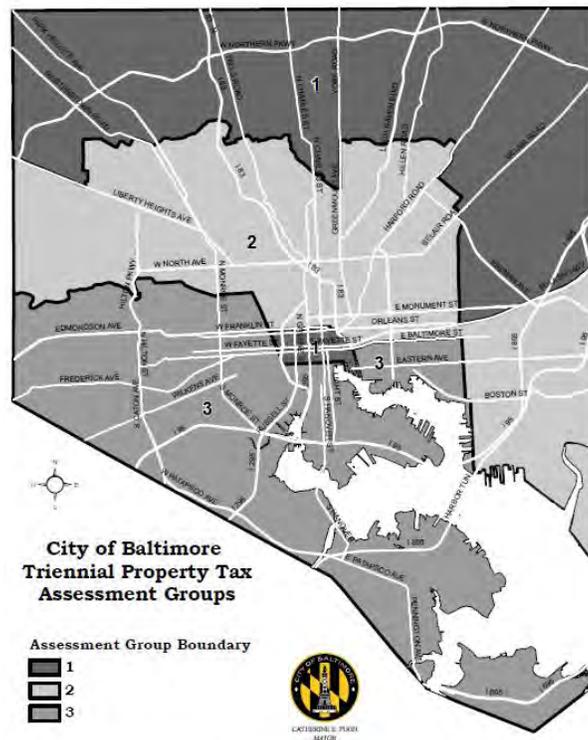
In addition to the ATC and THTC, the Fiscal 2018 estimate includes a total of \$44.7 million in property tax reductions due to the cost of other tax credits and incentive programs. The largest incentive program is the State-mandated Enterprise Zone Tax Credit, estimated at \$28.4 million in Fiscal 2018, 50% of which is reimbursed to the City by the State.

As the following table details, from Fiscal 2006 to Fiscal 2013, tax credit and incentive programs, excluding the ATC, accounted for an annual average cost of \$16.3 million or 2.4% of the real property tax revenues. In Fiscal 2018, these programs will cost \$70.8 million or 8.6% of the estimated real property taxes. Including the ATC, forgone real property tax revenue due to tax credits and incentive programs is estimated at \$104 million or 12.6% of this revenue source.

**Tax Credit History Cost as a % of Real Property Tax
(Figures in Millions)**

Tax Credits	FY 2006-2013 Avg. Cost	FY 2014 Actual	FY 2015 Actual	FY 2016 Actual	FY 2017 Budget	FY 2018 Estimate
Real Property Tax	\$680.9	\$743.3	\$750.7	\$780.2	\$800.7	\$827.4
Targeted Homeowners Tax Credit	(\$0.4)	(\$15.1)	(\$19.5)	(\$22.6)	(\$24.3)	(\$26.1)
Enterprise Zone Tax Credit	(\$5.4)	(\$12.3)	(\$16.5)	(\$14.9)	(\$14.0)	(\$14.2)
Historic Property Tax Credits	(\$5.9)	(\$6.4)	(\$6.8)	(\$7.8)	(\$11.7)	(\$10.9)
Brownfield and Other Tax Credits	(\$1.2)	(\$3.6)	(\$9.3)	(\$7.7)	(\$9.9)	(\$9.0)
Supplemental Homeowner's Tax Credit	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$4.5)
High-Performance Market-Rate Rental Housing Tax Credit	\$0.0	(\$0.0)	(\$0.0)	(\$0.4)	(\$1.0)	(\$3.4)
Newly Constructed Dwellings Tax Credit	(\$3.4)	(\$3.1)	(\$2.8)	(\$2.4)	(\$1.6)	(\$2.3)
Public Safety Officer Tax Credit	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	(\$0.3)
Total Tax Credits (Excluding Homestead)	(\$16.3)	(\$40.5)	(\$54.9)	(\$55.8)	(\$62.5)	(\$70.8)
Tax Credits as a % of Real Property	2.4%	5.4%	7.3%	7.2%	7.8%	8.6%
Homestead Tax Credit (ATC)	(\$92.4)	(\$65.8)	(\$45.6)	(\$38.2)	(\$34.7)	(\$33.2)
Total Tax Credits (Including ATC)	(\$108.7)	(\$106.3)	(\$100.6)	(\$94.0)	(\$97.3)	(\$104.0)
Tax Credits & ATC as a % of Real Property	16.0%	14.3%	13.4%	12.0%	12.1%	12.6%

For Fiscal 2018, the SDAT reassessed Group 2, which is shown in the map below as the central third assessment area of the City.



Tax assessment group areas have been derived from the State of Maryland's assigned assessment group code identified from the City of Baltimore's real property file.

The Group 2 Real Property assessment (effective Fiscal 2018) reflects an annual phase-in value increase of 2.1% with a total triennial assessment growth of 6.2%, below the state-wide average of 8.2% triennial growth. The increase is made up of a 3.5% increase for residential properties and 9.5% increase for commercial properties. The Fiscal 2018 reassessment cycle represents the fourth consecutive year of assessment increases in the City after four consecutive years of declines.

The following table shows the ten year history of the full cash value average assessment growth for properties in the City since Fiscal 2009.

Fiscal Year Reassessment	Assessment Group	Full Cash Value Assessment Increase	Phase-in Assessment Increase
2009	Group II	75.0%	25.0%
2010	Group III	20.9%	7.0%
2011*	Group I	(2.6%)	0.0%
2012*	Group II	(8.7%)	0.0%
2013*	Group III	(6.8%)	0.0%
2014*	Group I	(3.1%)	0.0%
2015	Group II	7.0%	2.3%
2016	Group III	9.6%	3.2%
2017	Group I	10.9%	3.6%
2018	Group II	6.2%	2.1%

*Assessment reductions are not phased in

Source: State Department of Assessments and Taxation

Finally, property taxes also include the total business and public utility personal property taxes, which are estimated to yield \$108.5 million in Fiscal 2018, an increase of 1.2% or \$1.3 million from the Fiscal 2017 budget.

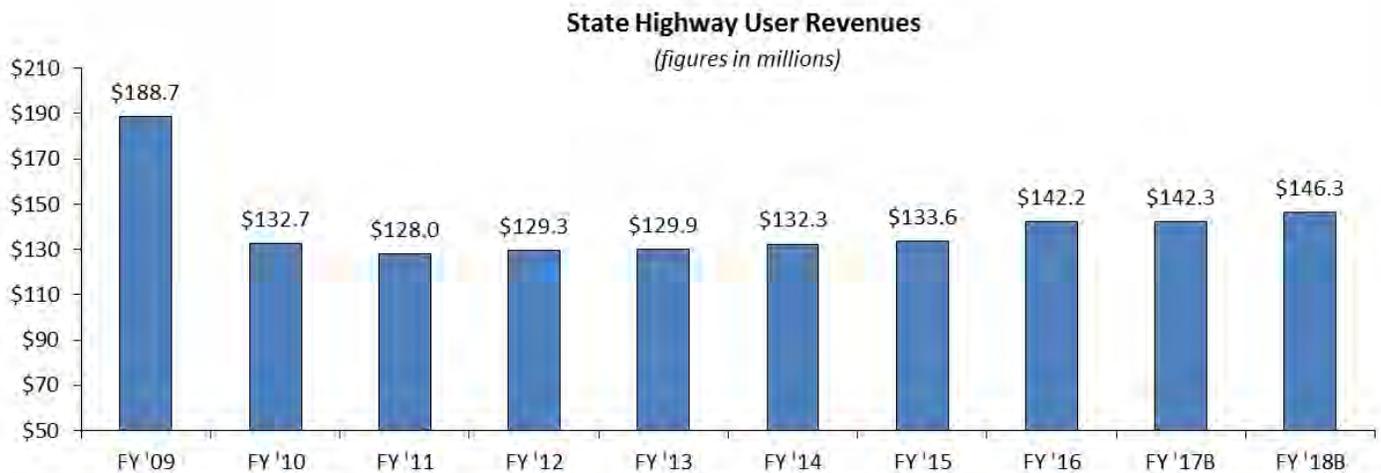
Income Taxes

The City's Income Tax rate is 3.2%, the maximum level allowed under State law. Local income taxes are anticipated to yield \$350.8 million, \$33.2 million or 10.4% higher than the Fiscal 2017 budgeted level. Based on current year available data, Fiscal 2017 Income Tax is projected to be \$336.4 million. Historically, the City's Income Tax has grown at about half of the State's growth; however, the most recent employment and job market indicators show improvement in the City's demographic characteristics, indicating that the City's income tax base is getting stronger. Projection data released by the Maryland Department of Planning indicate that, even though the City still has the lowest per-capita personal income in the region, it has experienced the highest annual average growth rate since 2000. Additionally, based on the data collected from the Census Bureau's American Community Survey, from 2010 to 2015, the number of households earning more than \$50,000 increased by 14,300 or 15.3%, while those earning less than \$50,000 decreased by 13,900, or 9.6%.



State Highway User Revenue

Highway User Revenues (HUR) is distributed by the State from Gas Tax, Titling Tax and vehicle registration fee revenues. The anticipated HUR for Fiscal 2018 is \$146.3 million, which is \$4.0 million (2.8%) higher than the Fiscal 2017 budget. The increase is explained by \$5.5 additional local transportation grant to Baltimore City approved by the Maryland General Assembly during the 2017 Legislative Session to fund discounted fares on Maryland Transportation Transit units used by eligible public school students. Including this grant, the City's HUR is still \$81.0 million (35.6%) below its Fiscal 2007 peak, due mainly to actions by the General Assembly and Board of Public Works to shift HUR to the State General Fund. The estimated Fiscal 2018 reflects maintaining the City's share of total statewide HUR revenue at 7.7%.

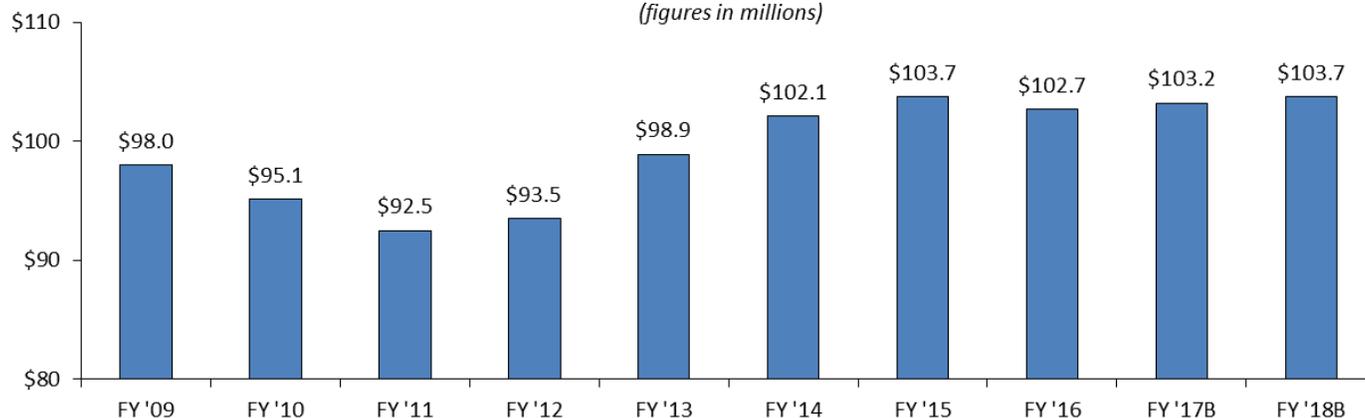


State Aid

State Aid budgeted in the General Fund is projected to increase by \$0.4 million or 0.4% from the Fiscal 2017 budget. The increase is mainly explained by the \$1 million increase in the Disparity Grant, which is partially offset by the \$600,000 reduction in the Local Health Operations Grant. The Disparity Grant is based on a formula designed to assure that all subdivisions receive per capita income tax receipts equivalent to at least 75% of the statewide average.

State Aid Revenues - General Fund

(figures in millions)



Speed Cameras and Red Light Violations

Two years ago, the City suspended its traffic camera program due to technical and contractual problems. The Fiscal 2018 budget includes the reactivation of the speed and red-light camera programs, with the initial deployment of the cameras scheduled for May 2017 with 10 fixed and 10 portable speed cameras, 10 red-light cameras and six commercial vehicle violation cameras. The initial revenue estimate for this program is \$7.9 million.

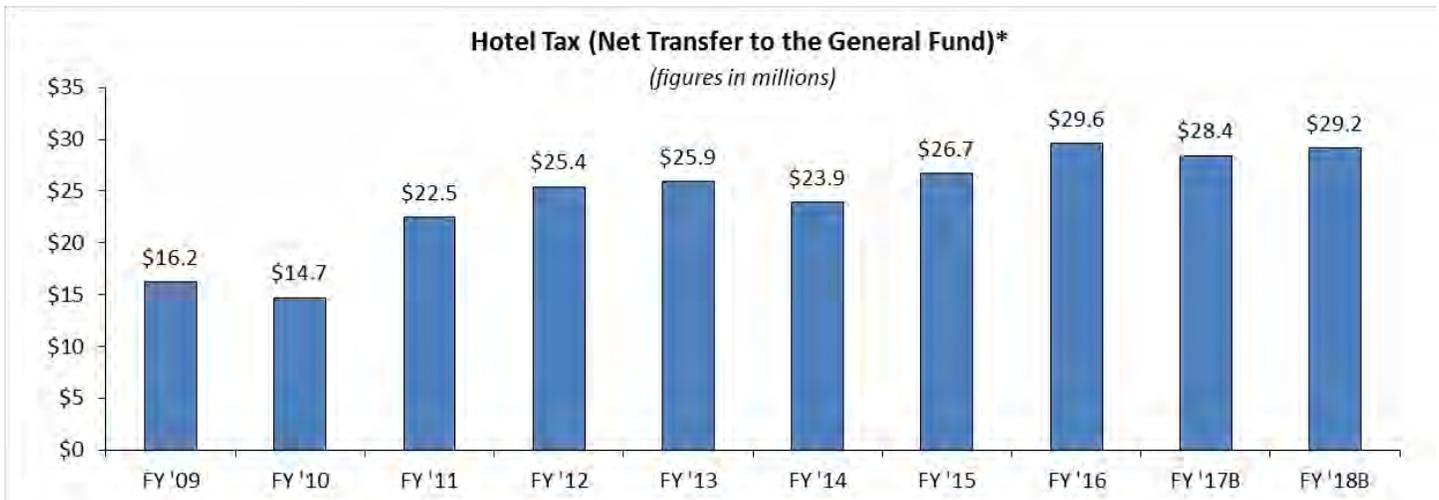
Transfer from the Parking Management Fund

The Fiscal 2018 net revenue transfer from the parking funds is estimated at \$36.3 million, a \$3.2 million reduction from the Fiscal 2017 budget. This reduction is explained by a combined increase in the Parking Enterprise and Parking Management funds expenses of \$2.3 million, and a net reduction in revenues of \$900,000. Revenues in excess of debt service and operating expense requirements of the parking funds are transferred to the General Fund. The Fiscal 2018 debt service appropriation in the Parking Enterprise Fund is estimated to increase \$1.3 million, from \$31.8 million to \$33.2 million, while operating expenses in the Parking Management Fund are anticipated to increase \$900,000, from \$24.8 million in Fiscal 2017 to \$25.6 million in Fiscal 2018. Based on year to date activity, there is an anticipated reduction in the revenues from Parking Fines and Penalties on Parking Fines of \$1.1 million, from \$22.1 million in Fiscal 2017 to \$21 million in Fiscal 2018, Parking Tax receipts are estimated to be about \$867,000 lower. These revenue losses are partially offset by projected increases in Garage Income, Residential Parking Permits and Parking Meters.

Hotel Tax

The Hotel Tax rate was increased from 7.5% to 9.5% in Fiscal 2011. The Fiscal 2018 Hotel Tax revenue is estimated at \$33.7 million, a \$0.7 million increase over the Fiscal 2017 budgeted amount. After subtracting the \$4.6 million Baltimore Convention Center debt service payment, the net hotel tax receipts transferred from the Convention Center Bond Fund (CCBF) to the General Fund are projected at \$29.1 million. Fiscal 2017 Hotel Tax activity in the City has remained relatively consistent with prior year-to-date data. Smith Travel Report data as of January 2017 indicates an average decrease in room demand of 1.7% below the same seven months of Fiscal 2016; however, total reported room revenue has remained virtually flat as a result of a 1.1% increase to the average daily rate. The current hotel occupancy rate through January of Fiscal 2017 is 63.2%, 0.7% below Fiscal 2016's year to date average of 63.9%. It is anticipated that additional rooms will be added to the City's inventory in the near future; however, the incorporation of new rooms will not necessarily translate to more revenues. The impact of increased hotel room supply not supported by room demand results in a net reduction

of the overall occupancy rate, and this reduction is then compensated with subsequent reductions to the average rate per room. Given that the precise schedule and number of new rooms remains unknown, the projection assumes no additional revenue in the short term.



*Amounts shown represent total tax less convention center bonded debt service.

Under State law, 40% of gross Hotel Tax receipts are appropriated to the local tourism bureau, Visit Baltimore. Further, hotel tax receipts indirectly subsidize the Convention Center’s operating deficit (shared with the State) and are a backstop if the Convention Center Hotel’s property tax increment and site-specific hotel taxes are insufficient to cover debt service costs. The following table shows the net Hotel Tax revenue that is allocated to General Fund services:

	FY 2016 Actual	FY 2017 Budget	FY 2018 Estimate
Hotel Tax*	\$34,147,258	\$33,000,000	\$33,726,000
Convention Center Debt Service	(\$4,516,761)	(\$4,580,088)	(\$4,573,750)
Visit Baltimore Appropriation	(\$13,954,099)	(\$13,466,100)	(\$14,318,303)
1/3 of Convention Center Deficit	(\$2,108,116)	(\$2,867,379)	(\$2,339,878)
Net Hotel Tax in General Fund	\$13,568,282	\$12,086,433	\$12,494,069
<i>% of Actual Hotel Tax</i>	<i>39.7%</i>	<i>36.6%</i>	<i>37.0%</i>

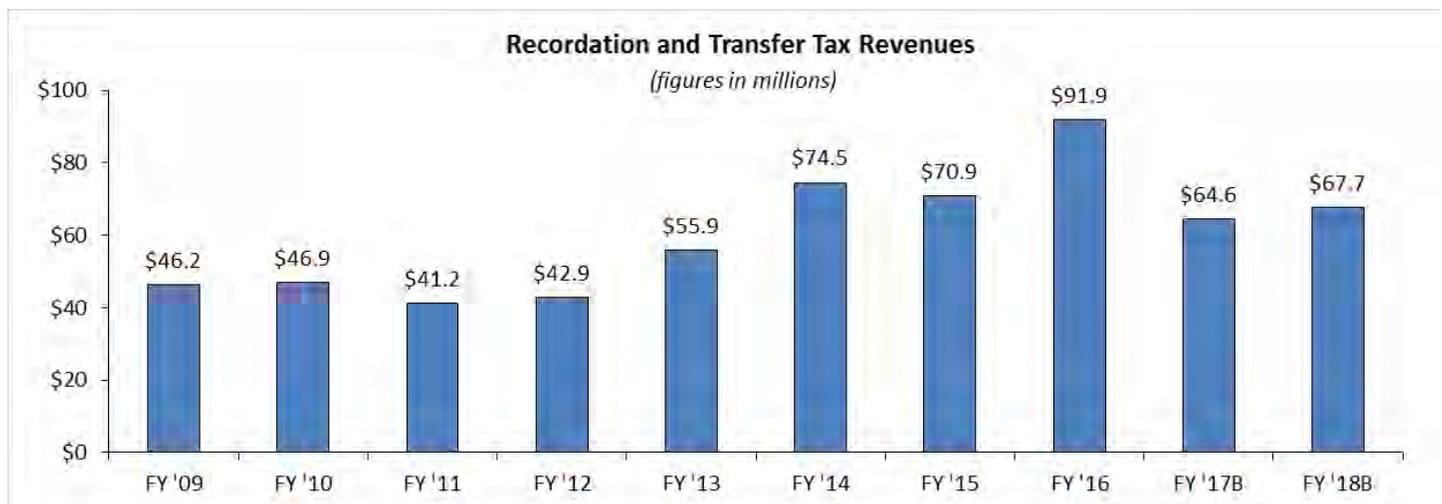
Recordation and Transfer Taxes

The Transfer Tax is imposed at a rate of 1.5% of the cash consideration and value of any other consideration paid for the property transferred; the Recordation Tax is imposed at a rate of \$5.00 per \$500 of actual consideration paid. The City’s estimated revenue from Recordation and Transfer Taxes is \$67.7 million for Fiscal 2018, an increase of \$3.2 million or 4.9% compared to the Fiscal 2017 budget.

These sources of revenue depend on the number and value of real estate sales and, in the case of the Recordation Tax, refinancing activity. Daily transaction data collected by the City’s Finance Department as of December 2016 indicate that the average value of properties paying Recordation Tax has decreased about 9% compared to the prior year data, while the total number of transactions has increased about 6%, representing a total year-to-date revenue decrease of \$1.9 million. The reduction is likely due to mortgage interest rates slowly rebounding from historically low levels, causing the rate of refinancing to stall. For this reason, Fiscal 2018 Recordation Tax receipts are anticipated to decrease by \$2.0 million

below the Fiscal 2017 budget. Conversely, Fiscal 2018 Transfer Tax revenue is estimated to increase by 18% or \$5.1 million above the Fiscal 2017 budgeted amount due, in part, to an increase in average home sales prices.

Given the sensitivity of these revenues to local, state and national economic factors, Transfer and Recordation Tax receipts are extremely volatile, and additional considerations are needed while preparing this revenue estimate. As an example, in Fiscal 2006 during the housing boom, receipts from these two taxes peaked at \$116.7 million in revenues. After the collapse of the housing bubble they fell to \$41.2 million in Fiscal 2011, a drop of \$75.5 million or 64.7%. To account for this volatility, the Fiscal 2018 estimate is equivalent to the average revenue collected for the last five years.



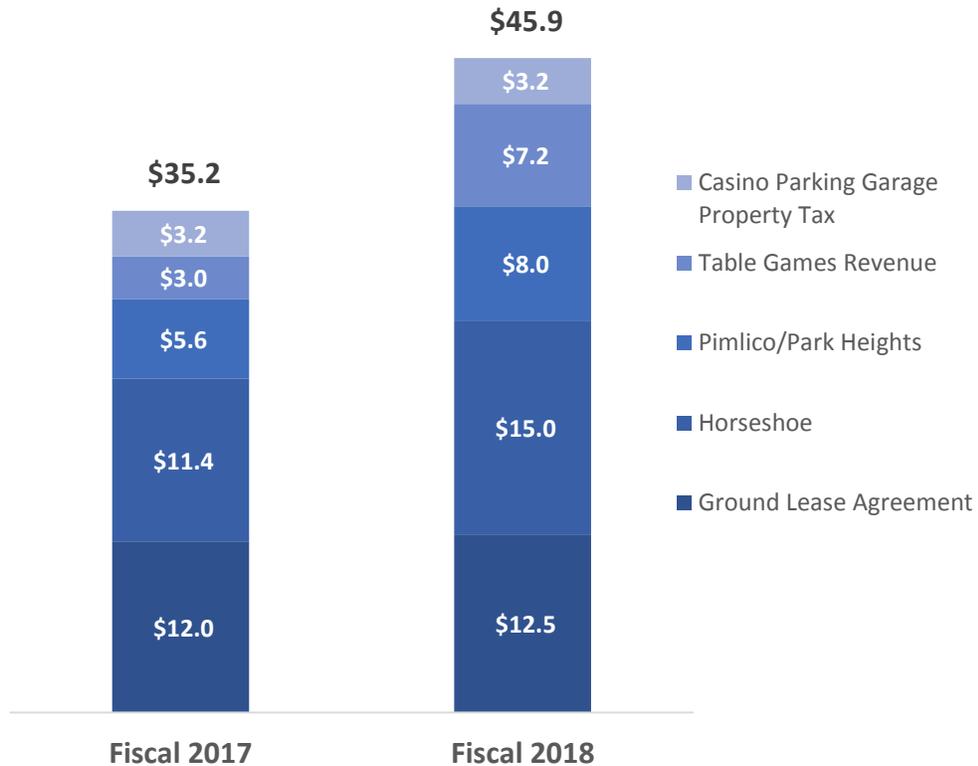
Earnings on Investments

City returns on cash investments for Fiscal 2018 is forecasted at \$1.8 million, 50.5% lower than the Fiscal 2017 budget and 88.9% lower than in Fiscal 2007 when these returns peaked at \$16.2 million. Earnings on investments are the returns on the daily cash balances in the City Treasury and are a function of interest rates. The Fiscal 2018 forecast assumes the possibility of interest rate increases during Fiscal 2018, however based on revenue data as of January 2017, the Fiscal 2017 budgeted amount of \$3.6 million was likely too high an estimate for current fiscal year revenues. The Fiscal 2018 budget estimate is based on a revised forecast provided by the City’s Bureau of Treasury Management.



Casino-Related Revenues

The City receives casino-related revenue to support local neighborhoods impacted by the Pimlico Race Track and Horseshoe Casino, as well as funding to support citywide school construction, parks and recreation projects, property tax relief, and the General Fund at large. The chart below compares budgeted Fiscal 2017 revenue with projected Fiscal 2018 casino-related revenue.



The Fiscal 2018 allocations of this funding adhere to the following formulas, with estimates provided by the State:

Park Heights/Pimlico Race Track

- The state combines gross terminal revenue from Video Lottery Terminals (VLTs) at Maryland Live, MGM National Harbor, and Horseshoe Casinos.
- 5.5% of total combined VLT revenue is used as the starting point for the City’s funding allocation.
- Of the 5.5% total combined VLT revenue, 18% is distributed to Baltimore City.
- The Fiscal 2018 projection is \$8.0 million.
- At least 75% of the funds must be spent in the Park Heights neighborhood; in Fiscal 2018 the City will allocate 85% for this purpose.
- The remaining funding must be spent within a one-mile radius of the Pimlico Race Track.

Park Heights/Pimlico	Fiscal 2018 Estimated
Baltimore City Allocation (18%)	\$8.0 million
<i>Park Heights (85%)</i>	\$6.8 million
<i>Pimlico One-mile Radius (15%)</i>	\$1.2 million

Horseshoe Casino

- The remaining 82% of the 5.5% total combined VLT revenue is then equally divided among Baltimore City, Anne Arundel, and Prince George’s counties, with the City receiving approximately 27.3% of this amount.
- The Fiscal 2018 projection for Baltimore City is \$15 million.
- A City ordinance now requires that, beginning in Fiscal 2018, 50% of the City’s allocation must be remitted directly to the South Baltimore Gateway Community Benefits District to support local projects.
- The remaining 50% is budgeted for core City services within one mile of the casino area, such as the Police sub-station, Fire unit, traffic enforcement, sanitation, and employment development, among other projects.

Horseshoe Casino	Fiscal 2018 Estimated
Baltimore City Allocation (27.3%)	\$15.0 million
<i>South Baltimore District (50%)</i>	\$7.5 million
<i>Horseshoe One-mile Radius (50%)</i>	\$7.5 million

Table Games Revenue

- Beginning in Fiscal 2017, Baltimore City receives 5% of Table Games revenue generated solely by the Horseshoe Casino.
- The Fiscal 2018 projection is \$7.2 million.
- 50% of this funding is allocated for citywide parks and recreation projects.
- 50% is allocated for school construction debt service.

Table Games Revenue	Fiscal 2018 Estimated
Baltimore City Allocation (5%)	\$7.2 million
<i>Parks and recreation (50%)</i>	\$3.6 million
<i>School construction (50%)</i>	\$3.6 million

Horseshoe Ground Lease Agreement Revenue

- The Ground Lease payment from Horseshoe Casino to the City is calculated at either 2.99% of Gross Gaming revenue or an alternate minimum payment amount determined by the contract, whichever is higher.
- The Fiscal 2018 estimated payment is the minimum payment of \$12.5 million.
- Of this amount, 90% is allocated to the General Fund to support the Targeted Homeowners Tax Credit (THTC) and 10% is dedicated to school construction.
- The Agreement also requires a minimum payment of \$3.2 million in Fiscal 2018 for property tax on the Casino parking garage. This revenue supports the General Fund, at large.

Ground Lease Agreement	Fiscal 2018 Estimated
Minimum Ground Lease Payment	\$12.5 million
<i>THTC (90%)</i>	\$11.3 million
<i>School construction (10%)</i>	\$1.2 million

Energy Tax Rate Calculation

The Baltimore City Code mandates that the City’s Energy Tax be imposed as a unit tax based on the number of units of energy delivered to users in Baltimore City. The units are as follows: therms for natural gas, kilowatt-hours for electricity, pounds for steam and gallons for fuel oil and liquefied petroleum gas.

In accordance with Article 28, Section 25-14(c) of the Baltimore City Code, initial tax rates were established for the Fiscal 2005 tax year based upon information provided by utility companies for calendar year 2004. If the companies failed to provide the required information, the Director of Finance was authorized to use any reasonable data to determine a proposed rate of taxation. The base year tax rates for Fiscal 2005 used data provided by suppliers of gas, electricity and steam. Where data was lacking for fuel oil and liquid petroleum gas, the Department used information available from the United States Department of Energy.

The ordinance required the Director of Finance for Fiscal 2006 and subsequent fiscal years to adjust the tax rates by the annual percent change in the Baltimore-Washington Consumer Price Index (CPI) as reported for November by the United States Department of Labor. Ordinance 10-300, enacted in 2010, adjusted the base year tax rate for Fiscal Year 2011. The CPI used for Fiscal 2018 is 1.21%.

Article 28, Section 25-14(g) of the Baltimore City Code mandates that the tax rates computed be included annually in the proposed operating budget submitted by the Board of Estimates. For Fiscal 2018, the recommended rates are as follow:

Fiscal Year 2018 Energy Tax Rates (\$) by User Group and Energy Type

User Group	Electricity (kWh)	Natural Gas (therm)	Fuel Oil (gal)	LPG (gal)	Steam (lbs)
Commercial	0.008417	0.108837	0.124389	0.151807	0.002647
Residential	0.002695	0.031988	0.044894	0.048085	0.000760
Nonprofit	0.005902	0.086459	0.107357	0.132007	0.001566

EXECUTIVE SUMMARY

Summary of City Real Property Tax Credit Programs

The table below describes tax expenditure costs for all locally authorized Real Property Tax Credit programs. It does not attempt to deal with all tax exemptions or other preferential tax treatment expenditures. In Fiscal 2018, the City budget estimates Real Property Tax Credit expenditures totaling about \$104.0 million. This represents an increase of about \$6.9 million compared to the Fiscal 2017 projected expenses of \$97.1 million.

	Fiscal 2017 Projection	Fiscal 2018 Budget
<u>Homestead Tax (104% Assessment Phase-In)</u>		
A 4% taxable assessment increase cap on owner-occupied dwellings.	\$34,660,000	\$33,214,408
<u>Targeted Homeowners Tax Credit</u>		
An annual credit based on improvement assessment values. The credit is granted to owner-occupied properties only.	24,051,000	26,078,000
<u>Enterprise Zone Property Tax Credit (EZTC)</u>		
A 10-year tax credit (80% in the first 5 taxable years and declining by 10 percentage points thereafter) in designated State Enterprise Zones on the increased value of a commercial property after improvements.	14,861,453	14,218,000
<u>Historic Restoration and Rehabilitation Property Tax Credit</u>		
A 10-year tax credit (100% for projects with costs below \$3.5 million; and 80% in the first 5 taxable years and declining by 10 percentage points thereafter for projects with costs above \$3.5 million) on the increased value of a historic property due to improvements.	10,600,000	10,909,000
<u>Brownfields Property Tax Credit</u>		
A five-year tax credit (50%, except for projects that spend more than \$250,000 in eligible work, in which case it is 70%) on the increased value of brownfields sites after eligible improvements are made. For sites located in a State-designated Enterprise Zone areas, the credit is for a 10-year period.	7,890,000	9,006,080
<u>Supplemental Homeowner's Property Tax Credit</u>		
An annual credit providing additional tax relief to low-income City residents eligible for the existing State Homeowner's tax credit.	0	4,500,000
<u>High-Performance Market-Rate Rental Housing Property Tax Credit</u>		
A 15 and 10-year tax credit (15-year if project is located within a targeted area and 10-year for all other City locations) on the increased assessment value of improvements on the construction or conservation of high-performance market rental housing. The 15-year credit is 100% for the first two taxable years, 80% for the following three, 70% and 60% for the next two, 50% for the following three, and declining by 10 percentage point annually thereafter. The 10-year credit is structured the same as the EZTC.	2,700,000	3,445,000
<u>Newly Constructed Dwelling Property Tax Credit</u>		
A five-year tax credit (50% in the first taxable year and declining by 10 percentage points thereafter) on newly constructed or city owned, vacant rehabbed dwellings.	2,300,000	2,297,000
<u>Other Local Option Property Tax Credits</u>		
Includes costs of the new Public Safety Officer's, the neighborhood preservation, vacant dwelling, fallen heroes, and cemetery dwelling property tax credit programs.	30,559	330,000
	<u>\$97,093,012</u>	<u>\$103,997,488</u>

FISCAL 2018
EXECUTIVE SUMMARY
Property Tax One-Cent Yield

<u>ESTIMATED ASSESSABLE BASE</u>	<u>Fiscal 2017</u>	<u>Fiscal 2018</u>	<u>Change</u>
REAL PROPERTY			
Subject to \$2.248 Tax Rate			
Real Property Assessed Locally	\$37,205,168,000	\$37,355,374,968	\$150,206,968
Appeals, Abatements and Deletion Reductions	(1,494,823,927)	(195,279,982)	1,299,543,945
Adjustment for Assessment Increases over 4%	(1,628,187,000)	(1,515,394,105)	112,792,895
New Construction	42,500,000	42,120,000	(380,000)
Rail Road Property	207,419,000	210,632,000	3,213,000
Total Real Property Subject to \$2.248 tax rate	\$34,332,076,073	\$35,897,452,881	\$1,565,376,808
Subject to \$5.62 Tax Rate			
Public Utility Property	128,410,000	134,441,000	\$6,031,000
Total Public Utility Real Property Subject to \$5.62 tax rate	\$128,410,000	\$134,441,000	\$6,031,000
Total Taxable Real Property Value	\$34,460,486,073	\$36,031,893,881	\$1,571,407,808
TANGIBLE PERSONAL PROPERTY			
Subject to \$5.62 Tax Rate			
Railroad Personal Property	\$35,569,000	\$31,427,000	(\$4,142,000)
Ordinary Business Personal Property	\$1,171,600,000	\$992,463,000	(\$179,137,000)
Public Utilities Operating Personal Property	\$865,350,000	\$956,657,000	\$91,307,000
Total Tangible Personal Property	\$2,072,519,000	\$1,980,547,000	(\$91,972,000)
Total Real and Personal Property	\$36,533,005,073	\$38,012,440,881	\$1,479,435,808
ESTIMATED PROPERTY TAX YIELD			
			Fiscal 2018
Property Subject to \$2.248 Tax Rate			
Real Property - Gross Tax Yield from \$0.01 per \$100 of Assessable Base	\$0.01/\$100	\$3,589,745	
Anticipated Rate of Collection		97.5%	
Net Tax Yield from \$0.01 per \$100 of Assessable Base		\$3,500,002	
Estimated Total Tax Yield Property Tax Subject to 2.248 tax rate		\$786,800,372	
Property Subject to \$5.62 Tax Rate (by law 2.5 times Real Property Tax Rate)			
Real Property (Public Utilities) - Gross Tax Yield from \$0.01 per \$100 of Assessable Base	\$0.01/\$100	\$13,444	
Tangible Personal Property - Gross Tax Yield from \$0.01 per \$100 of Assessable Base	\$0.01/\$100	\$198,055	
Total Gross Tax Yield from \$0.01 per \$100 of Assessable Base		\$211,499	
Anticipated Rate of Collection		97.5%	
Net Tax Yield from \$0.01 per \$100 of Assessable Base		\$206,211	
Net Tax Yield from \$0.025 per \$100 of Assessable Base (2.5 times Real Property Tax Rate)		\$515,528	
Estimated Total Tax Yield Property Tax Subject to \$5.62 tax rate		\$115,890,767	
Total Estimated Property Tax Yield - Real and Personal Property		\$902,691,140	
Net Tax Yield from \$0.01 per \$100 of Assessable Base - Real and Personal Property		\$4,015,530	

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Background

Tax expenditures are foregone revenues or allocations of public resources—based on tax laws—which include exemptions, deductions, credits, deferrals, payments in lieu of taxes (PILOTS) or differential tax rates. Tax expenditures are alternative government policy instruments that provide direct operating expenditures for grants, loans or other financial subsidies (e.g., land cost write-downs). Examples of other policy tools include regulations, vouchers, and direct government spending. Both the Federal and Maryland governments are required by law to estimate and report on tax expenditures. Because they are substitutes for direct operating expenditures, it is essential to document and review their costs as part of the annual budget process.

City policymakers use the Property Tax, the City’s main source of revenue, as a policy tool to stimulate development. Reporting total foregone revenue, the gross expenditure associated with each of the tax credits is necessary to provide a complete picture of the City’s budget. The table below shows the credit history related to Newly Constructed Tax Credits and includes total forgone revenue for the history of the credit.

Newly Constructed Dwelling Tax Credit Report

The Newly Constructed Dwelling Tax Credit law requires the Director of Finance to report to the Board of Estimates and to the Mayor and City Council the public costs and benefits of the tax credit. The following table summarizes the number of credits and gross costs on an annual and cumulative basis.

Fiscal Year	No. of Credits Granted		Amount of Credits Granted	
	Annual-New	Cumulative	Annual-Total	Cumulative
1996 - 2000*	107	534	\$173,930	\$869,650
2001	130	664	\$418,921	\$1,288,571
2002	211	875	\$481,491	\$1,770,062
2003	128	1,003	\$704,261	\$2,474,323
2004	165	1,168	\$1,120,122	\$3,594,445
2005	240	1,408	\$1,471,194	\$5,065,639
2006	474	1,882	\$1,653,005	\$6,718,644
2007	446	2,328	\$2,837,490	\$9,556,134
2008	444	2,772	\$2,848,550	\$12,404,684
2009	376	3,148	\$3,999,694	\$16,404,378
2010	371	3,519	\$5,002,670	\$21,407,048
2011	262	3,781	\$4,016,030	\$25,423,078
2012	223	4,004	\$3,164,268	\$28,587,346
2013	261	4,265	\$3,619,532	\$32,206,878
2014	214	4,479	\$3,147,838	\$35,354,716
2015	214	4,693	\$2,823,800	\$38,178,516
2016	261	4,954	\$2,354,271	\$40,532,787
2017 (thru March)	172	5,126	\$2,249,381	\$42,782,168

*The annual amounts are averages for this time period.

The Newly Constructed Tax Credit program is currently the City's seventh largest local Real Property Tax Credit expense. Since the program's adoption, administrative costs have been absorbed within existing City operations.

The City promotes the program in several ways. The Office of Homeownership in the Department of Housing and Community Development promotes the program in its realtor seminars. Information about tax credit programs is available on the City government and the Live Baltimore web sites. The survey included with the online application for the tax credit showed that for this year's applications, the most popular reported source of information regarding the credit was developers (39.5%), followed closely by realtors (37.2%).

The distribution of tax credits granted during Fiscal 2017 indicates that the use of the credit remains concentrated in the same neighborhoods. As the map included in this section shows, over 50% of the credits granted in Fiscal 2017 are in just two neighborhoods and 100% of the credits were granted to properties located in only 27, or 9.7% of the City's 278 neighborhoods. Although in recent years much of the NCTC focused around centrally-located areas such as Downtown or the Inner Harbor areas, in recent years the neighborhoods receiving the highest number of credits have been spread throughout other parts of the City. In Fiscal 2017, Greektown and Uplands are the two neighborhoods with the most tax credits through March 2017.

The Department of Finance has published credit recipient survey results since Fiscal 2000. In preparing this report, the Department of Finance reviewed applications processed for Fiscal Year 2017 through the end of March 2017. The key findings from the survey are summarized below.

Has the program been effectively distributed?

The demographic characteristics of the Newly Constructed Dwelling Tax Credit recipient have not changed compared to prior years. As shown by survey results, data indicate that high income households with higher than average priced homes still represent a substantial portion of the program's beneficiaries. In Fiscal 2017, 58.1% of the survey respondents have incomes above \$100,000 while approximately 15% of the remaining respondents have incomes surpassing the State's 2015 median household income of \$75,847. Accordingly, approximately 73% of survey respondents who utilize the credit have incomes above the State's median income threshold. The City's 2015 median household income was \$42,241. Less than 5% of the survey respondents reported incomes at or below the City's median household income.

The original concept of the Newly Constructed Dwelling Tax Credit program was to attract new residents to the City in order to create a stronger taxable base; however, evidence shows that the credit has also encouraged the purchase of new homes by current City residents who were already property owners. The survey results show that 55.8% of the respondents in Fiscal 2017 lived in the City prior to purchasing the new home, and 29.7% had already purchased a property in the past. About 78.5% of this year's survey respondents reported that they were only looking in the City for their new home. The City now offers the Resident Retention Tax Credit to assist current residents who seek to acquire a new primary residence within the City.

Survey results show that 32.0% of the respondents did not know about the credit prior to purchasing their homes, 45.3% did not know how much the tax credit would reduce their future property tax bills, 18.6% of applicants did not feel the availability of the credit influenced their purchase decision, while 11.6% responded that the credit was not important to their decision or simply did not answer this question.

Has the Program Been a Net Benefit to the City?

Since the credit began in Fiscal 1996, the City has forgone more than \$42.8 million in real property tax revenues due to the availability of the Newly Constructed Tax Credit. This value reflects actual forgone revenues through Fiscal 2016 and includes a projected \$2.3 million total tax credit for Fiscal 2017. Estimated forgone revenue for Fiscal 2018 is \$2.3 million. Tax credits reduce the total funds available to the City and constrain expenditures in areas such as public safety, education, recreation and parks, blight elimination, sanitation, and other basic services that enhance a home purchaser’s desire to live within the City.

Neighborhoods	FY2017		FY2013 to FY2017	
	Percentage of Total NCTC Received	Number of NCTC Received	Percentage of Total NCTC Received	Number of NCTC Received
Top 28 or 10% of all Neighborhoods	89.5%	154	93.8%	997
Next 28 or 10% of all Neighborhoods	5.2%	9	5.1%	54
Remaining 222 or 80% of all Neighborhoods	5.2%	9	1.1%	12
Total	100.0%	172	100.0%	1,063

As illustrated by the chart above and the maps that follow, the Newly Constructed Tax Credit is heavily concentrated in a very limited geographical area. Baltimore City is comprised of 278 neighborhoods. The top 10% of all neighborhoods, or the 28 neighborhoods with the highest number of properties receiving the credit, contained 997, or 93.8%, of the 1,063 properties that received Newly Constructed Tax Credits between Fiscal Years 2013 and 2017. For 80% of Baltimore City neighborhoods, a total of 12 Newly Constructed Tax Credits were received between Fiscal 2013 and 2017. This data does not include properties that qualified for the tax credit prior to Fiscal 2013.

The maps on the following pages detail the location of properties:

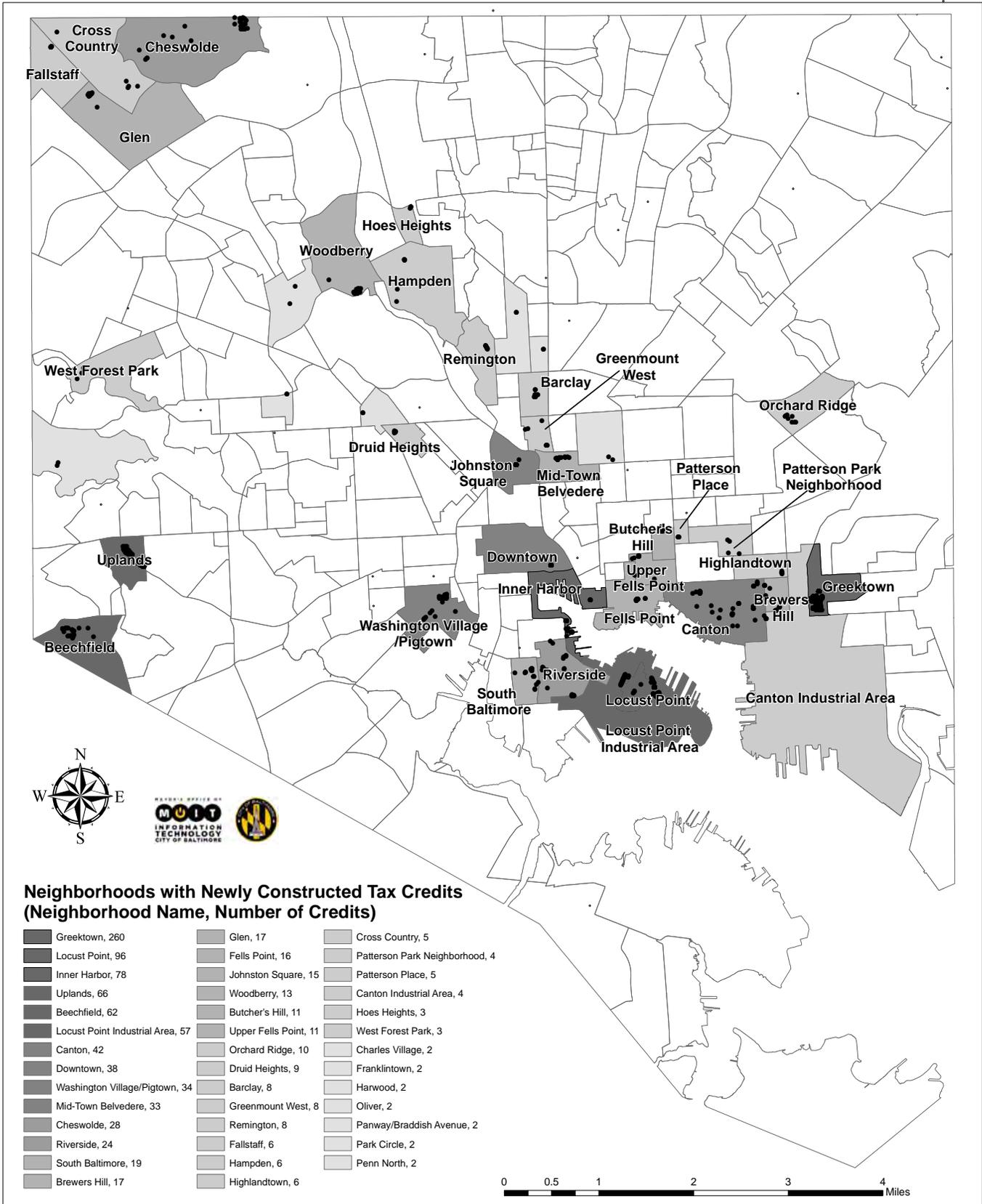
- 1) Those that have received the Newly Constructed Tax Credit during the last five years, from Fiscal 2013 to Fiscal 2017; and
- 2) those for which the City has received applications for the credit in Fiscal 2017.

Although applications for the Newly Constructed Tax Credit are not evenly distributed throughout the neighborhoods in the City, the map below shows that the program is not only benefiting areas such as the Downtown or Inner Harbor neighborhoods. The City’s Ten-Year Financial Plan calls for a review and comprehensive analysis of all of the City’s tax expenditure programs.

City of Baltimore

Newly Constructed Tax Credits by Neighborhood

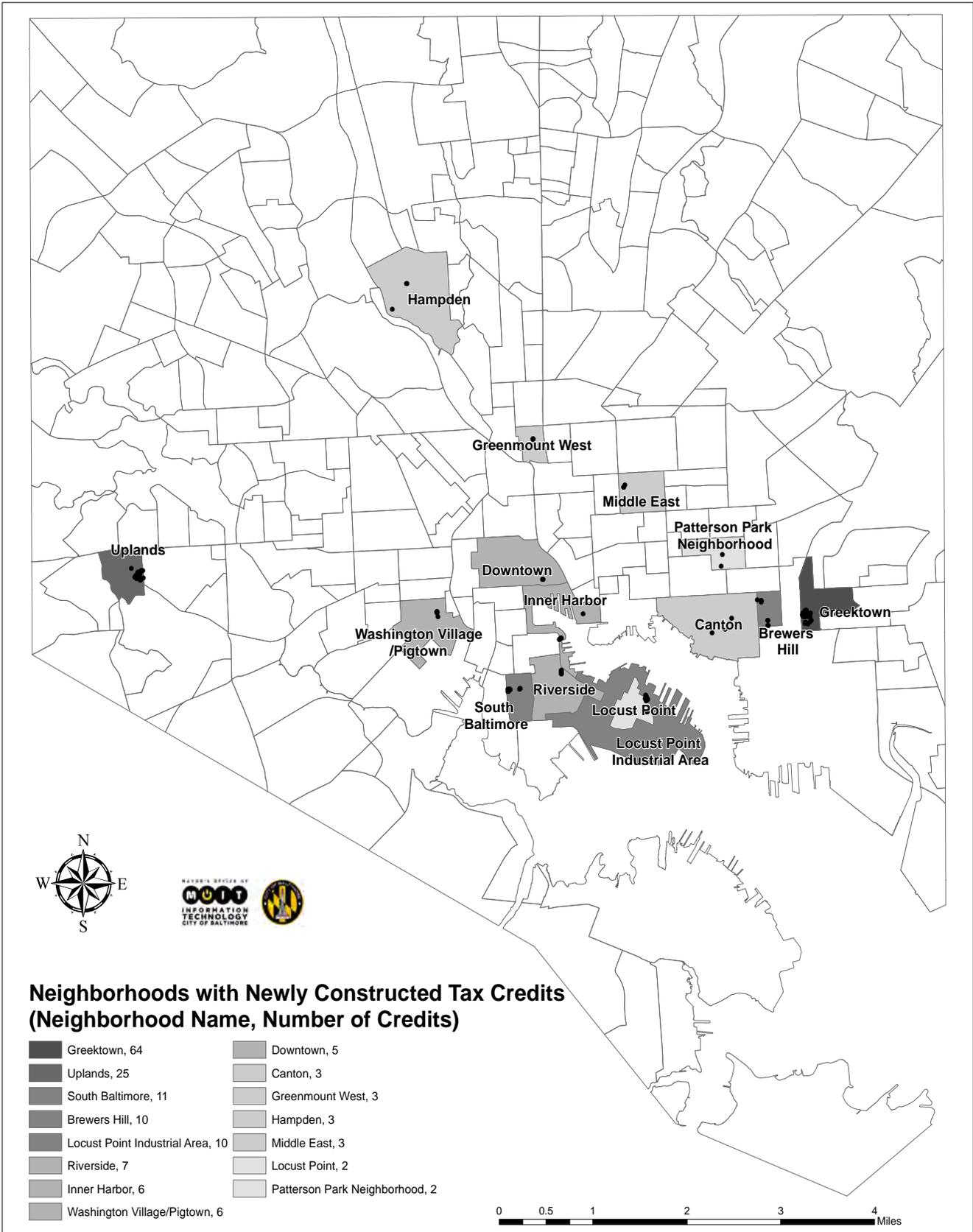
FY 2013 -- FY 2017



City of Baltimore

Newly Constructed Tax Credits by Neighborhood

FY 2017 YTD



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Revenue Detail by Fund

Fiscal 2018

Executive Summary

Board of Estimates Recommendations

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GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
LOCAL TAXES					
Real and Personal Property - Current Year					
001 Real Property	760,686,064	800,650,937	801,720,000	827,380,448	26,729,511
004 Personal Property - Ordinary Business Corps	53,324,083	54,994,000	55,000,000	54,381,863	(612,137)
007 Personal Property - Individuals & Firms	1,637,208	1,329,000	650,000	1,722,000	393,000
008 Personal Property - Public Utilities	50,423,663	50,855,000	51,120,000	52,420,000	1,565,000
027 Homestead Tax Credit	(38,198,509)	(34,738,589)	(34,660,000)	(33,214,408)	1,524,181
	827,872,509	873,090,348	873,830,000	902,689,903	29,599,555
Real and Personal Property - Prior Years					
010 Real Property	11,619,972	2,000,000	1,000,000	1,500,000	(500,000)
011 Personal Property	(539,190)	6,874,643	1,000,000	2,200,000	(4,674,643)
	11,080,782	8,874,643	2,000,000	3,700,000	(5,174,643)
Real and Personal Property - Other Revenue					
016 Video Lottery Terminal	9,561,331	9,900,000	9,900,000	11,250,000	1,350,000
021 Penalties and Interest	5,773,486	6,170,000	6,170,000	6,200,000	30,000
022 Discounts	(2,023,899)	(1,987,745)	(2,100,000)	(2,000,000)	(12,255)
023 Supplemental Homeowner's Tax Credit	0	0	0	(4,500,000)	(4,500,000)
025 Newly Constructed Dwellings Tax Credit	(2,354,271)	(1,602,357)	(2,300,000)	(2,297,000)	(694,643)
028 Other Property Tax Credits	(7,665,345)	(9,922,791)	(7,920,000)	(9,036,080)	886,711
029 Enterprise Zone Tax Credit	(14,920,059)	(13,952,075)	(14,861,453)	(14,218,000)	(265,925)
030 Cemetery Dwellings Tax Credit	0	(559)	(559)	0	559
031 Public Safety Officer Tax Credit	0	0	0	(300,000)	(300,000)
032 Historic Property Tax Credits	(7,774,025)	(11,736,140)	(10,600,000)	(10,909,000)	827,140
038 Tax Increment Financing Districts	11,345,154	19,060,256	19,060,256	20,489,020	1,428,764
039 Targeted Homeowners Tax Credit	(22,627,705)	(24,330,000)	(24,051,000)	(26,078,000)	(1,748,000)
040 High-Performance Market-Rate Rental Housing Tax Credit	(373,314)	(996,868)	(2,700,000)	(3,445,000)	(2,448,132)
	(31,058,647)	(29,398,279)	(29,402,756)	(34,844,060)	(5,445,781)
Sales and Service					
041 Heavy Equipment Gross Receipts	51,794	103,000	103,000	100,000	(3,000)
045 Gas	12,823,748	13,561,000	12,301,153	12,632,000	(929,000)
046 Electricity	29,322,641	27,172,000	27,318,530	27,646,315	474,315
047 Fuel Oil	270,239	388,000	195,905	250,000	(138,000)
049 Steam	1,054,446	1,278,000	1,083,878	1,189,400	(88,600)
050 Telephone	33,836,903	34,070,000	34,070,000	34,063,000	(7,000)
051 Homeless Relief Assistance Tax	467,823	741,000	741,000	700,000	(41,000)
052 Hotel (transferred from Conv Ctr Bond Redemption Fund)	29,630,497	28,419,912	29,590,846	29,145,912	726,000
053 Property Transfer	47,642,901	28,916,321	37,630,055	34,059,048	5,142,727
054 Liquid Petroleum Gas	93,410	88,000	94,056	90,000	2,000
055 Refund Reserve - Gas	(11,825)	(70,000)	(70,000)	(65,559)	4,441
056 Refund Reserve - Electricity	(15,920)	(158,000)	(158,000)	(161,400)	(3,400)
	155,166,657	134,509,233	142,900,423	139,648,716	5,139,483
Payments in Lieu of Taxes					
060 Housing Authority	331,915	400,000	1,037,111	450,000	50,000
062 Urban Renewal	107,872	70,000	151,932	105,000	35,000
063 Off-Street Parking Properties	1,404,739	705,000	753,860	705,000	0
064 Maryland Port and Stadium Authorities	1,555,195	1,048,928	964,459	995,492	(53,436)
065 Apartments	3,624,259	3,000,000	3,299,803	3,372,612	372,612
067 Economic Development	1,858,064	1,000,000	1,446,292	1,500,000	500,000
068 Annual Nonprofit Contribution	1,065,658	6,000,000	6,000,000	6,000,000	0
	9,947,702	12,223,928	13,653,457	13,128,104	904,176
Other Local Taxes					

GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
075 Tax Sale Fees and Other	493,193	410,000	410,000	400,000	(10,000)
076 Simulated Slot Machine Registration Tax	1,324,839	756,000	756,000	1,000,000	244,000
077 Billboard Tax	2,978,594	0	1,600,000	1,700,000	1,700,000
078 Taxicab Excise Tax	45,617	200,000	26,610	50,000	(150,000)
	4,842,243	1,366,000	2,792,610	3,150,000	1,784,000
Income Tax					
081 Income Tax - State Collected	326,593,145	305,412,000	319,779,000	332,808,000	27,396,000
083 Unallocated Withholding - Regular	8,851,259	6,942,867	8,538,000	8,500,000	1,557,133
084 Income Tax - Fiduciary Returns	10,538,720	5,301,331	8,078,000	9,500,000	4,198,669
	345,983,124	317,656,198	336,395,000	350,808,000	33,151,802
Locally Imposed - State Collected					
085 Admissions	7,813,165	8,465,000	7,813,165	8,008,856	(456,144)
086 Recordation	44,273,451	35,634,000	34,204,205	33,641,294	(1,992,706)
	52,086,616	44,099,000	42,017,370	41,650,150	(2,448,850)
Taxes - State Shared					
101 State Highway User Revenues	142,212,569	142,300,081	138,844,629	146,251,280	3,951,199
	142,212,569	142,300,081	138,844,629	146,251,280	3,951,199
TOTAL: LOCAL TAXES	1,518,133,555	1,504,721,152	1,523,030,733	1,566,182,093	61,460,941
LICENSES AND PERMITS					
General Government					
120 City/State Business	1,900,000	1,900,000	1,750,000	1,700,000	(200,000)
122 Alcoholic Beverage	2,453,085	2,000,000	2,000,000	2,000,000	0
123 Marriage	19,090	25,000	75,720	20,000	(5,000)
	4,372,175	3,925,000	3,825,720	3,720,000	(205,000)
Public Safety and Regulation					
126 Media Production Services	12,975	55,000	62,246	30,600	(24,400)
127 Cable TV Franchise Fee	7,330,606	6,742,723	7,630,464	7,871,400	1,128,677
128 Fire Prevention - Fire Code	1,417,567	1,395,225	1,395,225	1,400,000	4,775
129 Rental Property Registrations	4,870,890	5,186,710	5,187,071	4,997,945	(188,765)
131 Miscellaneous Building Inspection Revenue	1,091,329	1,141,076	1,056,049	1,049,764	(91,312)
132 Building Construction Permits	5,488,286	5,000,000	5,000,000	5,250,000	250,000
133 Electrical Installation Permits	1,157,630	933,608	1,377,874	990,818	57,210
134 Mechanical Equipment Permits	1,071,718	829,874	1,208,918	856,613	26,739
135 Plumbing Permits	655,115	539,418	746,470	583,851	44,433
136 Elevator Permits	1,700	1,037	1,037	1,000	(37)
137 Filing Fees - Building Permits	1,646,408	1,174,907	1,174,907	1,362,552	187,645
139 Public Assembly Permits	6,236	10,373	6,740	8,000	(2,373)
140 Professional and Occupational Licenses	707,259	508,298	508,298	514,020	5,722
141 Vacant Structure Fee	594,996	466,804	594,996	535,806	69,002
143 Amusement Device Licenses	34,230	55,139	28,030	40,000	(15,139)
145 Dog Licenses and Kennel Permits	9,990	31,120	7,270	10,000	(21,120)
146 Special Police Appointment Fees	1,722	10,892	294	3,000	(7,892)
149 Vacant Lot Registration Fees	174,412	114,108	114,108	130,000	15,892
150 Trades Licenses	131,795	150,415	150,415	132,830	(17,585)
	26,404,864	24,346,727	26,250,412	25,768,199	1,421,472
Health					
151 Food Dealer Permits	1,838,720	2,126,551	1,599,296	2,179,588	53,037
152 Swimming Pool Licenses	65,885	51,867	6,230	60,000	8,133
154 Solid Waste Collection Permits	137,165	145,228	195,922	147,300	2,072
	2,041,770	2,323,646	1,801,448	2,386,888	63,242
Highways					

GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
163 Minor Privilege Permits	2,478,850	1,630,400	948,146	2,400,000	769,600
164 Public Utility Pole Permits	553,150	549,791	549,791	561,900	12,109
166 Telephone Conduit Franchise	0	123,444	0	0	(123,444)
169 Permits and Inspection - Private Paving	62,221	62,241	76,040	69,400	7,159
170 Developer Agreement Fees	1,010,804	414,937	453,171	550,000	135,063
171 Street Cut Permit Fees	695,198	518,671	653,020	650,000	131,329
173 Special Event Permits	144,801	0	65,398	100,000	100,000
	4,945,024	3,299,484	2,745,566	4,331,300	1,031,816
TOTAL: LICENSES AND PERMITS	37,763,833	33,894,857	34,623,146	36,206,387	2,311,530
FINES AND FORFEITS					
177 Court-Ordered Restitution and Misc Fines	32,520	3,000	3,645	10,000	7,000
178 Civil Citations	41,979	135,000	40,140	87,516	(47,484)
179 Sheriff Revenue	252,546	206,000	303,422	230,000	24,000
180 Forfeitures Drug/Gambling Contraband	59,173	1,500,000	1,500,000	1,500,000	0
181 Minimum Wage Violations	65,364	120,700	9,670	60,300	(60,400)
182 Environmental Control Board Fines	7,612,862	6,900,000	7,600,000	7,650,000	750,000
185 Bad Check Charge	(190,150)	35,000	35,000	30,000	(5,000)
186 District Court Housing Fines	70	4,000	0	3,000	(1,000)
187 Liquor Board Fines	144,148	125,000	70,100	114,878	(10,122)
188 Library Fines	206,802	188,000	188,000	200,000	12,000
189 Stormwater and Sediment Control Penalties	1,600	2,000	0	0	(2,000)
190 Street Cut Fines	0	250,000	250,000	255,500	5,500
191 Red Light Fines	75,158	0	0	3,458,000	3,458,000
193 Speed Cameras	80,786	0	0	4,489,000	4,489,000
	8,382,858	9,468,700	9,999,977	18,088,194	8,619,494
TOTAL: FINES AND FORFEITS	8,382,858	9,468,700	9,999,977	18,088,194	8,619,494
USE OF MONEY					
200 Earnings on Investments	1,174,481	3,633,000	1,800,000	1,800,000	(1,833,000)
206 Interest on Property Sale Proceeds	610,504	43,000	69,050	191,640	148,640
207 Interest on Gambling/Drug Confiscated Cash	66,684	48,000	48,000	50,000	2,000
217 Principal - Private Activity Bond Loans	6,608	6,000	3,258	7,200	1,200
218 Interest - Private Activity Bond Loans	2,526	2,000	378	2,100	100
227 Principal - CDFC Loan	0	348,000	348,000	221,500	(126,500)
228 Interest - CDFC Loan	155,108	33,000	33,000	33,700	700
232 Principal - SELP Loans	2,018	0	0	700	700
233 Interest - SELP Loans	505	0	0	0	0
238 Interest - 4th Industrial Commercial Loan	0	1,000	0	100	(900)
239 Principal - 4th Industrial Commercial Loan	0	17,000	0	5,900	(11,100)
250 Principal - MILA/MICRF	203,674	181,000	181,000	204,300	23,300
251 Interest - MILA/MICRF	320	2,000	0	800	(1,200)
252 Principal - Off-Street Parking Loans	35,000	11,000	0	11,200	200
253 Interest - Off-Street Parking Loans	83,012	24,000	24,000	24,500	500
255 Principal - Economic Development Loan Program	347,614	432,000	258,178	414,900	(17,100)
256 Interest - Economic Development Loan Program	80,595	80,000	58,398	87,200	7,200
259 Interest - Community Development Fund Loans	6,173	3,000	1,572	4,800	1,800
260 Principal - Community Development Fund Loans	14,514	17,000	13,806	23,100	6,100
	2,789,336	4,881,000	2,838,640	3,083,640	(1,797,360)
TOTAL: USE OF MONEY	2,789,336	4,881,000	2,838,640	3,083,640	(1,797,360)
USE OF PROPERTY					

GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
201 Rental of City Property	2,954,941	1,000,000	3,015,158	2,900,000	1,900,000
209 Expressway Air Space Leases	13,641	8,400	11,786	12,500	4,100
210 Rental from Inner Harbor Shoreline	861,952	1,025,000	729,154	820,000	(205,000)
211 Rental from C. L. Benton, Jr. Office Building	1,494,028	0	0	0	0
214 SW Resource Recovery Facility - Lease	1,509,398	1,630,150	1,630,150	1,760,562	130,412
226 Rental from Harborplace Pavilions	0	150,000	0	0	(150,000)
236 MOCJ Citiwatch-Reimb Housing	0	0	428,924	0	0
240 Harbor Shoreline - Docking Fees	0	125,000	69,994	50,000	(75,000)
241 Rental from Community Centers	148,690	240,000	102,520	0	(240,000)
243 Rentals from Wharfage - Piers and Docks	25,872	20,000	12,544	15,000	(5,000)
246 Royal Farm Arena Naming Rights	187,500	250,000	250,000	250,000	0
247 Convention Center	10,717,145	9,283,008	9,104,810	10,219,684	936,676
248 Municipal Advertising	0	0	0	1,000,000	1,000,000
	17,913,167	13,731,558	15,355,040	17,027,746	3,296,188
TOTAL: USE OF PROPERTY	17,913,167	13,731,558	15,355,040	17,027,746	3,296,188
FEDERAL GRANTS					
280 Civil Defense	7,000	179,000	235,850	220,000	41,000
	7,000	179,000	235,850	220,000	41,000
TOTAL: FEDERAL GRANTS	7,000	179,000	235,850	220,000	41,000
STATE AID					
401 Targeted Aid (Income Tax Disparity)	79,051,790	78,105,345	78,105,345	79,051,790	946,445
403 Teachers Retirement Supplemental Grant	10,047,597	10,047,956	10,047,956	10,047,956	0
415 Local Health Operations	9,547,925	8,825,785	8,825,785	8,218,630	(607,155)
475 Library Services	6,096,300	6,143,745	6,143,745	6,250,000	106,255
482 War Memorial	180,000	180,000	180,000	180,000	0
	104,923,612	103,302,831	103,302,831	103,748,376	445,545
TOTAL: STATE AID	104,923,612	103,302,831	103,302,831	103,748,376	445,545
PRIVATE GRANTS					
590 Interest - Enoch Pratt Endowment	25,663	26,000	26,000	26,600	600
592 Voluntary Payment In Lieu of Taxes	100,000	0	100,000	0	0
	125,663	26,000	126,000	26,600	600
TOTAL: PRIVATE GRANTS	125,663	26,000	126,000	26,600	600
CHARGES - CURRENT SERVICES					
General Government					
618 Transcriber Service Charges	19,000	25,934	64,740	20,000	(5,934)
620 RBDL Administration Fee	7,964	6,114	708	7,300	1,186
621 Bill Drafting Service	37,685	22,822	26,280	28,000	5,178
623 Zoning Appeal Fees	73,845	92,323	79,850	82,000	(10,323)
624 Rehab Loan Application Fees	0	6,224	0	6,600	376
628 Civil Marriage Ceremonies	12,844	15,664	11,960	13,000	(2,664)
632 Lien Reports	2,013,105	1,659,701	1,659,701	1,880,449	220,748
633 Election Filing Fees	2,081	6,224	4,308	4,000	(2,224)
634 Surveys Sales of Maps and Records	21,717	25,934	16,128	23,000	(2,934)
636 3rd Party Disability Recoveries	33,680	57,054	33,680	45,000	(12,054)
638 Semi - Annual Tax Payment Fee	114,254	795,098	100,000	200,000	(595,098)
639 Tax Roll Service Charge	26,154	20,747	16,256	20,000	(747)

GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
640 Audit Fees - Comptroller's Office	406,000	596,472	406,000	507,566	(88,906)
648 Sub-division Plat Charges	18,225	13,485	8,850	15,000	1,515
649 Vending Machine Commissions	42,265	46,000	46,000	40,000	(6,000)
651 Reimbursement for Use of City Vehicles	14,951	20,000	12,796	15,000	(5,000)
654 Charges for Central City Services	12,598,526	14,725,000	12,000,000	14,727,000	2,000
	15,442,296	18,134,796	14,487,257	17,633,915	(500,881)
Public Safety and Regulation					
657 Liquor Board Advertising Fees	87,611	70,000	70,000	70,000	0
659 Sale of Accident and Incident Reports	386,211	260,000	310,964	330,462	70,462
660 Stadium Security Service Charges	1,843,483	1,600,000	1,600,000	2,656,252	1,056,252
661 Port Fire Protection (MPA)	1,399,940	1,399,940	1,399,940	1,399,940	0
662 Sheriff - District Court Service	4,997,203	5,346,000	5,052,220	5,332,243	(13,757)
663 False Alarm Fees	229,607	250,000	213,932	352,635	102,635
664 Fire Dept - Sales of Reports	28,023	21,000	29,730	21,500	500
665 Fire Ambulance Stadium Service	0	27,000	0	25,000	(2,000)
	8,972,078	8,973,940	8,676,786	10,188,032	1,214,092
Health					
680 Miscellaneous Environmental Fees	6,145	15,000	5,330	10,000	(5,000)
700 New Health Plan Review	8,970	22,461	8,970	10,000	(12,461)
701 Hazard Analysis Critical Control Point Plan	281	1,500	200	0	(1,500)
	15,396	38,961	14,500	20,000	(18,961)
Social Services					
706 Sheriff - DHR Service Agreement	0	345,384	469,000	353,000	7,616
	0	345,384	469,000	353,000	7,616
Recreation and Culture					
773 Video Rental and Other Charges	(12,453)	120,000	8,428	0	(120,000)
777 Swimming Pool Passes	159,608	125,000	232,748	145,000	20,000
	147,155	245,000	241,176	145,000	(100,000)
Highways					
785 Impounding Cars - Storage	4,650,283	4,700,000	4,522,458	4,803,400	103,400
787 Impounding Cars	3,063,836	3,500,000	2,746,812	3,288,100	(211,900)
790 Stormwater and Sediment Control Fees	6,765	100,000	0	0	(100,000)
791 General Revenue Highways	3,388,739	3,500,000	3,500,000	3,577,000	77,000
792 Traffic Engineering	111,182	31,000	31,000	31,700	700
	11,220,805	11,831,000	10,800,270	11,700,200	(130,800)
Sanitation and Waste Removal					
795 Landfill Disposal Tipping Fees	7,137,299	8,000,000	6,988,161	7,000,000	(1,000,000)
797 Solid Waste Surcharge	2,743,581	2,800,000	2,852,024	2,861,600	61,600
799 Southwest Resource Recovery Facility	1,022,463	800,000	777,247	800,000	0
	10,903,343	11,600,000	10,617,432	10,661,600	(938,400)
TOTAL: CHARGES - CURRENT SERVICES	46,701,073	51,169,081	45,306,421	50,701,747	(467,334)

GENERAL FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
OTHER REVENUE					
General Government					
864 Single Stream Recycables	1,401	0	0	0	0
865 Vacant Structure and Boarding Fees	0	0	0	1,500,000	1,500,000
868 CHAP - Miscellaneous Revenue	32,749	20,000	20,115	30,000	10,000
872 Miscellaneous Revenue	1,063,969	814,690	814,690	800,000	(14,690)
873 Penalties and Interest Excl Real and Personal	775,593	500,000	500,000	800,000	300,000
877 Sale of Scrap/Recycled Metal	21,332	20,000	17,080	20,400	400
879 Legal Settlement Proceeds	5,906,068	0	0	0	0
	7,801,112	1,354,690	1,351,885	3,150,400	1,795,710
Public Safety and Regulation					
885 Police - Miscellaneous	25,580	27,000	0	29,270	2,270
	25,580	27,000	0	29,270	2,270
TOTAL: OTHER REVENUE	7,826,692	1,381,690	1,351,885	3,179,670	1,797,980
REVENUE TRANSFERS					
951 From (To) Loan and Guarantee Enterprise Fund	(500,000)	(500,000)	(500,000)	(500,000)	0
952 From (To) Parking Management Fund	48,128,993	39,525,585	43,835,786	36,301,547	(3,224,038)
956 From (to) Conduit Enterprise Fund	750,000	0	0	0	0
966 Transfer from (to) Stormwater	0	1,000,000	1,000,000	0	(1,000,000)
	48,378,993	40,025,585	44,335,786	35,801,547	(4,224,038)
Revenue Transfers					
957 From (To) Children's Fund	0	0	0	(11,866,000)	(11,866,000)
	0	0	0	(11,866,000)	(11,866,000)
TOTAL: REVENUE TRANSFERS	48,378,993	40,025,585	44,335,786	23,935,547	(16,090,038)
SURPLUS					
999 Prior Year Fund Balance	27,400,000	0	0	12,500,000	12,500,000
	27,400,000	0	0	12,500,000	12,500,000
TOTAL: SURPLUS	27,400,000	0	0	12,500,000	12,500,000
TOTAL GENERAL FUND	1,820,345,782	1,762,781,454	1,780,506,309	1,834,900,000	72,118,546

PARKING MANAGEMENT FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
PARKING MANAGEMENT					
Licenses and Permits					
141 Residential Parking Permits	616,535	568,080	629,683	624,080	56,000
	616,535	568,080	629,683	624,080	56,000
Use of Money and Property					
201 Rental of Property	5,700	3,876	3,040	5,200	1,324
	5,700	3,876	3,040	5,200	1,324
Charges - Current Services					
759 Temporary Parking Lots	276,132	172,914	257,318	172,914	0
760 Parking Garages	5,343,944	4,487,764	5,360,550	5,300,000	812,236
866 Booting Fee	786,743	824,918	745,546	745,100	(79,818)
867 ZIPCAR Income	48,300	49,866	126,850	49,866	0
872 Miscellaneous Revenue	109,330	61,500	0	0	(61,500)
	6,564,449	5,596,962	6,490,264	6,267,880	670,918
TOTAL: PARKING MANAGEMENT	7,186,684	6,168,918	7,122,987	6,897,160	728,242
REVENUE TRANSFERS					
950 From Parking Enterprise Fund	65,065,451	58,131,672	60,057,200	55,047,357	(3,084,315)
952 To General Fund	(48,802,810)	(39,525,585)	(43,835,786)	(36,301,547)	3,224,038
	16,262,641	18,606,087	16,221,414	18,745,810	139,723
TOTAL: REVENUE TRANSFERS	16,262,641	18,606,087	16,221,414	18,745,810	139,723
TOTAL PARKING MANAGEMENT FUND	23,449,325	24,775,005	23,344,401	25,642,970	867,965

PARKING ENTERPRISE FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
PARKING ENTERPRISE					
Taxes - Local					
044 Parking Garages and Lots Tax	30,473,544	38,061,000	30,978,510	30,978,500	(7,082,500)
	30,473,544	38,061,000	30,978,510	30,978,500	(7,082,500)
Licenses and Permits					
165 Open Air Garage Permits	702,759	925,000	925,000	818,200	(106,800)
	702,759	925,000	925,000	818,200	(106,800)
Fines and Forfeits					
181 Parking Fines	13,899,094	14,927,713	12,814,322	14,000,000	(927,713)
182 Penalties on Parking Fines	6,548,610	7,122,717	6,598,040	7,000,000	(122,717)
	20,447,704	22,050,430	19,412,362	21,000,000	(1,050,430)
Use of Money and Property					
579 Garage Income	27,550,364	25,531,074	27,735,272	25,668,495	137,421
	27,550,364	25,531,074	27,735,272	25,668,495	137,421
Charges - Current Services					
664 Parking Meters	15,380,091	15,756,886	15,161,904	16,000,000	243,114
	15,380,091	15,756,886	15,161,904	16,000,000	243,114
TOTAL: PARKING ENTERPRISE	94,554,462	102,324,390	94,213,048	94,465,195	(7,859,195)
REVENUE TRANSFERS					
952 To Parking Management Fund	(65,065,451)	(58,131,672)	(60,057,200)	(55,047,357)	3,084,315
953 From (To) Special Fund	(6,094,709)	(12,412,200)	(6,195,700)	(6,195,700)	6,216,500
	(71,160,160)	(70,543,872)	(66,252,900)	(61,243,057)	9,300,815
TOTAL: REVENUE TRANSFERS	(71,160,160)	(70,543,872)	(66,252,900)	(61,243,057)	9,300,815
TOTAL PARKING ENTERPRISE FUND	23,394,302	31,780,518	27,960,148	33,222,138	1,441,620

CONVENTION CENTER BOND FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
CONVENTION CENTER BOND FUND					
Sales and Service Taxes					
052 Hotel Tax	34,147,258	33,000,000	34,165,471	33,726,000	726,000
	34,147,258	33,000,000	34,165,471	33,726,000	726,000
TOTAL: CONVENTION CENTER BOND FUND	34,147,258	33,000,000	34,165,471	33,726,000	726,000
REVENUE TRANSFERS					
953 Transfer to General Fund	(29,630,497)	(28,419,912)	(29,590,846)	(29,145,912)	(726,000)
	(29,630,497)	(28,419,912)	(29,590,846)	(29,145,912)	(726,000)
TOTAL: REVENUE TRANSFERS	(29,630,497)	(28,419,912)	(29,590,846)	(29,145,912)	(726,000)
TOTAL CONVENTION CENTER BOND FUND	4,516,761	4,580,088	4,574,625	4,580,088	0

WATER UTILITY FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
WATER UTILITY					
Use of Money and Property					
851 Water - Rental Real Property	165,436	209,000	209,097	209,097	97
856 Interest Income	229,949	100,000	0	0	(100,000)
	395,385	309,000	209,097	209,097	(99,903)
Charges - Current Services					
839 Metered Water - Carroll County	670,118	703,000	703,347	772,978	69,978
840 Metered Water - City	88,139,500	95,165,000	90,844,784	102,636,479	7,471,479
841 Metered Water - Baltimore County	53,386,132	57,083,000	57,117,803	59,214,815	2,131,815
842 Metered Water - Anne Arundel County	2,691,734	1,135,000	1,135,352	1,135,352	352
843 Metered Water - Howard County	18,289,401	19,632,000	19,632,801	21,576,448	1,944,448
844 Metered Water - Harford County	182,414	265,000	265,127	265,127	127
846 Special Water Supply Service	750,245	965,000	965,311	1,060,877	95,877
848 Private Fire Protection Service	812,387	773,000	746,765	746,765	(26,235)
849 Fire Hydrant Permits	146,501	56,000	55,551	55,551	(449)
854 Water Charges to City Agencies	17,240,553	7,550,000	9,012,256	9,805,425	2,255,425
858 Penalties	12,271,033	6,003,000	6,003,449	6,003,449	449
	194,580,018	189,330,000	186,482,546	203,273,266	13,943,266
Other Revenue					
852 Sundry Water	154,045	170,000	169,867	169,867	(133)
859 Scrap Meters	32,669	2,000	1,956	1,956	(44)
	186,714	172,000	171,823	171,823	(177)
Fund Balance					
855 From (To) Fund Balance	0	(2,590,384)	(592,345)	(882,963)	1,707,421
	0	(2,590,384)	(592,345)	(882,963)	1,707,421
TOTAL: WATER UTILITY	195,162,117	187,220,616	186,271,121	202,771,223	15,550,607
TOTAL WATER UTILITY FUND	195,162,117	187,220,616	186,271,121	202,771,223	15,550,607

WASTE WATER UTILITY FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
CHARGES - CURRENT SERVICES					
Charges - Current Services					
839 Penalties	0	6,003,000	6,003,449	6,003,449	449
	<u>0</u>	<u>6,003,000</u>	<u>6,003,449</u>	<u>6,003,449</u>	<u>449</u>
TOTAL: CHARGES - CURRENT SERVICES	0	6,003,000	6,003,449	6,003,449	449
WASTE WATER UTILITY					
Fines and Forfeits					
838 Non - Compliance Fines	8,750	3,000	19,414	19,414	16,414
	<u>8,750</u>	<u>3,000</u>	<u>19,414</u>	<u>19,414</u>	<u>16,414</u>
Use of Money and Property					
835 Interest Income	0	50,000	0	0	(50,000)
	<u>0</u>	<u>50,000</u>	<u>0</u>	<u>0</u>	<u>(50,000)</u>
Charges - Current Services					
825 Sewerage Charges - City	163,227,800	157,478,000	151,206,094	168,737,912	11,259,912
826 Sewerage Charges - Counties	62,577,053	77,359,000	77,308,628	80,679,975	3,320,975
831 Sewerage Charges - City Agencies	10,907,246	11,615,000	13,553,105	14,625,156	3,010,156
832 Industrial Waste Surcharge - City	2,943,484	3,176,000	3,175,597	3,175,597	(403)
833 Industrial Waste Surcharge - Counties	1,994,391	2,528,000	2,528,481	2,793,972	265,972
837 Pretreatment Permits	301,245	265,000	264,959	264,959	(41)
	<u>241,951,219</u>	<u>252,421,000</u>	<u>248,036,864</u>	<u>270,277,571</u>	<u>17,856,571</u>
Other Revenue					
830 Sanitation and Waste Removal - General	2,725,899	2,579,000	2,578,963	2,578,963	(37)
	<u>2,725,899</u>	<u>2,579,000</u>	<u>2,578,963</u>	<u>2,578,963</u>	<u>(37)</u>
Fund Balance					
834 From (To) Fund Balance	0	(1,463,935)	2,696,481	5,716,674	7,180,609
	<u>0</u>	<u>(1,463,935)</u>	<u>2,696,481</u>	<u>5,716,674</u>	<u>7,180,609</u>
TOTAL: WASTE WATER UTILITY	244,685,868	253,589,065	253,331,722	278,592,622	25,003,557
TOTAL WASTE WATER UTILITY FUND	244,685,868	259,592,065	259,335,171	284,596,071	25,004,006

STORMWATER UTILITY FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
FINES AND FORFEITS					
Fines and Forfeits					
189 Sediment and Erosion Control Penalties	20,100	0	0	0	0
	20,100	0	0	0	0
TOTAL: FINES AND FORFEITS	20,100	0	0	0	0
CHARGES - CURRENT SERVICES					
845 Penalties	0	1,415,000	1,503,990	1,334,100	(80,900)
	0	1,415,000	1,503,990	1,334,100	(80,900)
Charges - Current Services					
790 Stormwater Management Fee	111,467	0	0	0	0
825 Stormwater Fee	27,951,712	28,900,000	27,247,957	29,467,335	567,335
835 Interest Income	18,312	0	0	0	0
	28,081,491	28,900,000	27,247,957	29,467,335	567,335
TOTAL: CHARGES - CURRENT SERVICES	28,081,491	30,315,000	28,751,947	30,801,435	486,435
REVENUE TRANSFERS					
Revenue Transfers					
900 Transfer from (to) Fund Balance	0	2,056,132	7,527,701	3,888,900	1,832,768
967 Transfer from (to) General Fund	0	(1,000,000)	0	0	1,000,000
	0	1,056,132	7,527,701	3,888,900	2,832,768
TOTAL: REVENUE TRANSFERS	0	1,056,132	7,527,701	3,888,900	2,832,768
TOTAL STORMWATER UTILITY FUND	28,101,591	31,371,132	36,279,648	34,690,335	3,319,203

CONDUIT ENTERPRISE FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
USE OF PROPERTY					
249 Conduit Rental	38,722,092	52,000,000	52,000,000	31,746,671	(20,253,329)
	38,722,092	52,000,000	52,000,000	31,746,671	(20,253,329)
TOTAL: USE OF PROPERTY	38,722,092	52,000,000	52,000,000	31,746,671	(20,253,329)
REVENUE TRANSFERS					
953 Transfer (To) From General Fund	(750,000)	0	0	0	0
	(750,000)	0	0	0	0
TOTAL: REVENUE TRANSFERS	(750,000)	0	0	0	0
TOTAL CONDUIT ENTERPRISE FUND	37,972,092	52,000,000	52,000,000	31,746,671	(20,253,329)

LOAN AND GUARANTEE ENTERPRISE FUND

REVENUE ESTIMATES: FUNDS DETAIL FOR OPERATING AND CAPITAL

REVENUE ACCOUNTS	FISCAL 2016 ACTUAL	FISCAL 2017 BUDGET	FISCAL 2017 PROJECTION	FISCAL 2018 ESTIMATE	BUDGET CHANGE
LOAN AND GUARANTEE ENTERPRISE					
Use of Money and Property					
200 Earnings on Investments	3,857	0	0	0	0
202 Interest on Loans	43,730	0	0	12,743	12,743
	<u>47,587</u>	<u>0</u>	<u>0</u>	<u>12,743</u>	<u>12,743</u>
TOTAL: LOAN AND GUARANTEE ENTERPRISE	47,587	0	0	12,743	12,743
REVENUE TRANSFERS					
951 From (To) General Fund	500,000	500,000	0	500,000	0
	<u>500,000</u>	<u>500,000</u>	<u>0</u>	<u>500,000</u>	<u>0</u>
TOTAL: REVENUE TRANSFERS	500,000	500,000	0	500,000	0
TOTAL LOAN AND GUARANTEE ENTERPRISE FUND	547,587	500,000	0	512,743	12,743

FEDERAL GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
FEDERAL			
Healthy Communities			
303 Clinical Services	2,023,607	2,162,221	138,614
311 Health Services for Seniors	4,093,609	3,443,656	(649,953)
356 Administration - Human Services	3,074,759	2,648,424	(426,335)
593 Community Support Projects	7,916,709	7,964,934	48,225
715 Administration - Health	3,121,200	3,689,325	568,125
718 Chronic Disease Prevention	0	22,000	22,000
720 HIV Treatment Services for the Uninsured	27,544,382	36,409,502	8,865,120
721 Senior Centers	1,239,496	1,091,540	(147,956)
722 Administration - CARE	195,877	206,649	10,772
723 Advocacy for Seniors	182,305	154,897	(27,408)
724 Direct Care and Support Planning	136,753	136,753	0
725 Community Services for Seniors	2,580,895	2,535,469	(45,426)
730 Public and Private Energy Performance	0	2,000,000	2,000,000
893 Homeless Prevention and Support Services for the Homeless	1,148,157	593,802	(554,355)
894 Outreach to the Homeless	3,315,618	2,551,867	(763,751)
895 Temporary Housing for the Homeless	4,190,511	175,350	(4,015,161)
896 Permanent Housing for the Homeless	24,982,489	26,151,170	1,168,681
	85,746,367	91,937,559	6,191,192
High Performing Government			
125 Executive Direction and Control - Mayoralty	299,794	307,362	7,568
	299,794	307,362	7,568
Safe Neighborhoods			
110 Circuit Court	2,296,681	2,188,984	(107,697)
115 Prosecution of Criminals	1,439,329	1,456,462	17,133
315 Emergency Services - Health	776,065	694,479	(81,586)
600 Administration - Fire	1,500,000	1,533,000	33,000
602 Fire Suppression and Emergency Rescue	2,611,575	2,910,400	298,825
608 Emergency Management	300,000	306,600	6,600
617 Victim Services - MOCJ	73,825	1,057,102	983,277
618 Crime Prevention	146,272	992,449	846,177
621 Administration - Police	1,638,123	2,171,229	533,106
622 Police Patrol	0	85,000	85,000
623 Crime Investigation	104,550	80,000	(24,550)
626 Homeland Security - Intelligence	7,819,979	1,677,714	(6,142,265)
642 Crime Laboratory	2,329,763	1,750,457	(579,306)
697 Traffic Safety	995,016	1,008,653	13,637
757 CitiWatch	70,775	72,342	1,567
758 Coordination of Public Safety Strategy - Administration	3,246,701	1,339,846	(1,906,855)
786 Victim and Witness Services	259,263	1,314,102	1,054,839
796 Workforce Services for Ex-Offenders	748,785	750,000	1,215
	26,356,702	21,388,819	(4,967,883)
Sustainable Infrastructure			
305 Healthy Homes	1,222,159	1,373,731	151,572
611 Fire Code Enforcement	157,078	160,534	3,456
613 Fire Facilities Maintenance and Replacement	2,975,168	3,250,168	275,000
662 Vacant/Abandoned Property Cleaning and Boarding	1,427,149	1,427,149	0
674 Surface Water Management	200,000	100,000	(100,000)
681 Administration - DOT	520,396	531,845	11,449

FEDERAL GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
Sustainable Infrastructure (Continued)			
690 Sustainable Transportation	100,000	102,200	2,200
731 Facilities Management	0	1,000,000	1,000,000
737 Administration - HCD	1,380,964	1,347,715	(33,249)
742 Promote Homeownership	86,603	96,472	9,869
745 Housing Code Enforcement	0	160,000	160,000
748 Housing Development Finance and Project Management	642,238	598,987	(43,251)
750 Housing Rehabilitation Services	2,923,624	3,434,099	510,475
762 Historic Preservation	0	150,000	150,000
763 Comprehensive Planning and Resource Management	190,000	241,980	51,980
765 Planning for a Sustainable Baltimore	185,000	250,000	65,000
	12,010,379	14,224,880	2,214,501
Thriving Youth & Families			
308 Maternal and Child Health	19,611,232	20,176,335	565,103
310 School Health Services	477,833	39,580	(438,253)
316 Youth Violence Prevention	1,444,632	1,581,406	136,774
446 Educational Grants	0	500,000	500,000
605 Head Start	7,697,187	7,766,894	69,707
616 Juvenile Justice	86,649	88,974	2,325
648 Community Recreation Centers	276,776	282,865	6,089
740 Dawson Center	370,169	327,702	(42,467)
797 Workforce Services for Out of School Youth-Youth Opportunity	495,963	514,973	19,010
798 Youth Works Summer Job Program	1,100,000	1,500,000	400,000
800 Workforce Services for WIOA Funded Youth	2,458,029	3,025,951	567,922
	34,018,470	35,804,680	1,786,210
Vibrant Economy			
634 Crowd, Traffic, and Special Events Management	230,625	236,391	5,766
741 Community Action Partnership	877,543	963,303	85,760
792 Workforce Services for TANF Recipients	3,246,796	3,262,980	16,184
794 Administration - MOED	0	0	0
795 Workforce Services for Baltimore Residents	5,658,597	6,244,098	585,501
846 Discrimination Investigations, Resolutions and Conciliations	40,800	41,698	898
	10,054,361	10,748,470	694,109
TOTAL FEDERAL GRANTS	168,486,073	174,411,770	5,925,697

STATE GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
STATE			
Healthy Communities			
303 Clinical Services	761,007	958,909	197,902
356 Administration - Human Services	110,503	210,503	100,000
653 Park Programs & Events	0	306,600	306,600
715 Administration - Health	1,040,400	1,063,289	22,889
718 Chronic Disease Prevention	760,399	985,486	225,087
720 HIV Treatment Services for the Uninsured	5,221,731	3,998,575	(1,223,156)
721 Senior Centers	135,810	38,400	(97,410)
723 Advocacy for Seniors	1,858,708	1,808,537	(50,171)
724 Direct Care and Support Planning	1,736,192	1,819,939	83,747
725 Community Services for Seniors	936,762	979,425	42,663
730 Public and Private Energy Performance	0	300,000	300,000
754 Summer Food Service Program	3,547,207	3,564,457	17,250
893 Homeless Prevention and Support Services for the Homeless	672,674	493,441	(179,233)
894 Outreach to the Homeless	383,186	283,391	(99,795)
895 Temporary Housing for the Homeless	1,480,571	1,858,819	378,248
896 Permanent Housing for the Homeless	61,495	25,795	(35,700)
	18,706,645	18,695,566	(11,079)
High Performing Government			
125 Executive Direction and Control - Mayoralty	380,834	392,277	11,443
	380,834	392,277	11,443
Safe Neighborhoods			
110 Circuit Court	6,286,214	5,149,352	(1,136,862)
115 Prosecution of Criminals	4,828,091	5,409,404	581,313
307 Substance Use Disorder and Mental Health	534,589	534,589	0
315 Emergency Services - Health	11,314,394	8,164,581	(3,149,813)
600 Administration - Fire	350,000	357,700	7,700
602 Fire Suppression and Emergency Rescue	1,399,940	1,419,940	20,000
609 Emergency Medical Services	87,940	83,928	(4,012)
617 Victim Services - MOCJ	96,824	106,351	9,527
618 Crime Prevention	0	200,000	200,000
621 Administration - Police	0	120,000	120,000
622 Police Patrol	5,594,532	5,649,150	54,618
623 Crime Investigation	2,471,129	600,000	(1,871,129)
624 Target Violent Criminals	4,670,577	3,604,309	(1,066,268)
635 Police Recruiting and Training	520,200	0	(520,200)
758 Coordination of Public Safety Strategy - Administration	245,000	45,000	(200,000)
796 Workforce Services for Ex-Offenders	748,326	750,000	1,674
	39,147,756	32,194,304	(6,953,452)
Sustainable Infrastructure			
611 Fire Code Enforcement	170,000	173,740	3,740
613 Fire Facilities Maintenance and Replacement	1,091,257	1,368,619	277,362
646 Park Maintenance	1,279,937	1,716,911	436,974
654 Urban Forestry	0	700,000	700,000
673 Wastewater Management	306,000	312,732	6,732
674 Surface Water Management	500,000	300,000	(200,000)
683 Street Management	853,128	871,897	18,769
690 Sustainable Transportation	3,219,489	3,199,319	(20,170)
731 Facilities Management	1,099,212	1,000,000	(99,212)
738 Weatherization Services	5,051,018	4,731,020	(319,998)

STATE GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
Sustainable Infrastructure (Continued)			
750 Housing Rehabilitation Services	378,100	423,450	45,350
762 Historic Preservation	0	150,000	150,000
763 Comprehensive Planning and Resource Management	175,000	200,000	25,000
765 Planning for a Sustainable Baltimore	136,000	261,275	125,275
	14,259,141	15,408,963	1,149,822
Thriving Youth & Families			
308 Maternal and Child Health	1,824,691	2,023,143	198,452
310 School Health Services	504,606	502,171	(2,435)
316 Youth Violence Prevention	1,422,375	267,586	(1,154,789)
605 Head Start	132,984	224,483	91,499
616 Juvenile Justice	165,717	78,337	(87,380)
644 Administration - Rec and Parks	136,567	139,981	3,414
788 Information Services	10,300,998	13,598,603	3,297,605
791 BCPS Alternative Options Academy for Youth	250,000	202,777	(47,223)
797 Workforce Services for Out of School Youth-Youth Opportunity	253,811	140,911	(112,900)
798 Youth Works Summer Job Program	1,360,578	1,529,584	169,006
	16,352,327	18,707,576	2,355,249
Vibrant Economy			
741 Community Action Partnership	4,608,185	4,662,352	54,167
792 Workforce Services for TANF Recipients	200,000	100,000	(100,000)
795 Workforce Services for Baltimore Residents	400,000	230,891	(169,109)
855 Convention Center	6,451,603	5,264,726	(1,186,877)
	11,659,788	10,257,969	(1,401,819)
TOTAL STATE GRANTS	100,506,491	95,656,655	(4,849,836)

SPECIAL GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
SPECIAL			
Healthy Communities			
303 Clinical Services	161,606	161,718	112
356 Administration - Human Services	945,822	823,477	(122,345)
650 Horticulture	554,424	581,854	27,430
651 Recreation for Seniors	0	36,000	36,000
653 Park Programs & Events	678,469	742,753	64,284
661 Public Right-of-Way Cleaning	593,215	400,000	(193,215)
715 Administration - Health	940,467	916,017	(24,450)
717 Environmental Inspection Services	31,420	31,420	0
718 Chronic Disease Prevention	115,000	0	(115,000)
721 Senior Centers	0	57,109	57,109
723 Advocacy for Seniors	0	182,137	182,137
724 Direct Care and Support Planning	0	72,000	72,000
725 Community Services for Seniors	279,447	330,431	50,984
730 Public and Private Energy Performance	0	12,500,000	12,500,000
896 Permanent Housing for the Homeless	215,538	217,995	2,457
	4,515,408	17,052,911	12,537,503
High Performing Government			
125 Executive Direction and Control - Mayoralty	114,000	852,703	738,703
152 Employees' Retirement System - Administration	4,895,981	5,076,344	180,363
154 Fire and Police Retirement System - Administration	4,841,422	5,120,507	279,085
155 Retirement Savings Plan	0	769,361	769,361
700 Surplus Property Disposal	142,027	145,430	3,403
805 Enterprise IT Delivery Services	0	100,000	100,000
833 Innovation Fund	0	0	0
876 Media Production	500,000	961,000	461,000
	10,493,430	13,025,345	2,531,915
Safe Neighborhoods			
110 Circuit Court	182,124	235,796	53,672
115 Prosecution of Criminals	362,242	400,108	37,866
315 Emergency Services - Health	406,682	344,352	(62,330)
609 Emergency Medical Services	21,326,000	18,985,085	(2,340,915)
614 Fire Communications and Dispatch	4,441,427	4,501,835	60,408
617 Victim Services - MOCJ	432,761	500,000	67,239
621 Administration - Police	0	1,800,000	1,800,000
622 Police Patrol	1,724,000	1,829,545	105,545
624 Target Violent Criminals	2,120,355	2,165,880	45,525
684 Traffic Management	624,529	638,269	13,740
752 Community Outreach Services	210,000	210,000	0
757 CitiWatch	185,000	80,000	(105,000)
758 Coordination of Public Safety Strategy - Administration	75,000	0	(75,000)
	32,090,120	31,690,870	(399,250)
Sustainable Infrastructure			
305 Healthy Homes	169,210	305,156	135,946
613 Fire Facilities Maintenance and Replacement	260,100	265,822	5,722
646 Park Maintenance	700,000	500,000	(200,000)
654 Urban Forestry	100,000	0	(100,000)
683 Street Management	1,217,000	150,000	(1,067,000)
690 Sustainable Transportation	15,197,659	9,249,287	(5,948,372)
738 Weatherization Services	100,000	2,586,342	2,486,342

SPECIAL GRANTS

REVENUE ESTIMATES: GRANT DETAIL FOR OPERATIONS

Outcome, Service	FISCAL 2017 BUDGET	FISCAL 2018 ESTIMATE	CHANGE IN BUDGET
Sustainable Infrastructure (Continued)			
742 Promote Homeownership	0	140,000	140,000
745 Housing Code Enforcement	50,000	50,000	0
762 Historic Preservation	0	75,000	75,000
763 Comprehensive Planning and Resource Management	2,359,175	1,411,602	(947,573)
765 Planning for a Sustainable Baltimore	126,851	2,741,595	2,614,744
	20,279,995	17,474,804	(2,805,191)
Thriving Youth & Families			
308 Maternal and Child Health	1,018,027	1,050,619	32,592
310 School Health Services	12,928,171	786,673	(12,141,498)
446 Educational Grants	0	11,866,000	11,866,000
605 Head Start	200,000	0	(200,000)
644 Administration - Rec and Parks	0	700,000	700,000
645 Aquatics	500,000	703,821	203,821
647 Youth and Adult Sports	159,828	164,910	5,082
648 Community Recreation Centers	1,166,250	1,130,076	(36,174)
649 Special Facilities Management - Recreation	1,411,214	1,479,730	68,516
788 Information Services	757,283	885,488	128,205
797 Workforce Services for Out of School Youth-Youth Opportunity	0	87,500	87,500
798 Youth Works Summer Job Program	400,000	750,000	350,000
	18,540,773	19,604,817	1,064,044
Vibrant Economy			
693 Parking Enforcement	84,000	45,000	(39,000)
695 Dock Master	280,783	259,329	(21,454)
741 Community Action Partnership	0	1,000,000	1,000,000
793 Employment Enhancement Services for Baltimore City Residents	645,000	635,000	(10,000)
795 Workforce Services for Baltimore Residents	200,000	200,000	0
809 Retention, Expansion, and Attraction of Businesses	252,000	104,040	(147,960)
810 Real Estate Development	204,000	1,208,896	1,004,896
814 Improve and Promote Retail Districts Beyond Downtown	102,000	104,040	2,040
824 Events, Art, Culture, and Film	140,000	38,000	(102,000)
846 Discrimination Investigations, Resolutions and Conciliations	10,200	10,424	224
	1,917,983	3,604,729	1,686,746
Other			
123 School Modernization	12,786,000	16,850,000	4,064,000
	12,786,000	16,850,000	4,064,000
TOTAL SPECIAL GRANTS	100,623,709	119,303,476	18,679,767

Summary of Operating Budget Recommendations

Fiscal 2018

Executive Summary

Board of Estimates Recommendations

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Outcome Budgeting is a budget process that aligns resources with results. The budget is organized at the service level around six Outcomes based on Mayor Pugh’s priorities. Instead of starting from last year’s spending and adjusting allocations up or down, in Outcome Budgeting we start with the Outcomes we want to achieve in the future. Outcome Budgeting:

- Addresses fiscal constraints
- Rewards innovation
- Measures performance
- Makes the budget process more transparent

OutcomeStat aligns strategic planning, CitiStat, and Outcome Budgeting in a comprehensive performance management program.



The Fiscal 2018 budget incorporates OutcomeStat’s ‘Turn the Curve’ planning framework at a City service level. As the budget shifts to Mayor Pugh’s Priority Outcomes, it builds on the progress we have made in using ‘Turn the Curve’ thinking to allocate resources based on a better understanding of service performance. The process helps ensure that our limited resources are supporting services that both demonstrate results and advance the Priority Outcomes.

The next page shows preliminary Outcomes and Indicators derived from Mayor Pugh’s Five Pillars, which guided the Fiscal 2018 budget review. Data for new Indicators are not included in this document.

Over the coming months, the City will work to identify data and establish methodologies for measuring these new indicators; they are denoted with an asterisk (*).



<p>Thriving Youth & Families</p> <ul style="list-style-type: none"> Infant Mortality Academic Achievement College & Career Readiness Adult Literacy* 	<p>Safe Neighborhoods</p> <ul style="list-style-type: none"> Shootings Property Crime Perception of Safety Trust in Police* Domestic Violence*
<p>Healthy Communities</p> <ul style="list-style-type: none"> Food Access* Recycling Rate Perception of Cleanliness Air Quality & Energy Use Recreational Opportunities* 	<p>Vibrant Economy</p> <ul style="list-style-type: none"> Number of Jobs Employment Rate Visitors to Baltimore Diversity of Economic Sectors*
<p>Sustainable Infrastructure</p> <ul style="list-style-type: none"> Sustainable Transportation Asset Management* Blight Elimination Neighborhood Investment 	<p>High Performing Government</p> <ul style="list-style-type: none"> Prompt Vendor Payment Customer Service Retaining Quality Employees* Administrative Overhead Cost*

*Indicates a preliminary indicator, data for which is not featured in this publication

Key results funded in the Fiscal 2018 Recommended Budget:

- The Family League Pre and Post-Natal Home Visiting Program aims to see 80% of children in home visiting programs exhibit developmentally on-track social behavior, emotion regulation, and emotional well-being; the program also aims for the percent of babies with low birth weight to drop to 11.5% citywide, compared to 12.3% in 2015.
- Head Start has set a target of 90% of 3 and 4-year-olds scoring “proficient” in each school readiness domain, an increase from 87% in 2016.
- The City’s goal is to place 12,500 youth in YouthWorks summer jobs positions, with the goal of 90% of employers saying they would recommend YouthWorks to other organizations, and 90% of participants reporting they feel more prepared to enter the workforce as the result of their participation in the program.
- The Enoch Pratt Free Library will target 36,600 participants in the Summer Reading Program, 49,000 in the School Readiness Program, and 6,500 in computer training classes at branch technology labs.
- The Mayor’s Office of Employment Development will target 850 out-of-school youth, aged 17 to 24, for access to a full range of educational, occupational, and personal support services via two Youth Opportunity Centers in East and West Baltimore. Since 2000, this program has served more than 9,000 youth.
- The Department of Recreation and Parks expects 250,000 visitors to outdoor pools this summer through its Aquatics service. The Department maintains 6 park pools, 13 neighborhood pools, 20 wading pools, 3 indoor pools, and 2 splash pads. There were 218,679 visitors to outdoor pools in Fiscal 2016.

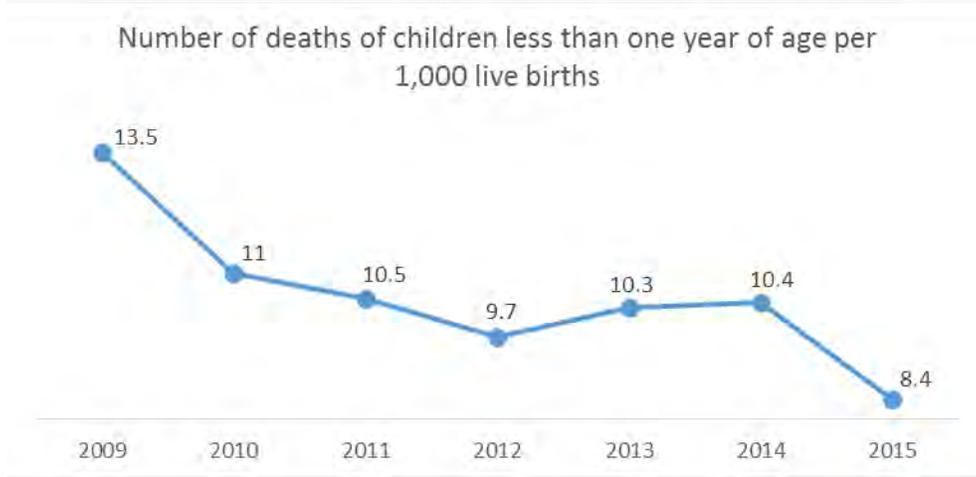
Key budget decisions in Thriving Youth & Families:

- The City will provide \$90.2 million to City Schools over three years, including a \$10 million Maintenance of Effort increase, to help make up for lost State formula aid and growing costs. This includes \$22.4 million in Fiscal 2018 - \$10 million in additional appropriation and \$12.4 million in additional General Fund support for School Health Services.
- This budget includes \$750,000 in local match funding and \$3 million in State funding to increase hours at library branches throughout the city.
- The Children and Youth Fund will dedicate \$11.9 million in funding for new or enhanced youth programs, including \$0.6 million for administration, grants management, and evaluation.
- The General Fund maintains base funding of \$6.3 million for Family League of Baltimore City (FLBC) community school and out of school time programming, as well as \$500,000 in Community Development Block Grant (CDBG) funding supporting youth programs.
- Activities funded in Fiscal 2017 through transfers of appropriation – FLBC, Associated Black Charities, Maryland Cooperative Extension, and Experience Corps – are eligible for funding from the Children and Youth Fund.
- This budget includes funding for the Waverly and Northwood before and after care centers.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Federal	34,018,470	35,490,493	35,804,680	314,187	1%
General	331,082,247	337,206,102	360,313,410	23,107,308	7%
Special	18,540,773	19,200,806	19,604,817	404,011	2%
State	16,352,327	16,767,203	18,707,576	1,940,373	12%
Total	399,993,817	408,664,604	434,430,483	25,765,879	6%

Indicator: Infant Mortality



Source: Vital Statistics

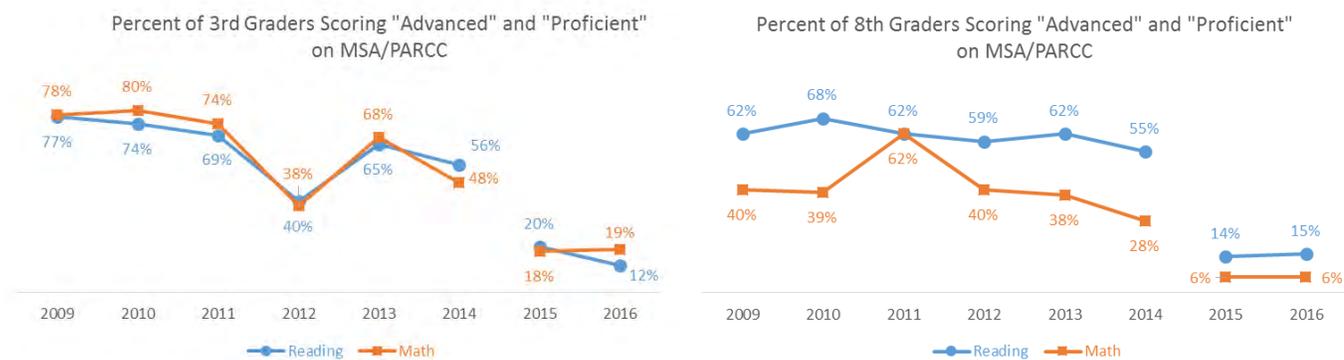
Additional indicators include child food insecurity and the number of systems-involved juveniles.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Multi-agency and multi-government collaboration, such as the B'More for Healthy Babies Initiative. • Population-level behavioral changes. • Community-based initiatives. • Improvements in access and quality of care. 	<ul style="list-style-type: none"> • Complex needs of families most at risk (mental health, substance abuse, unsafe homes, job loss). • Paper-based prenatal risk assessment causing delays in care. • High mobility rates and lack of safe, stable housing among high-risk pregnant women. • Lack of knowledge regarding dangers of co-sleeping. • Limited messages to impoverished families about infant death risks.

The Fiscal 2018 recommended budget invests in services and programs that will support a reduction in infant mortality:

Maintaining the current General Fund support level of \$2.9 million for the programs delivered by Maternal and Child Health and Family League will support home visiting services for at-risk expectant mothers. These home visiting programs work to reduce risk factors such as personal and second-hand tobacco and nicotine use, substance use, high levels of stress, pre-term labor, and chronic health conditions such as hypertension and diabetes. Maternal and Child Health plans to serve 200 families receiving case management services by professional home visitors in Fiscal 2018, and Family League will serve 550 families. The Maternal and Child Health service targets 7,900 reproductive health service clients served by City clinics.

Indicator: Academic Achievement



Source: Maryland Report Card

Maryland recently replaced the Maryland School Assessments (MSA) with the new Partnership for Assessment of Readiness for College and Careers (PARCC). The PARCC is aligned to new standards based on the Common Core standards adopted by over 40 states.

Positive Factors:	Negative Factors:
<ul style="list-style-type: none"> Quality instruction: Common Core, principal leadership, systematic instruction, phonics, tutoring. Literacy-rich environments: access to books and extended learning opportunities. Improving school climate. Campaign for Grade Level Reading. 	<ul style="list-style-type: none"> Low student attendance rates and high chronic absenteeism. Poverty. Principal and teacher turnover rates. Summer learning loss. Low maternal education. Lack of concentrated literacy focus between 3rd and 8th grades. Behavioral health challenges.

The Fiscal 2018 recommended budget invests in services and programs that will support the Academic Achievement indicator:

Providing City Schools with an additional \$22.4 million in direct support and services above the Fiscal 2017 level will help bridge City Schools' budget gap caused by decreased State Aid revenue and increasing costs. An additional \$5.5 million will fund evening bus services for youth attending City Schools, allowing them to access after school programming. The City will provide an estimated \$23.9 million for the 21st Century School Modernization Plan. In addition, the Fiscal 2018 Capital Improvement Program provides \$17 million in General Obligation Bond funding to City Schools for school facility improvements. Total City support for City Schools in Fiscal 2018 is expected to be \$363.3 million.

Providing \$750,000 in General Fund support and \$3 million in new State funding to expand library branch hours.

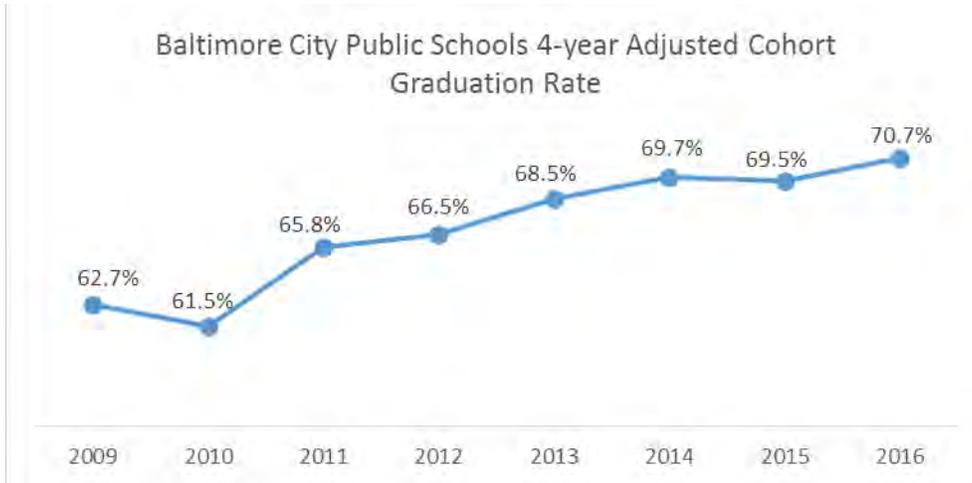
Increasing General Fund support for School Health Services by \$12.4 million will support 362,000 school health suite visits in Fiscal 2018. The service aims to return 83% of students to the classroom after a health suite visit.

Maintaining base funding of \$6.3 million in General Fund support for Family League of Baltimore City community school and out of school time programming.

Total City Support for Baltimore City Public Schools, Fiscal 2018

All City Support for Baltimore City Public Schools, Fiscal 2018	
Baltimore City Public Schools (BCPS), General Fund (GF)	\$ 275,412,181
Local Contribution per House Bill 684 (HB 684)	\$ 265,412,181
Additional Direct School Funding per HB 684	\$ 10,000,000
BCPS Contribution + Other BCPS GF Support	\$ 337,011,413
Direct BCPS Funding (from above)	\$ 275,412,181
School Nurses (GF Portion, increased by \$12.4 million per HB 684)	\$ 14,752,464
Crossing Guards	\$ 5,699,122
MTA Bus Transportation for City Schools Youth	\$ 5,484,423
Debt Service for Schools	\$ 18,663,223
GO Bond for School Construction Projects	\$ 17,000,000
Additional Non-General Fund BCPS Support	\$ 26,278,402
Beverage Tax Contribution - School Construction	\$ 12,000,000
Casino Lease Contribution - School Construction	\$ 1,250,000
Table Games Aid - School Construction	\$ 3,600,000
Guaranteed Tax Base Dollars Leveraged from Retiree Health Benefits Contribution	\$ 7,059,807
Guaranteed Tax Base Dollars Leveraged from Additional \$10 Million Contribution	\$ 2,368,595
Total BCPS Support	\$ 363,289,815

Indicator: College & Career Readiness



Source: Maryland Report Card, 4-year adjusted cohort

This indicator is currently measuring the four-year adjusted cohort graduation rate for Baltimore City Public Schools. The goal is to use a new metric that will be developed by City Schools to measure the career-college readiness of the city’s high school students across: cohort graduation rate, career-college preparation, and SAT/ACT participation. Additionally, a measure of the career readiness of youth who are pursuing non-traditional paths, such as those who have dropped out of school and have been re-engaged in alternative education and/or career programs, will be included.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • High enrollment in Career Technology Education courses. • Pathways programs that merge coursework with work experience. • Availability of out-of-school programs: YO Centers, Year Up, Civic Works, Living Classrooms, Housing Authority, etc. • Availability of AP and IB courses. • Increased awareness of parental roles. • Awareness of community-based partners. 	<ul style="list-style-type: none"> • Student absenteeism. • Changing priorities as students enter high school (e.g. parenting, jobs) and school hours that don’t support these students. • High student mobility rate. • High youth unemployment. • Most students enrolled in Career Technology Education courses not on track to earn credential.

The Fiscal 2018 recommended budget invests in services and programs that will support the College and Career Readiness indicator:

The proposed budget sustains \$2.9 million in General Fund support for Workforce Services for Out of School Youth, which provides 850 youth with educational, vocational, and personal services at two centers. Services offered include community-based educational services and GED preparation, towards the goal of college and career readiness. YO! Centers serve as a safety net for Baltimore City students who leave school without earning their high school diploma.

This budget also maintains \$1.9 million in General Fund support for the YouthWorks Summer Jobs program, with a goal of placing 12,500 youth in summer jobs. The programs anticipates that 90% of participants will report that they feel more prepared to enter the workforce as a result of their participation in the program. YouthWorks plans to continue expanding the Hire One component of the program, which pairs youth with private-sector employers who pay the wages of their hires. In Fiscal 2017, YouthWorks utilized enhancement funding to purchase laptops and streamline their application process and allow for mobile registration of youth at multiple sites throughout the city.

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Thriving Youth & Families	399,993,817	408,664,604	434,430,483	25,765,879
308 Maternal and Child Health	24,307,556	25,614,507	25,121,606	(492,901)
General	1,853,606	1,877,343	1,871,509	(5,834)
Federal	19,611,232	20,808,306	20,176,335	(631,971)
State	1,824,691	1,887,253	2,023,143	135,890
Special	1,018,027	1,041,605	1,050,619	9,014
310 School Health Services	16,593,740	17,002,176	16,080,888	(921,288)
General	2,683,130	2,563,235	14,752,464	12,189,229
Federal	477,833	520,728	39,580	(481,148)
State	504,606	504,787	502,171	(2,616)
Special	12,928,171	13,413,426	786,673	(12,626,753)
316 Youth Violence Prevention	3,793,763	3,824,507	2,820,637	(1,003,870)
General	926,756	974,680	971,645	(3,035)
Federal	1,444,632	1,475,428	1,581,406	105,978
State	1,422,375	1,374,399	267,586	(1,106,813)
352 Baltimore City Public Schools	265,412,081	269,682,822	280,896,604	11,213,782
General	265,412,081	269,682,822	280,896,604	11,213,782
385 Health and Welfare Grants	1,213,859	1,244,812	1,244,812	0
General	1,213,859	1,244,812	1,244,812	0
446 Educational Grants	7,204,727	7,341,231	19,707,231	12,366,000
General	7,204,727	7,341,231	7,341,231	0
Federal	0	0	500,000	500,000
Special	0	0	11,866,000	11,866,000
604 Before and After Care	0	0	173,078	173,078
General	0	0	173,078	173,078
605 Head Start	8,570,171	8,774,074	8,501,377	(272,697)
General	540,000	551,880	510,000	(41,880)
Federal	7,697,187	7,881,884	7,766,894	(114,990)
State	132,984	135,910	224,483	88,573
Special	200,000	204,400	0	(204,400)
616 Juvenile Justice	499,494	510,571	375,738	(134,833)
General	247,128	268,609	208,427	(60,182)
Federal	86,649	89,518	88,974	(544)
State	165,717	152,444	78,337	(74,107)
644 Administration - Rec and Parks	4,222,732	4,504,217	5,299,502	795,285
General	4,086,165	4,364,236	4,459,521	95,285
State	136,567	139,981	139,981	0
Special	0	0	700,000	700,000
645 Aquatics	2,923,399	3,127,220	3,126,602	(618)
General	2,423,399	2,616,220	2,422,781	(193,439)
Special	500,000	511,000	703,821	192,821
647 Youth and Adult Sports	848,858	826,269	826,465	196
General	689,030	661,359	661,555	196
Special	159,828	164,910	164,910	0
648 Community Recreation Centers	14,420,833	14,530,656	14,381,268	(149,388)
General	12,977,807	13,055,883	12,968,327	(87,556)
Federal	276,776	282,865	282,865	0
Special	1,166,250	1,191,908	1,130,076	(61,832)
649 Special Facilities Management - Recreation	1,448,285	1,479,954	1,479,730	(224)
General	37,071	98	0	(98)
Special	1,411,214	1,479,856	1,479,730	(126)
740 Dawson Center	401,789	299,869	360,017	60,148
General	31,620	32,315	32,315	0
Federal	370,169	267,554	327,702	60,148
788 Information Services	35,320,154	36,585,202	39,426,880	2,841,678
General	24,261,873	25,236,464	24,942,789	(293,675)
State	10,300,998	10,573,892	13,598,603	3,024,711
Special	757,283	774,846	885,488	110,642
791 BCPS Alternative Options Academy for Youth	250,000	314,508	202,777	(111,731)
State	250,000	314,508	202,777	(111,731)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Thriving Youth & Families (Continued)	399,993,817	408,664,604	434,430,483	25,765,879
797 Workforce Services for Out of School Youth-Youth Opportunity	3,673,752	3,704,193	3,672,000	(32,193)
General	2,923,978	2,938,457	2,928,616	(9,841)
Federal	495,963	514,059	514,973	914
State	253,811	251,677	140,911	(110,766)
Special	0	0	87,500	87,500
798 Youth Works Summer Job Program	4,673,725	4,885,756	5,722,675	836,919
General	1,813,147	1,910,349	1,943,091	32,742
Federal	1,100,000	1,124,200	1,500,000	375,800
State	1,360,578	1,432,352	1,529,584	97,232
Special	400,000	418,855	750,000	331,145
800 Workforce Services for WIOA Funded Youth	2,458,029	2,525,951	3,025,951	500,000
Federal	2,458,029	2,525,951	3,025,951	500,000
817 Orphans' Court	487,609	504,286	522,898	18,612
General	487,609	504,286	522,898	18,612
889 Child Support Enforcement	1,269,261	1,381,823	1,461,747	79,924
General	1,269,261	1,381,823	1,461,747	79,924
TOTAL OPERATING BUDGET	399,993,817	408,664,604	434,430,483	25,765,879
LESS INTERNAL SERVICE FUND	0	0	0	0
TOTAL OPERATING APPROPRIATIONS	399,993,817	408,664,604	434,430,483	25,765,879

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Key results funded in the Fiscal 2018 Recommended Budget:

- Baltimore Gas and Electric (BGE) and the Department of Transportation (DOT) are partnering for the B'More Bright initiative. This partnership will ensure strategic installation of 6,000 additional facade, pedestrian, and common area LED lights, as well as conversion of 75,000 existing street lights throughout the City to LED within four years.
- The Baltimore City Police Department (BPD) realized a combined 26% database hit rate for fingerprints, DNA, and ballistics – up from 16% during 2015.
- The Baltimore City Fire Department (BCFD) dispatched EMS to 179,326 incidents during 2016. This accounts for 10% growth over the previous year, and nearly 23% growth over the 2012 baseline. EMS responded to 44% of incidents within eight minutes during 2016 and aims to reach 90% within eight minutes during 2018.
- The Mayor's Office of Employment Development (MOED) provided services to 409 ex-offenders who also obtained employment during 2016. This marks a five-year high, up from 326 during the previous year, and an increase of nearly 77% from the 2012 baseline of 231. This figure is projected to reach 500 during 2018.
- The Mayor's Office of Criminal Justice (MOCJ) reported a 40% crime reduction in areas with CitiWatch cameras vs. immediate surrounding areas without cameras during 2016 – up from 27% during 2015. CitiWatch surpassed targets for 2017 and 2018, but expects this figure to decline as Marijuana reforms change the context of crime.
- The BCFD installed 15,889 fire alarms during 2016 – 263 more than the previous year – and anticipates increasing this figure by 500 devices during 2018.

Key budget decisions in Safe Neighborhoods:

The Fiscal 2018 budget maintains current funding across all services within the Safe Neighborhoods portfolio, with the exception of \$5.5 million in reductions within the Police Department. The funding will be redirected to support the City's enhanced financial commitment to Baltimore City Public Schools.

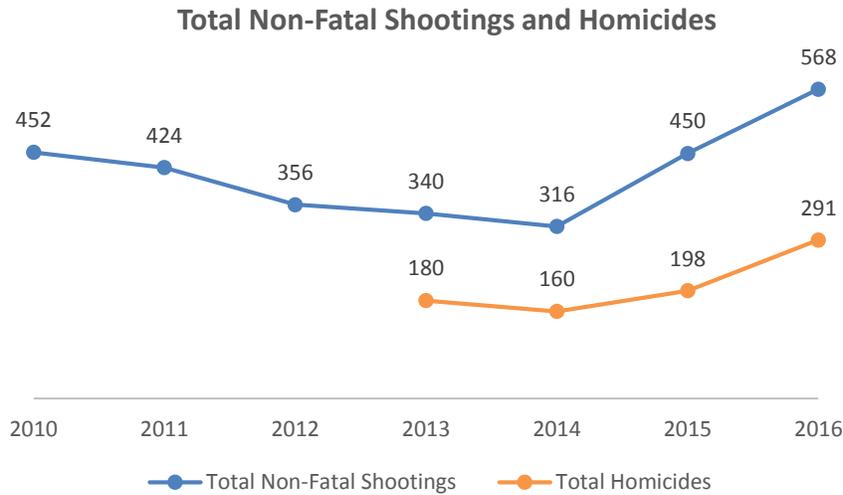
Approximately \$3.66 million is accounted for with specific cuts, while the remaining \$1.84 million reduction will be determined before the start of the new fiscal year. The Police Department has identified the following savings: \$839,000 from contracting out security personnel at BPD Headquarters and City Hall, \$1.28 million from grounding one helicopter and reassigning Aviation Unit personnel, \$737,000 from reducing vehicles, \$604,000 from auditing telecommunications equipment, and \$200,000 from reducing clothing and footwear.

Moreover, the Fiscal 2018 budget includes \$12 million of additional funding for operating and capital projects associated with BPD's consent agreement with the Department of Justice - \$10 million from the General Fund and \$2 million from a State grant. Approximately \$5.5 million is designated for ongoing expenses while about \$6.5 million is for one-time investments. Some highlights include \$5.3 million toward a data warehouse, \$1.7 million for internal compliance personnel, \$1.5 million for a contracted monitoring team, and \$600,000 for mobile data computers.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Federal	26,356,702	27,031,554	21,388,819	(5,642,735)	-21%
General	753,279,690	818,793,246	803,526,353	(15,266,893)	-2%
Special	32,090,120	31,545,766	31,690,870	145,104	0%
State	39,147,756	38,902,774	32,194,304	(6,708,470)	-17%
Total	850,874,268	916,273,340	888,800,346	(27,472,994)	-3%

Indicator: Shootings



Source Baltimore Police Department Crime Data

This information is derived from the BPD’s Victim-Based crime statistics. This indicator measures the number of homicides and non-fatal shootings that occur in Baltimore on an annual basis. These figures do not include police-involved or self-inflicted incidents.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Targeted enforcement of specific neighborhoods and known violent offenders. • Discouraging illegal gun possession. 	<ul style="list-style-type: none"> • Violence in the drug and gun marketplace. • Barriers to employment opportunities, particularly for individuals with a criminal background.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Non-Fatal Shootings and Homicides indicator:

The MOCJ supports Operation Ceasefire, which takes a data-driven approach to identifying high-risk individuals, and seeks to understand the social network and/or organization within which they operate. Ceasefire collaborates with the BPD to host Call-Ins that provide targeted individuals with two options: take advantage of social services and transition away from criminal activity, or face highly targeted, punitive measures. Clients are then asked to contact support personnel to be connected to services that will help them transition from a life of criminal activity. During 2016 there were five Call-In sessions and 17% of targeted individuals sought assistance. Ceasefire plans to host one additional Call-In session during 2018 while maintaining the current level of engagement.

The BPD’s Operational Investigation Division continues to utilize data, as well as the City’s expanding CCTV network, to determine geographic locations where violent crime is prevalent. This information is then used to implement targeted enforcement strategies on Trigger Pullers – violent repeat offenders who are involved in incidents throughout the City – and their respective criminal networks.

The BPD will continue its War Room effort with State and Federal law enforcement and criminal justice partners. This initiative aims to create an intelligence and operations hub that utilizes data and technology to address the City’s crime.

Indicator: Property Crime

Total Property Crime Per 100,000



Source: Baltimore City Police Department Crime Data

Property Crime includes: burglary, theft, motor vehicle theft and arson. According to the Federal Bureau of Investigation, the objective of property crime is to obtain property or money and does not result in violence toward the victim.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> Effectiveness of CitiWatch as a crime prevention tool. Employment and recreational opportunities for Baltimore youth, such as YouthWorks. 	<ul style="list-style-type: none"> Resource availability for response to and processing of property crime. Lack of economic opportunity and job availability.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support Reduction of property crime in Baltimore:

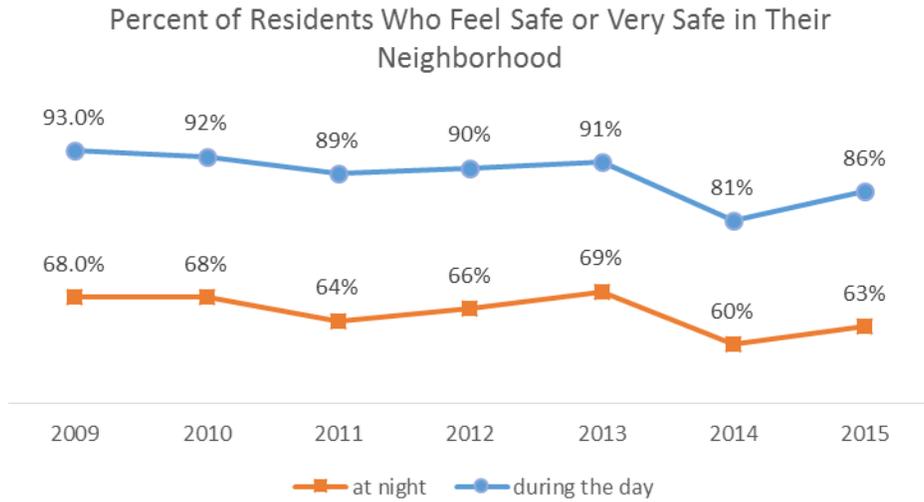
The MOCJ continues the Metro Crime Stoppers (MCS) initiative to address the credible information vacuum that hinders police officers from solving crimes. MCS does this by ensuring anonymity which allows witnesses to feel safe from retaliation when reporting crimes. The agency promotes this service throughout the year with marketing materials and community outreach. The program is a key tool in gaining community help with solving crimes.

The BPD utilizes CitiWatch – a network of more than 700 proactive surveillance cameras – to help stabilize crime within communities by working in partnership with police officers on the ground, as well as other City agencies. In addition, the CitiWatch system helps prevent a “broken-window” phenomenon (the emergence of characteristics within a community which commonly precipitate crime) by deterring victimless activities such as illegal dumping.

The MOCJ continues to match State funding for two Youth Service Bureaus – located in Northwest and East Baltimore – in coordination with The Family League of Baltimore City. These organizations provide counseling and support services for youth under 18 years of age, and their families, with the goal of promoting youth development and preventing juvenile delinquency.

Safe Neighborhoods

Indicator: Citizen Perception of Safety



Source: Bi-Annual Citizen Survey; not conducted during 2016

The Community Survey asks a sample population of City residents a series of questions pertaining to the quality of life in Baltimore, and asks respondents to provide ratings on a number of issue areas. Among the most important is the question on perception of safety—specifically, residents’ perception of safety in their neighborhood.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Use of CitiWatch Camera program to supplement physical police presence. • Installation of LED Street Lighting in high-crime neighborhoods. 	<ul style="list-style-type: none"> • Poor enforcement of traffic safety laws. • Lack of community trust in police response.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Citizen Perception of Safety indicator:

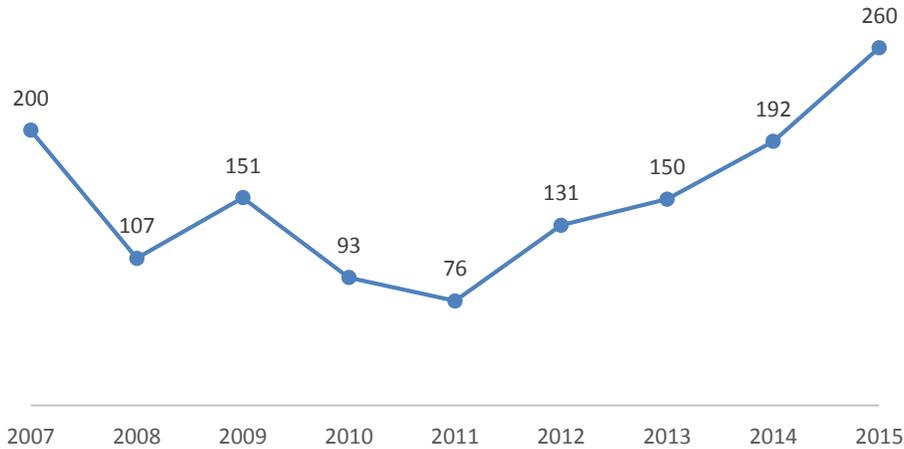
The DOT has nearly completed the installation of 6,000 LED fixtures placed strategically in high crime areas throughout the City, which will enable the agency to reduce the number of maintenance calls for outages and more efficiently illuminate dark streets and corridors. New fixtures will also ensure that a higher percentage of the City’s streets meet best-practice roadway lighting standards.

The Baltimore City Fire Department will continue to advance the Saturday Safety Sweep Program – a push on all land suppression units to develop plans for visiting every neighborhood within assigned districts to install smoke alarms. Nearly 16,000 smoke alarms were installed during Fiscal 2016 alone. The Department has also partnered with the American Red Cross to reach Baltimoreans to provide literature concerning home exit drills and to review residential fire safety.

The Baltimore City Fire Department implemented the Maverick Mapping program, which allows for increased command and control of fire suppression assets. The subsequent installation of mobile data terminals with vehicle locator capability will allow for the dispatching of units based on exact geographic location, and not the location of a unit’s assigned station. This initiative will allow the Department to verify the arrival times of units to the scene of an emergency, and to more effectively meet the Department’s goal of being on-scene within five minutes.

Indicator: Heroin-Related Deaths

Total Number of Heroin-Related Deaths



Source: Maryland Department of Health and Mental Hygiene

This indicator captures all deaths that occurred in the City of Baltimore (including non-residents) related to heroin. These data do not report deaths associated with all opioids (i.e., fentanyl and other prescription opioids), which are often associated with heroin use.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Use of Buprenorphine and Naloxone as treatment. • Federal crackdown on opioid prescription drugs, helping to reduce abuse that leads to heroin addiction. • State primary adult care coverage of Buprenorphine. 	<ul style="list-style-type: none"> • Loss of jobs related to decline of industrial sector. • Increase in prices of prescription drugs compared to static price of heroin. • Mixture of heroin with other substances and difficulty regulating adulterants. • Changing interactions with the public and police.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Heroin-Related Deaths Indicator:

The BCFD continues the hands-only CPR training initiative, which to-date has reached more than 16,000 individuals who work for and/or live in the City. The EMS Division has developed a strong partnership with the Baltimore City Health Department to engage communities in training. The Department is investigating new technologies that would alert qualified civilian responders when a 911 call is received for a person in cardiac arrest.

Behavioral Health Systems Baltimore (BHSB), which oversees Baltimore City’s behavioral health initiatives, is actively engaged in the work of developing the City’s first-ever sobering center, which will immediately divert clients from the Emergency Division to services that are better aligned to achieve the intended outcome of treatment and recovery. BHSB is also an active partner on the Fentanyl Taskforce convened by Baltimore’s Health Commissioner.

The BCFD transitioned from an all Advanced Life Support (ALS) system to a two-tiered system that deploys both ALS and Basic Life Support (BLS) units. This enables the Department to prioritize calls and send the most appropriate resources for greater effectiveness and operational efficiency. During Fiscal 2017 the Department added 12 peak-time BLS transport units to facilitate this process, and will continue to seek opportunities to reallocate resources and reduce response time intervals.

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Safe Neighborhoods	850,874,268	916,273,340	888,800,346	(27,472,994)
110 Circuit Court	18,699,204	24,462,054	22,934,053	(1,528,001)
General	9,934,185	15,348,192	15,359,921	11,729
Federal	2,296,681	2,383,852	2,188,984	(194,868)
State	6,286,214	6,542,189	5,149,352	(1,392,837)
Special	182,124	187,821	235,796	47,975
115 Prosecution of Criminals	33,784,573	34,656,898	34,795,721	138,823
General	27,154,911	27,778,091	27,529,747	(248,344)
Federal	1,439,329	1,514,246	1,456,462	(57,784)
State	4,828,091	4,994,350	5,409,404	415,054
Special	362,242	370,211	400,108	29,897
307 Substance Use Disorder and Mental Health	2,259,805	2,309,520	2,297,760	(11,760)
General	1,725,216	1,763,171	1,763,171	0
State	534,589	546,349	534,589	(11,760)
315 Emergency Services - Health	13,205,948	14,286,280	9,895,342	(4,390,938)
General	708,807	1,244,380	691,930	(552,450)
Federal	776,065	846,649	694,479	(152,170)
State	11,314,394	11,642,225	8,164,581	(3,477,644)
Special	406,682	553,026	344,352	(208,674)
500 Street Lighting	19,187,612	22,123,716	23,173,562	1,049,846
General	19,187,612	22,123,716	23,173,562	1,049,846
600 Administration - Fire	10,261,744	10,735,230	10,759,040	23,810
General	8,411,744	8,844,530	8,868,340	23,810
Federal	1,500,000	1,533,000	1,533,000	0
State	350,000	357,700	357,700	0
602 Fire Suppression and Emergency Rescue	150,115,225	159,454,341	159,226,648	(227,693)
General	146,103,710	155,354,573	154,896,308	(458,265)
Federal	2,611,575	2,669,029	2,910,400	241,371
State	1,399,940	1,430,739	1,419,940	(10,799)
608 Emergency Management	976,432	1,045,398	1,033,803	(11,595)
General	676,432	738,798	727,203	(11,595)
Federal	300,000	306,600	306,600	0
609 Emergency Medical Services	42,125,222	49,136,788	46,089,148	(3,047,640)
General	20,711,282	28,712,763	27,020,135	(1,692,628)
State	87,940	89,875	83,928	(5,947)
Special	21,326,000	20,334,150	18,985,085	(1,349,065)
610 Fire and Emergency Community Outreach	334,416	346,433	346,248	(185)
General	334,416	346,433	346,248	(185)
612 Fire Investigation	939,593	1,059,479	1,058,108	(1,371)
General	939,593	1,059,479	1,058,108	(1,371)
614 Fire Communications and Dispatch	15,546,557	17,497,841	17,891,431	393,590
General	11,105,130	12,968,321	13,389,596	421,275
Special	4,441,427	4,529,520	4,501,835	(27,685)
615 Fire Training and Education	3,959,508	4,768,855	4,763,361	(5,494)
General	3,959,508	4,768,855	4,763,361	(5,494)
617 Victim Services - MOCJ	728,131	784,185	1,801,739	1,017,554
General	124,721	138,286	138,286	0
Federal	73,825	96,731	1,057,102	960,371
State	96,824	106,886	106,351	(535)
Special	432,761	442,282	500,000	57,718
618 Crime Prevention	739,468	754,442	1,528,142	773,700
General	593,196	606,647	335,693	(270,954)
Federal	146,272	147,795	992,449	844,654
State	0	0	200,000	200,000
621 Administration - Police	40,979,686	49,755,151	59,087,762	9,332,611
General	39,341,563	48,082,492	54,996,533	6,914,041
Federal	1,638,123	1,672,659	2,171,229	498,570
State	0	0	120,000	120,000
Special	0	0	1,800,000	1,800,000
622 Police Patrol	256,311,725	272,994,740	259,323,326	(13,671,414)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Safe Neighborhoods (Continued)	850,874,268	916,273,340	888,800,346	(27,472,994)
General	248,993,193	265,409,872	251,759,631	(13,650,241)
Federal	0	0	85,000	85,000
State	5,594,532	5,740,601	5,649,150	(91,451)
Special	1,724,000	1,844,267	1,829,545	(14,722)
623 Crime Investigation	36,306,243	37,755,337	34,753,540	(3,001,797)
General	33,730,564	35,122,679	34,073,540	(1,049,139)
Federal	104,550	107,164	80,000	(27,164)
State	2,471,129	2,525,494	600,000	(1,925,494)
624 Target Violent Criminals	43,447,576	43,960,902	43,722,929	(237,973)
General	36,656,644	38,430,556	37,952,740	(477,816)
State	4,670,577	3,364,466	3,604,309	239,843
Special	2,120,355	2,165,880	2,165,880	0
625 SWAT/ESU	9,730,800	9,814,206	9,743,808	(70,398)
General	9,730,800	9,814,206	9,743,808	(70,398)
626 Homeland Security - Intelligence	15,198,561	15,238,246	9,035,814	(6,202,432)
General	7,378,582	7,296,895	7,358,100	61,205
Federal	7,819,979	7,941,351	1,677,714	(6,263,637)
627 Emergency Communications	7,822,472	7,917,390	7,696,692	(220,698)
General	7,822,472	7,917,390	7,696,692	(220,698)
628 Police Internal Affairs	9,039,682	9,611,054	9,273,368	(337,686)
General	9,039,682	9,611,054	9,273,368	(337,686)
632 Manage Police Records and Evidence Control Systems	7,810,451	8,093,204	6,936,749	(1,156,455)
General	7,810,451	8,093,204	6,936,749	(1,156,455)
635 Police Recruiting and Training	15,904,099	16,809,887	13,939,176	(2,870,711)
General	15,383,899	16,278,243	13,939,176	(2,339,067)
State	520,200	531,644	0	(531,644)
637 Special Operations - K-9 and Mounted Unit	4,587,249	4,802,737	4,589,347	(213,390)
General	4,587,249	4,802,737	4,589,347	(213,390)
638 Marine Unit	2,049,579	2,142,317	2,086,635	(55,682)
General	2,049,579	2,142,317	2,086,635	(55,682)
640 Special Operations - Aviation	6,117,186	6,177,219	5,064,046	(1,113,173)
General	6,117,186	6,177,219	5,064,046	(1,113,173)
642 Crime Laboratory	16,330,179	16,734,518	17,417,129	682,611
General	14,000,416	14,344,623	15,666,672	1,322,049
Federal	2,329,763	2,389,895	1,750,457	(639,438)
684 Traffic Management	12,425,870	12,088,092	12,039,183	(48,909)
General	11,801,341	11,449,823	11,400,914	(48,909)
Special	624,529	638,269	638,269	0
689 Vehicle Impounding and Disposal	7,600,611	7,749,963	7,721,493	(28,470)
General	7,600,611	7,749,963	7,721,493	(28,470)
697 Traffic Safety	7,849,908	9,574,523	9,477,031	(97,492)
General	6,854,892	8,563,126	8,468,378	(94,748)
Federal	995,016	1,011,397	1,008,653	(2,744)
752 Community Outreach Services	1,583,985	1,660,099	1,654,807	(5,292)
General	1,373,985	1,445,479	1,444,807	(672)
Special	210,000	214,620	210,000	(4,620)
757 CitiWatch	2,548,438	2,479,248	2,369,683	(109,565)
General	2,292,663	2,217,341	2,217,341	0
Federal	70,775	72,837	72,342	(495)
Special	185,000	189,070	80,000	(109,070)
758 Coordination of Public Safety Strategy - Administration	4,193,135	4,315,562	2,050,649	(2,264,913)
General	626,434	668,564	665,803	(2,761)
Federal	3,246,701	3,319,958	1,339,846	(1,980,112)
State	245,000	250,390	45,000	(205,390)
Special	75,000	76,650	0	(76,650)
781 Administration - State's Attorney	6,527,788	7,355,766	6,480,718	(875,048)
General	6,527,788	7,355,766	6,480,718	(875,048)
786 Victim and Witness Services	1,549,922	1,626,875	2,690,373	1,063,498
General	1,290,659	1,380,687	1,376,271	(4,416)
Federal	259,263	246,188	1,314,102	1,067,914

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Safe Neighborhoods (Continued)	850,874,268	916,273,340	888,800,346	(27,472,994)
796 Workforce Services for Ex-Offenders	1,623,610	1,725,934	1,672,925	(53,009)
General	126,499	173,865	172,925	(940)
Federal	748,785	772,203	750,000	(22,203)
State	748,326	779,866	750,000	(29,866)
848 Police Community Relations	555,998	906,346	608,727	(297,619)
General	555,998	906,346	608,727	(297,619)
851 Liquor License Compliance	977,068	1,164,144	1,158,864	(5,280)
General	977,068	1,164,144	1,158,864	(5,280)
881 Courthouse Security	4,351,821	4,682,483	4,708,554	26,071
General	4,351,821	4,682,483	4,708,554	26,071
882 Deputy Sheriff Enforcement	10,241,619	11,050,443	11,028,345	(22,098)
General	10,241,619	11,050,443	11,028,345	(22,098)
883 Service of Protective and Peace Orders	1,897,499	2,043,718	2,080,294	36,576
General	1,897,499	2,043,718	2,080,294	36,576
884 District Court Sheriff Services	2,448,070	2,621,776	2,794,273	172,497
General	2,448,070	2,621,776	2,794,273	172,497
TOTAL OPERATING BUDGET	850,874,268	916,273,340	888,800,346	(27,472,994)
LESS INTERNAL SERVICE FUND	0	0	0	0
TOTAL OPERATING APPROPRIATIONS	850,874,268	916,273,340	888,800,346	(27,472,994)

Key results funded in the Fiscal 2018 Recommended Budget:

- The Public Right-of-Way Cleaning service swept 111,625 miles of Baltimore City streets in Fiscal 2016, removing 11,000 tons of waste. The Department of Public Works projects sweeping a total of 130,000 miles in Fiscal 2018 as it expands its Street Sweeping program.
- The Chronic Disease Prevention service connects Baltimore citizens who live in food deserts to fresh, high-quality foods through the Virtual Supermarkets program. Virtual Supermarkets partners with ShopRite, and is now delivering from six additional physical supermarkets since 2015. From the 403 clients served in Fiscal 2016, the Health Department plans to serve 650 Baltimore City residents in Fiscal 2018.
- Recreation & Parks’ Recreation for Seniors and Therapeutic Recreation Services serve citizens ages 50 and above and those with disabilities who otherwise might not have a community available to them. These services saw 7% and 10% increases in participation, respectively, due to an increase in programming. The participation increase in both Senior and Therapeutic Recreation opportunities is expected to continue in Fiscal 2018.
- The Adjudication of Environmental Citations service has significantly cut the average number of days between a request appealing a citation and a hearing from 102 to 56 in Fiscal 2016. The service established a stringent internal review process and used technology to streamline the hearing process. The Fiscal 2018 target is 60 days.
- The Horticulture service maintains the City’s green spaces such as forests, parks, and gardens, and offers programming that has the potential to generate revenue for the City. For example, a total of 27,125 people visited the Rawlings Conservatory in Fiscal 2016, a decrease from prior years due to the unrest in the Mondawmin area, which is two blocks from the Conservatory. The Department of Recreation and Parks projects a rebound to 29,500 visitors in Fiscal 2018.
- The Waste Removal and Recycling service provides household waste and recycling pick up to Baltimore City. The service collected 28,970 tons of recycling in Fiscal 2015 and 28,253 in Fiscal 2016, which were below the target of 34,000 tons. According to State estimates, only 22% of the City’s public waste tonnage is diverted away from the landfill through recycling, below the 35% goal set by the State. DPW expects to collect 30,000 tons in Fiscal 2018.

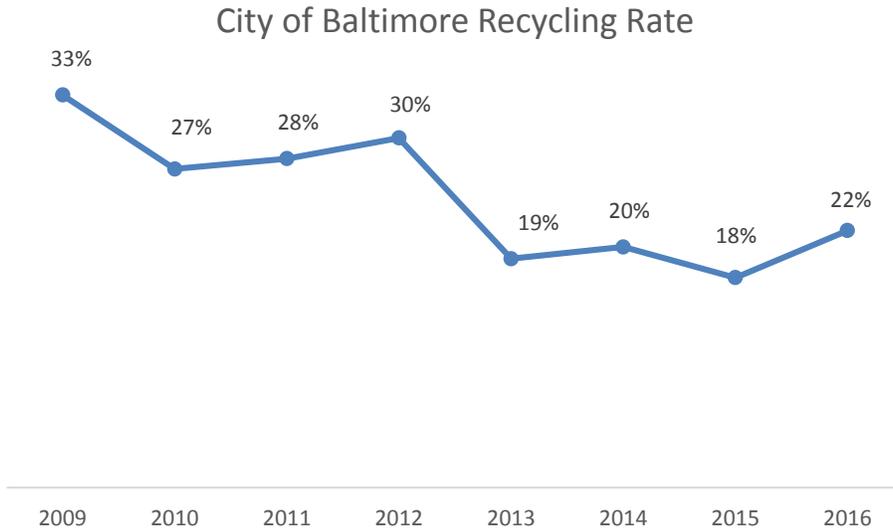
Key budget decisions in Healthy Communities:

- At the proposed level of funding, DPW will expand its “Big Belly” trash can program helping to curb overflows at corner cans and improve cleanliness in commercial areas with \$600,000 in funding.
- DPW will also invest \$600,000 for its “Small Haulers Program” that will offer a new, centrally-located option at the Northwest Transfer Station for disposal of commercial waste.
- At the proposed level of funding for the Health Department’s Animal Services, two full-time positions will be added to solve the staffing inefficiencies revealed by a growing call volume. This addition will significantly reduce overtime spending and further increase the capacity of this high performing service to keep our public safe from health and safety threats.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Federal	85,746,367	88,060,676	91,937,559	3,876,883	4%
General	97,893,853	100,464,273	100,224,348	(239,925)	0%
Internal Service	2,262,163	2,343,234	2,164,029	(179,205)	-8%
Special	4,515,408	4,491,782	17,052,911	12,561,129	280%
State	18,706,645	19,172,689	18,695,566	(477,123)	-2%
Stormwater Utility	2,413,930	2,471,142	5,119,514	2,648,372	107%
Total	211,538,366	217,003,796	235,193,927	18,190,131	8%

Indicator: Recycling Rate



Source: Maryland Department of the Environment

The City’s recycling rate is provided by the Maryland Recycling Act (MRA). MRA data includes private and commercial recycling rates, in addition to the public recycling collected by the Department of Public Works. After 2012, ash from incinerated waste was no longer considered a recyclable material for use as a landfill cover material; this reduced the City’s MRA-defined recycling rate. The City is working with the Maryland Department of the Environment (MDE) to return to using ash as daily cover, which will help to increase landfill capacity.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Single-stream recycling and 1+1 collections. • City school recycling initiatives. 	<ul style="list-style-type: none"> • Few direct incentives or penalties associated with household recycling. • Gaps in environmental literacy – not knowing what items are recyclable or when recycling takes place.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the indicator:

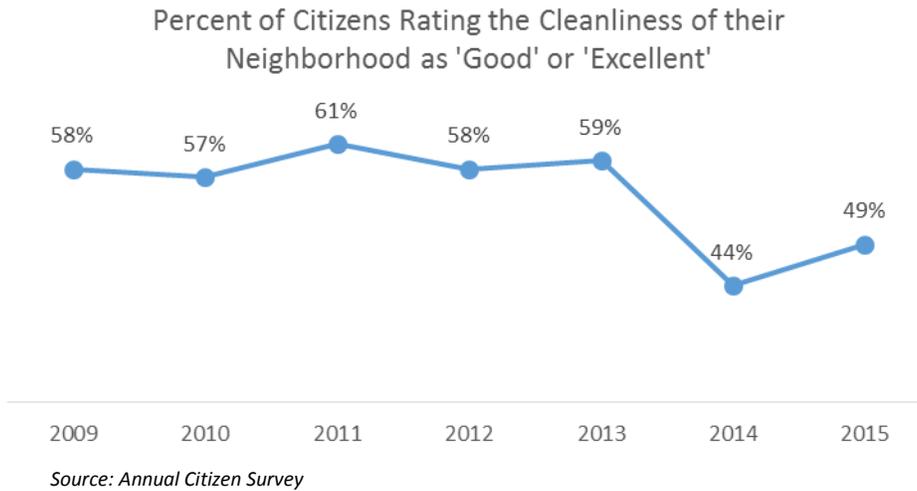
The Environmental Control Board (ECB), the Office of Sustainability, and the DPW will work to expand the B’more Beautiful initiative to promote residential clean-up and provide training on recycling methods.

The Office of Sustainability will focus on business and industrial waste diversion through the Waste to Wealth Initiative which received Innovation Funds last year. The Initiative partners with Recreation and Parks’ Forestry Division to utilize the legacy mulch and logs in Camp Small, the City’s holding yard for all downed trees. Logs are sold to local craftsman and material has been donated to a project called “Birdland” at the Francis Scott Key School. To date, sales are \$32,000.

Single-stream recycling will continue at the current service level, but will be operated at cost to the City due to the change in the market for recyclable materials versus the cost of collection.

The City is partnering with Chicago Urban Labs to evaluate strategies to increase recycling at the neighborhood level.

Indicator: Perception of Cleanliness



Since 2009, the City of Baltimore has administered an annual Community Survey to gauge resident perception of City services and quality of life in Baltimore. One survey question asks respondents to rank the cleanliness of their neighborhood as: excellent, good, fair or poor.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Expansion of the mechanical street sweeping program within the City. • Community Pitch-In and Spring/Fall clean up events. 	<ul style="list-style-type: none"> • Difficulty in citing illegal dumping violations. • The lengthy delay in obtaining signage for enforcement of street sweeping parking restrictions. • Vacant buildings and lots.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Citizen Perception of Cleanliness indicator:

DPW is expanding “Big Belly” trash cans in the 16 business districts, helping to curb overflows at corner cans and improve cleanliness in commercial areas.

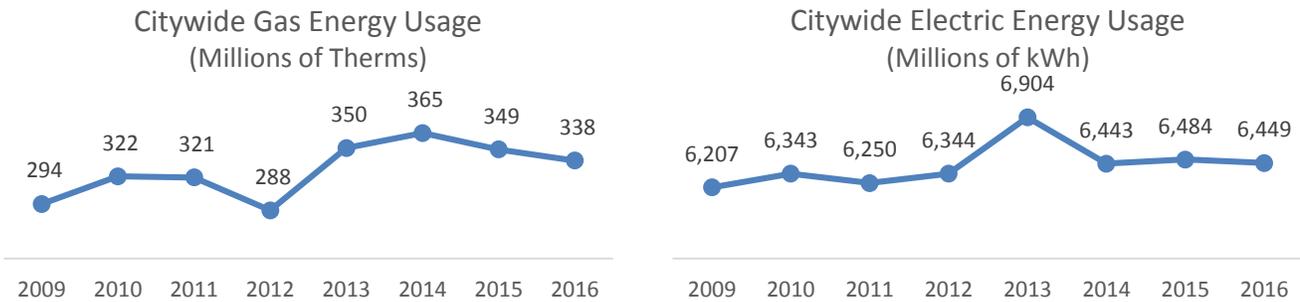
DPW will also implement a “Small Haulers Program” that will offer a new, centrally-located option at the Northwest Transfer Station for disposal of commercial waste. This is expected to reduce illegal dumping and decrease illegal use of residential Citizen Drop-off centers.

The ECB will administer an educational initiative for first-time sanitation violations, with the goal of reducing repeat violators and improving environmental awareness.

Housing Code Enforcement will continue to roll out its 2017 Enhancement by implementing upgrades and replacing surveillance cameras to better capture illegal dumping activity and improve enforcement.

In 2015, DPW expanded Mechanical Street Sweeping to touch every city street on a monthly basis. This budget maintains the expansion by using Storm Water Fee revenue to fully fund the Mechanical Street Sweeping operations on an ongoing basis.

Indicator: Citywide Energy Use



Source: Baltimore Gas & Electric

These data points come from the Baltimore City Department of Planning, Office of Sustainability and include all residential, commercial, and industrial energy consumption.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • The Baltimore Energy Challenge. • Smart metering projects for City buildings and energy retrofits. 	<ul style="list-style-type: none"> • Declining or limited tree canopy. • Lack of public information and education about energy use. • “Heat Island Effect” that increases energy demand. • Low price of natural gas.

The Fiscal 2018 recommended budget invests in numerous services and programs that will reduce energy usage:

The Office of Sustainability will continue the Baltimore Energy Initiative and Baltimore Energy Challenge to promote energy assistance in low-income homes and support education to increase energy-saving behavior.

The Department of General Services (DGS) will continue to modernize the City’s vehicle fleet. DGS has completed four rounds of investment in vehicle purchases (totaling \$90 million over 3 years) and fuel usage for the City’s light duty emergency and non-emergency vehicles has been reduced by 29% due to this investment.

The Office of Sustainable Energy (OSE) has several ongoing projects that have reduced the City’s electricity consumption by 11.1% across 154 facilities from 2006 to 2016. OSE has new projects planned for Fiscal 2018, but any savings that would be generated won’t be realized until Fiscal 2019 due to implementation lead times.

Indicator: Recreational Opportunities



Source: Baltimore City Department of Recreation and Parks

The indicator is only capturing the reported number of visits to Recreation Centers, City Pools, and the Horticulture facilities (Rawlings Conservatory and Cylburn Arboretum), as well as total Youth & Adults Sports team enrollment. The ultimate goal is for this indicator to measure the percent of Baltimore residents who are engaged in recreational activities.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Collaborative programs with other City agencies has increased Recreation Center attendance. • Increase in the number of event rentals at Cylburn Arboretum. 	<ul style="list-style-type: none"> • Attendance at Rawlings Conservatory was negatively impacted in 2015 by the April unrest that occurred nearby.

The Fiscal 2018 recommended budget invests in numerous services and programs that will increase Recreation Visits:

The Department of Recreation & Parks (BCRP) is utilizing RecPro, a point-of-sale and user tracking software, to ensure an efficient user experience for all Baltimore City recreation visits.

BCRP will receive an estimated \$3.5 million from table games revenue in Fiscal 2018 with \$2 million dedicated to the Cherry Hill Recreation Center project. Of the remaining \$1.5 million, \$1 million is for staffing new and expanding recreation centers and \$500,000 supports aquatics programs.

C.C. Jackson Community Center became fully operational in July 2016. The center now provides a number of sports, health and wellness programs for all residents in the Park Heights and surrounding communities. A new Cahill Community Center is currently in its design phase. Cahill will go to bid this summer and will take 18-to-24 months to complete.

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Healthy Communities	211,538,366	217,003,796	235,193,927	18,190,131
117 Adjudication of Environmental Citations	962,655	998,726	1,014,779	16,053
General	962,655	998,726	1,014,779	16,053
303 Clinical Services	8,212,069	8,427,939	8,681,727	253,788
General	5,265,849	5,183,335	5,398,879	215,544
Federal	2,023,607	2,301,045	2,162,221	(138,824)
State	761,007	778,398	958,909	180,511
Special	161,606	165,161	161,718	(3,443)
311 Health Services for Seniors	4,093,609	4,134,258	3,443,656	(690,602)
Federal	4,093,609	4,134,258	3,443,656	(690,602)
356 Administration - Human Services	5,174,187	5,676,040	4,821,208	(854,832)
General	1,043,103	1,094,054	1,138,804	44,750
Federal	3,074,759	3,507,538	2,648,424	(859,114)
State	110,503	113,266	210,503	97,237
Special	945,822	961,182	823,477	(137,705)
593 Community Support Projects	7,916,709	7,604,342	7,964,934	360,592
Federal	7,916,709	7,604,342	7,964,934	360,592
650 Horticulture	1,826,699	1,910,462	1,904,116	(6,346)
General	1,272,275	1,327,995	1,322,262	(5,733)
Special	554,424	582,467	581,854	(613)
651 Recreation for Seniors	122,933	107,703	143,901	36,198
General	122,933	107,703	107,901	198
Special	0	0	36,000	36,000
652 Therapeutic Recreation	413,580	427,957	427,826	(131)
General	413,580	427,957	427,826	(131)
653 Park Programs & Events	678,469	700,963	1,049,353	348,390
State	0	0	306,600	306,600
Special	678,469	700,963	742,753	41,790
660 Administration - DPW - SW	1,476,356	1,479,276	1,506,375	27,099
General	1,476,356	1,479,276	1,506,375	27,099
661 Public Right-of-Way Cleaning	20,379,772	20,719,466	21,850,053	1,130,587
General	17,372,627	17,796,786	16,330,539	(1,466,247)
Special	593,215	451,538	400,000	(51,538)
Stormwater Utility	2,413,930	2,471,142	5,119,514	2,648,372
663 Waste Removal and Recycling	26,886,421	27,736,698	28,255,593	518,895
General	26,886,421	27,736,698	28,255,593	518,895
664 Waste Re-Use and Disposal	20,119,005	21,154,004	21,783,904	629,900
General	20,119,005	21,154,004	21,783,904	629,900
715 Administration - Health	9,801,581	9,829,463	9,706,752	(122,711)
General	4,699,514	4,600,643	4,038,121	(562,522)
Federal	3,121,200	3,189,866	3,689,325	499,459
State	1,040,400	1,063,289	1,063,289	0
Special	940,467	975,665	916,017	(59,648)
716 Animal Services	3,031,573	3,189,602	3,308,491	118,889
General	3,031,573	3,189,602	3,308,491	118,889
717 Environmental Inspection Services	3,403,339	3,394,188	3,299,977	(94,211)
General	3,371,919	3,362,077	3,268,557	(93,520)
Special	31,420	32,111	31,420	(691)
718 Chronic Disease Prevention	1,294,245	1,345,854	1,427,853	81,999
General	418,846	421,884	420,367	(1,517)
Federal	0	0	22,000	22,000
State	760,399	806,440	985,486	179,046
Special	115,000	117,530	0	(117,530)
720 HIV Treatment Services for the Uninsured	33,962,716	35,200,179	41,633,422	6,433,243
General	1,196,603	1,227,948	1,225,345	(2,603)
Federal	27,544,382	28,605,353	36,409,502	7,804,149
State	5,221,731	5,366,878	3,998,575	(1,368,303)
721 Senior Centers	2,182,703	2,157,204	2,010,560	(146,644)
General	807,397	824,415	823,511	(904)
Federal	1,239,496	1,193,937	1,091,540	(102,397)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Healthy Communities (Continued)	211,538,366	217,003,796	235,193,927	18,190,131
State	135,810	138,852	38,400	(100,452)
Special	0	0	57,109	57,109
722 Administration - CARE	571,674	507,730	1,197,805	690,075
General	375,797	361,919	991,156	629,237
Federal	195,877	145,811	206,649	60,838
723 Advocacy for Seniors	2,142,302	2,225,208	2,250,300	25,092
General	101,289	104,279	104,729	450
Federal	182,305	187,936	154,897	(33,039)
State	1,858,708	1,932,843	1,808,537	(124,306)
Special	0	150	182,137	181,987
724 Direct Care and Support Planning	1,872,945	1,868,828	2,028,692	159,864
Federal	136,753	139,762	136,753	(3,009)
State	1,736,192	1,729,066	1,819,939	90,873
Special	0	0	72,000	72,000
725 Community Services for Seniors	3,942,280	4,042,587	4,035,932	(6,655)
General	145,176	148,370	190,607	42,237
Federal	2,580,895	2,651,251	2,535,469	(115,782)
State	936,762	957,371	979,425	22,054
Special	279,447	285,595	330,431	44,836
730 Public and Private Energy Performance	2,262,163	2,343,234	16,964,029	14,620,795
Federal	0	0	2,000,000	2,000,000
State	0	0	300,000	300,000
Special	0	0	12,500,000	12,500,000
Internal Service	2,262,163	2,343,234	2,164,029	(179,205)
754 Summer Food Service Program	3,547,207	3,631,205	3,564,457	(66,748)
State	3,547,207	3,631,205	3,564,457	(66,748)
893 Homeless Prevention and Support Services for the Homeless	1,820,831	1,860,890	1,087,243	(773,647)
Federal	1,148,157	1,173,417	593,802	(579,615)
State	672,674	687,473	493,441	(194,032)
894 Outreach to the Homeless	3,873,090	3,958,297	3,234,985	(723,312)
General	174,286	178,120	399,727	221,607
Federal	3,315,618	3,388,560	2,551,867	(836,693)
State	383,186	391,617	283,391	(108,226)
895 Temporary Housing for the Homeless	13,576,557	13,798,067	9,464,784	(4,333,283)
General	7,905,475	8,002,222	7,430,615	(571,607)
Federal	4,190,511	4,282,701	175,350	(4,107,351)
State	1,480,571	1,513,144	1,858,819	345,675
896 Permanent Housing for the Homeless	25,990,696	26,573,426	27,131,220	557,794
General	731,174	736,260	736,260	0
Federal	24,982,489	25,554,899	26,151,170	596,271
State	61,495	62,847	25,795	(37,052)
Special	215,538	219,420	217,995	(1,425)
TOTAL OPERATING BUDGET	211,538,366	217,003,796	235,193,927	18,190,131
LESS INTERNAL SERVICE FUND	2,262,163	2,343,234	2,164,029	(179,205)
TOTAL OPERATING APPROPRIATIONS	209,276,203	214,660,562	233,029,898	18,369,336

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Key results funded in the Fiscal 2018 Recommended Budget:

- The Mayor’s Office of Employment Development (MOED) will help 7,613 Baltimore City residents acquire job skills through the 21st Century Job Readiness curriculum and workshops. This target represents a 50% increase over Fiscal 2015 performance.
- The Baltimore Development Corporation (BDC) target of 290 outreach visits to small businesses, up from 273 in Fiscal 2016, will continue to strengthen retail districts in neighborhoods beyond downtown.
- Visit Baltimore expects the number of visitors to Baltimore to climb to 26.4 million annually in Fiscal 2018 from 25.2 million in Fiscal 2016. The City’s arts and culture institutions, including the Maryland Zoo, Baltimore Museum of Art, Walter’s Art Gallery, and Baltimore Symphony Orchestra, will attract an estimated 930,000 annual visitors.
- The Baltimore Office of Promotion and the Arts (BOPA) has a targeted economic impact for events like Artscape, Farmers’ Markets, and the Baltimore Book Festival of \$132 million for Fiscal 2018.
- The Convention Center hopes to expand its fiscal impact on the city by generating a total of \$17.3 million in tax revenue from hosting 110 events.

Key budget decisions in Vibrant Economy:

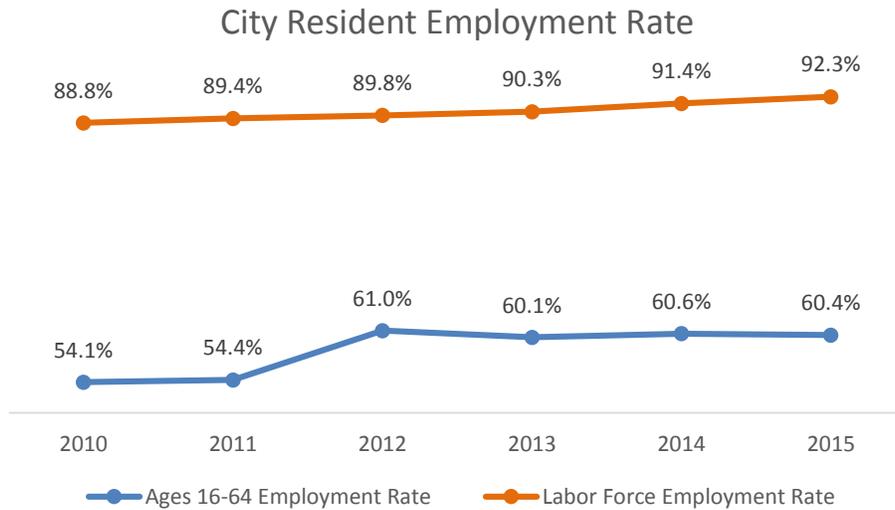
- Fund new Mobile Workforce Centers to bring job placement services directly to underserved communities.
- Support female and minority owned businesses by merging the Small Business Resource Center with the Mayor’s Office of Minority and Women’s Business Opportunity.
- Fund the Emerging Technology Centers and other BDC business support programs at their current levels to increase the number of businesses that start, stay and expand in Baltimore and to promote Minority Business Enterprise and Women’s Business Enterprise participation.
- Fund the Baltimore Symphony Orchestra, Baltimore Museum of Art, Walter’s Art Gallery, Maryland Zoo in Baltimore, Baltimore Office of Promotion and the Arts, and the Bromo Seltzer Arts Tower at the current levels for Fiscal 2018. These organizations continue to attract new visitors to Baltimore and offer a diverse range of creative programming citywide that has put Baltimore’s artistic communities on the national and international map.
- Fund two services within the Mayor’s Office of Civil Rights – Wage Investigation & Enforcement and Discrimination Investigations, Resolutions, and Conciliations - at current levels to protect residents currently employed, reduce barriers to employment, and ensure employers and businesses are abiding by Federal wage laws.
- The Baltimore National Heritage Area (BNHA) is funded at the current level. Efforts by BNHA to promote and enhance Baltimore’s cultural and historical legacy make Baltimore more visitor-friendly.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Convention Center Bond	4,580,088	4,573,750	4,580,088	6,338	0%
Federal	10,054,361	10,134,658	10,748,470	613,812	6%
General	67,510,315	70,084,717	71,768,166	1,683,449	2%
Parking Enterprise	31,780,518	34,661,258	33,222,138	(1,439,120)	-4%
Parking Management	24,775,005	25,624,425	25,642,970	18,545	0%
Special	1,917,983	2,036,372	3,604,729	1,568,357	77%
State	11,659,788	11,860,805	10,257,969	(1,602,836)	-14%
Total	152,278,058	158,975,985	159,824,530	848,545	1%

Vibrant Economy

Indicator: Employment Rate



Source: BNIA Vital Signs, U.S. Census Bureau 2015 ACS 5-Year Estimates; U.S. BLS LAUS 2010-2015

The labor force employment rate is the percentage of those seeking work and participating in the labor force who are employed, or the inverse of the unemployment rate for Baltimore City. The employment rate for city residents ages 16 to 64 includes those who have stopped looking for work or who are not participating in the labor force. The labor force participation rate remained essentially flat over the same time period, from 62.2% in 2010 to 61.9% in 2015.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Workforce development collaboration and programming among City, private, and non-profit groups. • The expansion of key industries including the health and technological sectors within Baltimore City. • An increase to the number of small business start-ups and self-employed individuals within the City. 	<ul style="list-style-type: none"> • Barriers to employment including mental health issues, racial disparities, a lack of access to childcare, and a lack of access to reliable transportation. • An education system that limits residents' exposure to the skills and training needed to be competitive in the global economy.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Employment Rate indicator:

Maintain current level of funding (\$25.7M) for Employment Enhancement Services for Baltimore City Residents in order to help residents secure sustainable wages. These include One-Stop Career Centers, the Employment Connection Center, Community Job Hubs, Digital Learning Labs, and new Mobile Workforce Centers to bring employment services directly to those who need them.

Maintain current level of funding (\$7.3M) for five Community Action Centers throughout the city to connect low-income families to programs that promote economic stability, including financial literacy and tax preparation. Maintain current funding (\$1.3M) for two services within the Office of Civil Rights – Wage Investigation & Enforcement and Discrimination Investigations, Resolutions, and Conciliations –to reduce barriers to employment.

Indicator: Jobs in Baltimore

Annual Average of Non-Farm Jobs in Baltimore City
(Thousands)



Source: U.S. Bureau of Labor Statistics CES 2010-2015

Non-farm payrolls, which are captured by the U.S. Bureau of Labor Statistics Current Employment Statistics (CES) dataset, include all public and non-public sector jobs (full-time and part-time) in the City of Baltimore, with the exception of farm workers, household workers, proprietors, armed services, and the self-employed.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • General improvement in the local economy. • A metropolitan region with a highly-educated workforce. • An increase in public and private investment in the region. 	<ul style="list-style-type: none"> • Barriers to job growth and private development including both the negative perception of Baltimore and limitations on ease of doing business with the City.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Jobs in Baltimore indicator:

Facilitate real estate investment by funding current service levels of BDC Real Estate Development (\$3 million) to expand the tax base and leverage public investments to create jobs. The BDC Retention, Expansion, and Attraction of Businesses will use current funding (\$1.2 million) to increase employment in key growth sectors.

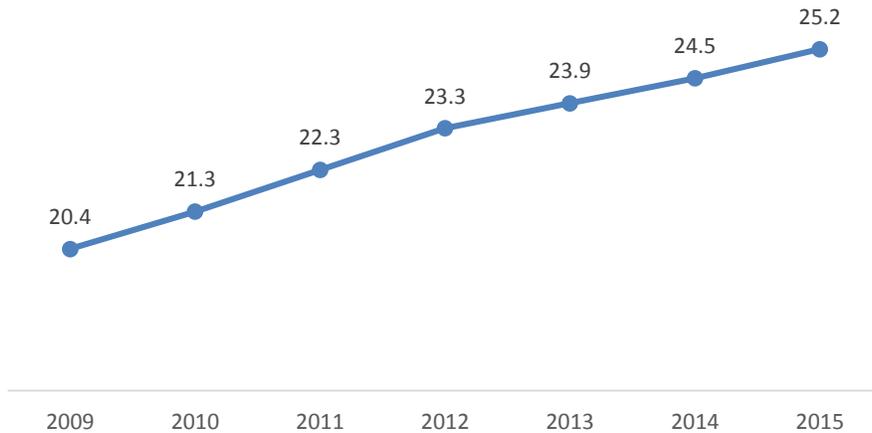
Development Oversight and Project Support aims to keep development project timelines short and consistent by reviewing 80% of assigned building permits, zoning appeals, and lot subdivision applications on time, supporting the BDC’s goal of closing major real estate projects in the BDC pipeline worth a combined \$127 million in Fiscal 2018.

Provide assistance to MBEs and WBEs by funding the Law Department’s Minority and Women’s Business Opportunity office at the current funding level (\$754,000).

Tax-increment financing projects like Belvedere Square, Mondawmin Mall, and Port Covington, budgeted at \$16.2 million in the Fiscal 2018 plan, promise to generate additional jobs for city residents.

Indicator: Visitors to Baltimore

Total Number of Visitors to Baltimore (in millions)



Source: Visit Baltimore Reports – Longwoods International & Travel USA

This dataset comes from Visit Baltimore and includes domestic visitors to Baltimore for leisure and business travel.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> Baltimore is home to many destination events, art and culture institutions, world-class sports teams, and other celebrated tourist attractions. The City’s investment in the Inner Harbor waterfront and Downtown areas. 	<ul style="list-style-type: none"> Limited shopping options. A negative perception of safety compounded by strained police-community relations. An aging Convention Center that struggles to compete with larger, newer, east-coast facilities.

The Fiscal 2018 recommended budget invests in numerous services and programs that will help to increase Visitors to Baltimore:

BDC Inner Harbor Coordination and DOT Inner Harbor Services retain current levels of funding (\$1.8M) to promote the physical and economic development of the Inner Harbor Waterfront promenade. As the most recognized feature of downtown, Inner Harbor is a key contributor to Baltimore’s economic vitality.

Visit Baltimore is funded at \$14.3 million (40% of hotel tax revenue) and Visit Baltimore bookings promise to generate 350,135 hotel room nights in Fiscal 2018. Visit Baltimore promotions will secure \$10 million in equivalent advertising value of positive editorial coverage of Baltimore’s tourist attractions.

The Baltimore Convention Center (BCC) works in conjunction with Visit Baltimore and is a major driver of economic activity for the city. The BCC operates at a deficit, of which the city covers one-third and the state covers two-thirds. The Center’s net cost to the city is estimated to be \$2.9 million in Fiscal 2018. BCC has increased total tax revenue generated through events from \$16 million to \$22 million over the past two years.

The Baltimore Office of Promotion and the Arts (BOPA) serves as the City’s arts council, events center, and film office, and supplements its city funding (\$2.4M) by fundraising nearly \$4 million annually to produce activities and programs on behalf of the city.

OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Vibrant Economy	152,278,058	158,975,985	159,824,530	848,545
493 Art and Culture Grants	5,680,969	5,956,525	5,956,525	0
General	5,680,969	5,956,525	5,956,525	0
535 Convention Center Hotel	7,920,000	9,436,574	7,273,000	(2,163,574)
General	7,920,000	9,436,574	7,273,000	(2,163,574)
540 Royal Farms Arena Operations	500,000	525,650	525,650	0
General	500,000	525,650	525,650	0
590 Civic Promotion Grants	458,148	468,226	468,226	0
General	458,148	468,226	468,226	0
634 Crowd, Traffic, and Special Events Management	9,060,572	9,384,747	11,068,327	1,683,580
General	8,829,947	9,148,356	10,831,936	1,683,580
Federal	230,625	236,391	236,391	0
656 Wage Investigation and Enforcement	224,196	208,531	329,164	120,633
General	224,196	208,531	329,164	120,633
682 Parking Management	41,854,893	45,246,282	43,935,182	(1,311,100)
Parking Management	10,074,375	10,585,024	10,713,044	128,020
Parking Enterprise	31,780,518	34,661,258	33,222,138	(1,439,120)
685 Special Events	1,352,974	1,373,575	1,359,799	(13,776)
General	1,352,974	1,373,575	1,359,799	(13,776)
687 Inner Harbor Services - Transportation	1,352,622	1,424,809	1,414,649	(10,160)
General	1,352,622	1,424,809	1,414,649	(10,160)
693 Parking Enforcement	14,784,630	15,125,501	14,974,926	(150,575)
Parking Management	14,700,630	15,039,401	14,929,926	(109,475)
Special	84,000	86,100	45,000	(41,100)
695 Dock Master	280,783	262,034	259,329	(2,705)
Special	280,783	262,034	259,329	(2,705)
741 Community Action Partnership	6,262,688	6,419,940	7,337,740	917,800
General	776,960	749,499	712,085	(37,414)
Federal	877,543	905,330	963,303	57,973
State	4,608,185	4,765,111	4,662,352	(102,759)
Special	0	0	1,000,000	1,000,000
761 Development Oversight and Project Support	1,207,924	1,226,582	1,115,736	(110,846)
General	1,207,924	1,226,582	1,115,736	(110,846)
792 Workforce Services for TANF Recipients	3,446,796	3,560,782	3,362,980	(197,802)
Federal	3,246,796	3,356,382	3,262,980	(93,402)
State	200,000	204,400	100,000	(104,400)
793 Employment Enhancement Services for Baltimore City Residents	1,959,712	2,109,261	2,981,168	871,907
General	1,314,712	1,349,203	2,346,168	996,965
Special	645,000	760,058	635,000	(125,058)
794 Administration - MOED	623,549	597,452	659,521	62,069
General	623,549	642,543	659,521	16,978
Federal	0	(45,091)	0	45,091
795 Workforce Services for Baltimore Residents	6,258,597	6,284,039	6,674,989	390,950
Federal	5,658,597	5,639,948	6,244,098	604,150
State	400,000	439,691	230,891	(208,800)
Special	200,000	204,400	200,000	(4,400)
809 Retention, Expansion, and Attraction of Businesses	1,275,849	1,306,739	1,153,235	(153,504)
General	1,023,849	1,049,195	1,049,195	0
Special	252,000	257,544	104,040	(153,504)
810 Real Estate Development	2,027,220	2,076,845	3,077,253	1,000,408
General	1,823,220	1,868,357	1,868,357	0
Special	204,000	208,488	1,208,896	1,000,408
811 Inner Harbor Coordination	356,663	364,510	364,510	0
General	356,663	364,510	364,510	0
812 Business Support - Small Business Resource Center	476,185	486,661	0	(486,661)
General	476,185	486,661	0	(486,661)
813 Technology Development - Emerging Technology Center	831,459	849,751	849,751	0
General	831,459	849,751	849,751	0
814 Improve and Promote Retail Districts Beyond Downtown	1,690,288	1,731,854	1,731,650	(204)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Vibrant Economy (Continued)	152,278,058	158,975,985	159,824,530	848,545
General	1,588,288	1,627,610	1,627,610	0
Special	102,000	104,244	104,040	(204)
820 Convention Sales and Tourism Marketing	13,491,382	13,788,192	14,344,141	555,949
General	13,491,382	13,788,192	14,344,141	555,949
824 Events, Art, Culture, and Film	2,419,499	2,472,728	2,367,648	(105,080)
General	2,279,499	2,329,648	2,329,648	0
Special	140,000	143,080	38,000	(105,080)
828 Bromo Seltzer Arts Tower	76,500	85,861	85,861	0
General	76,500	85,861	85,861	0
846 Discrimination Investigations, Resolutions and Conciliations	912,520	959,140	948,403	(10,737)
General	861,520	907,018	896,281	(10,737)
Federal	40,800	41,698	41,698	0
Special	10,200	10,424	10,424	0
850 Liquor Licensing	908,714	1,016,516	1,010,790	(5,726)
General	908,714	1,016,516	1,010,790	(5,726)
855 Convention Center	19,283,874	18,894,228	18,860,532	(33,696)
General	12,832,271	12,442,625	13,595,806	1,153,181
State	6,451,603	6,451,603	5,264,726	(1,186,877)
857 Convention Center Debt Service	4,580,088	4,573,750	4,580,088	6,338
Convention Center Bond	4,580,088	4,573,750	4,580,088	6,338
869 Minority and Women's Business Opportunity Office	718,764	758,700	753,757	(4,943)
General	718,764	758,700	753,757	(4,943)
TOTAL OPERATING BUDGET	152,278,058	158,975,985	159,824,530	848,545
LESS INTERNAL SERVICE FUND	0	0	0	0
TOTAL OPERATING APPROPRIATIONS	152,278,058	158,975,985	159,824,530	848,545

Key results funded in the Fiscal 2018 Recommended Budget:

- Housing Code Enforcement will continue to leverage over \$30 million in private investment in neighborhood development target areas.
- Preventative building maintenance work increased from 4.6% to 46.5% in Fiscal 2016 after the first full year of HVAC preventative maintenance. General Services will maintain these gains with a Fiscal 2018 target of 48.2%.
- Urban Forestry increased proactive tree maintenance from 7% to 24% in Fiscal 2016. The program will continue this progress by increasing proactive pruning to 33% of street trees in Fiscal 2018.
- The Department of Public Works will rehab or replace 79,800 linear feet of the water distribution system.
- 8 new miles of bike infrastructure will help support the new Baltimore BikeShare program, which will target 10% of BikeShare rides replacing car trips.
- 120 lane miles out of the City's 4,750 will be re-paved in Fiscal 2018, consistent with Fiscal 2017.

Key budget decisions in Sustainable Infrastructure:

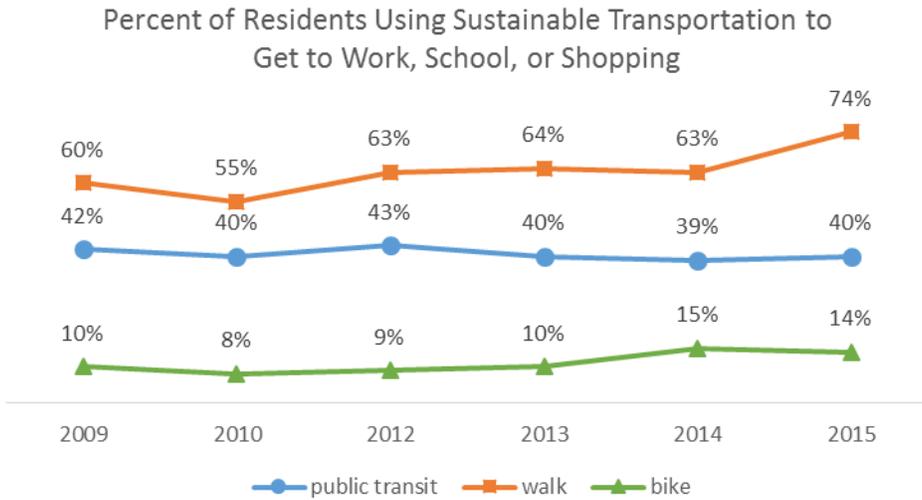
- Invest \$9 million in homeownership incentives and affordable housing programs, including \$3 million in Fiscal 2018 for the Affordable Housing Trust Fund.
- Continue \$10 million of City funding for demolition, of whole blocks and blighted structures per the City's Ten-Year Plan, with an additional \$3 million of State support.
- Invest a \$6.6 million extension of the State's Customer Investment Fund to support energy efficiency and weatherization programming for City residents.
- Maintain \$12.8 million in City parklands, providing current levels of park cleaning and repairs to playgrounds, basketball courts, trails, among other public assets.
- Support current levels of service for the Charm City Circulator with \$15.5 million, \$6 million of which is General Funds.
- Invest \$396 million to continue replacement and rehabilitation of waste water sewage systems, and eliminate sewer overflows and other discharges.
- \$100.8 million to improve storm water drainage and help restore polluted streams and watersheds to fishable and swimmable conditions.
- Support current levels of service (\$10.5 million) for Vacant Property Cleaning and Boarding, supporting vacant housing maintenance, vacant lot mowing and rat control.
- Details of the Fiscal 2018 Capital Improvement Plan can be found on **page x**.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Conduit Enterprise	16,000,000	16,819,466	11,746,671	(5,072,795)	-30%
Federal	12,010,379	12,432,933	14,224,880	1,775,001	14%
General	153,768,976	158,299,619	159,289,336	981,310	1%
Internal Service	76,385,913	87,450,113	87,163,611	(286,502)	0%
Special	20,279,995	14,151,278	17,474,804	(2,181,815)	-15%
State	14,259,141	14,755,418	15,408,963	8,162,101	55%
Stormwater Utility	19,188,202	21,568,604	24,347,821	2,779,217	13%
Wastewater Utility	249,506,065	252,446,103	269,596,071	17,149,968	7%
Water Utility	180,220,616	183,719,512	192,771,223	9,051,711	5%
Total	741,619,287	761,643,046	792,023,380	32,358,196	4%

Sustainable Infrastructure

Indicator: Sustainable Transportation



Source: Annual Citizen Survey
 *This question was not asked on the 2011 Citizen Survey. Survey was not conducted in 2016.

The source of the data is the annual Baltimore City Citizen Survey. Participants in the survey are asked what modes of transportation they utilize to get to work, school, or shopping. The data for each mode of sustainable transportation is displayed in the graph.

Positive Factors:	Negative Factors:
<ul style="list-style-type: none"> The Charm City Circulator as a free downtown transportation service. Baltimore ranks as the 11th most walkable City in America (Walk Score, 2016). 	<ul style="list-style-type: none"> Public transportation in Baltimore is convoluted and limited, with little connectivity between modes. Walking and bicycling in the City can be dangerous.

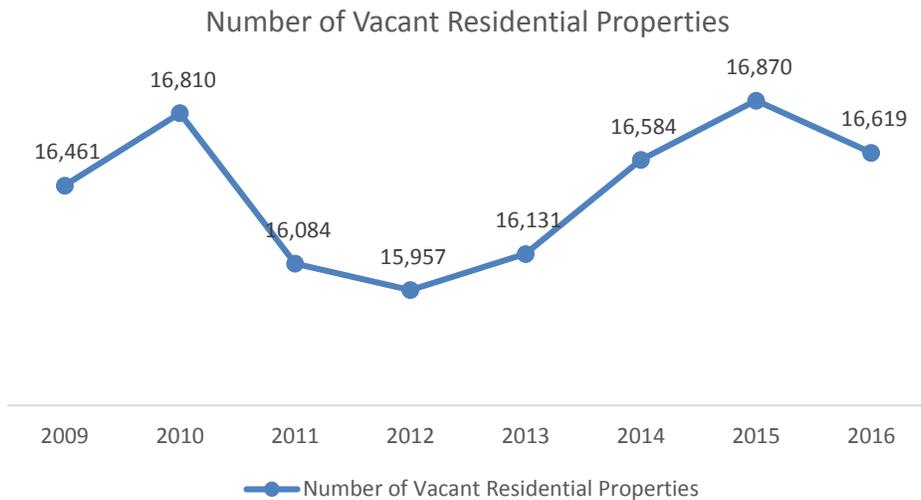
The Fiscal 2018 recommended budget invests in numerous services and programs that will support Sustainable Transportation:

This budget supports current levels of service for the Charm City Circulator. The Circulator was designed to be fully funded through a share of the Parking Tax. This budget recommends \$15.5 million, \$6 million of which is General Funds, to maintain current levels of service for the Charm City Circulator. The budget plan supports a bus replacement and continues paying down an accumulated deficit in the Circulator Special Fund.

The Fiscal 2018 Capital and Operating budgets support the maintenance of the City’s new BikeShare program (\$2 million) and capital investment in bike and trail infrastructure (\$1.8 million). The Traffic Management service will also support the planned expansion of bike infrastructure by ensuring that all traffic construction projects are reviewed for potential improvements to bike and pedestrian infrastructure. These reviews are instrumental in improving the accessibility and safety of bicycling and walking in Baltimore.

Sustainable Infrastructure

Indicator: Blight Elimination



Source: Baltimore City Department of Housing and Community Development

These properties are defined as any residential building that has been deemed uninhabitable by building code standards, and given a vacant building notice by HCD.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> Targeted neighborhood development, Baltimore Homeownership Incentive Program (B-HiP) and other home buying incentive programs. Marketing efforts and incentives such as Live Near Your Work that attract new residents and keep current residents. 	<ul style="list-style-type: none"> Barriers in rehabilitation financing. Challenges around aligning other City services (such as Police and Street Resurfacing) with targeted neighborhood development plans.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support Blight Elimination:

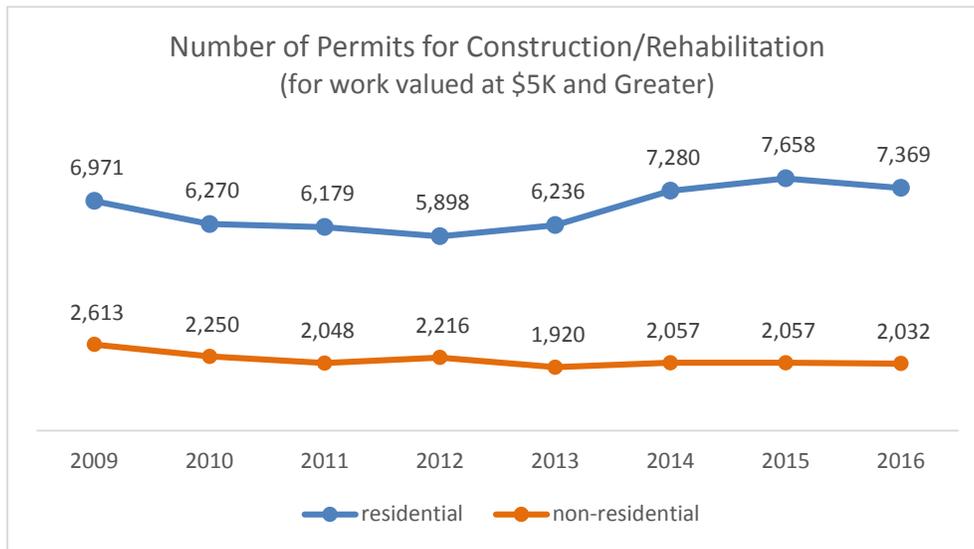
Following the passage of the Affordable Housing Trust Fund in November 2016, this budget sets aside \$3 million in Fiscal 2018 to promote affordable housing development for low-income residents in the City.

This budget preserves current levels of service for the Blight Elimination service (\$3.1 million) and the Promote Homeownership service (\$433,000), and demonstrates ongoing support for neighborhood revitalization and B-HiP initiatives. These programs will maintain the percent of vacant buildings sold in targeted neighborhoods at 85% in Fiscal 2018.

Maintaining current levels of service funding for Housing Code Enforcement (\$15.3 million) supports strategic demolition, receivership, Community Development Clusters, Streamlined Code Enforcement Neighborhoods, and property maintenance code enforcement activities – all directly supporting this indicator. Through targeted code enforcement, Housing Code Enforcement continues to attract private investment in targeted development areas totaling \$44.7 million in Fiscal 2016. This amount of investment has increased every year since 2012.

To help strengthen first responders’ relationship with Baltimore communities, this budget supports incentives to city police, firefighters, and sheriff’s deputies who relocate to the city.

Indicator: Neighborhood Investment



Source: Baltimore City Department of Housing and Community Development

This indicator measures the total number of permits issued by the Department of Housing and Community Development (HCD) for construction or rehabilitation. The \$5,000 threshold eliminates from consideration minor repairs to homes or businesses, ensuring the focus of the indicator is on significant neighborhood investment.

Positive Factors:	Negative Factors:
<ul style="list-style-type: none"> • Improvements in the building permitting process. • Affordability of Baltimore’s housing market. • Vacants to Value program and housing rehabilitation incentives. 	<ul style="list-style-type: none"> • Tedious permit application/review process in prior years.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support Neighborhood Investment:

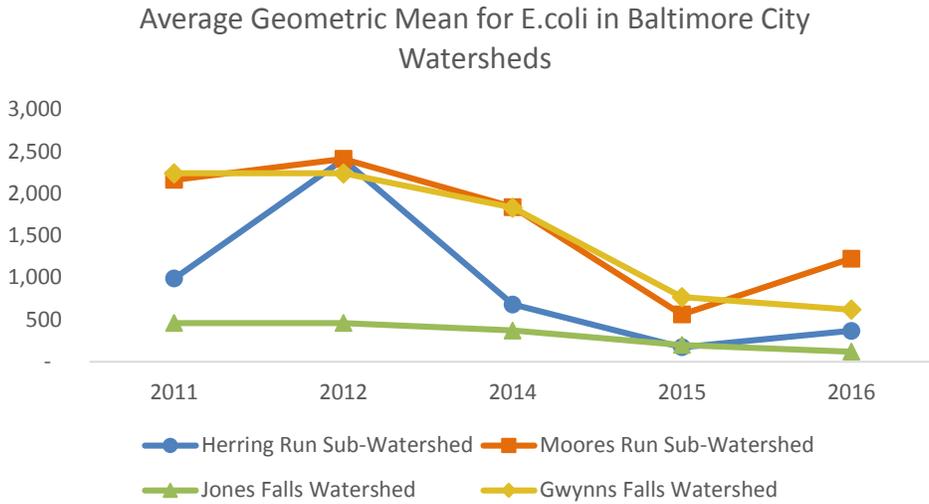
This budget invests over \$5.7 million to maintain current service levels for Building and Zoning Inspections and Permits. This service supports the indicator by ensuring the safety and integrity of new construction and alterations. Furthermore, it reviews permit applications and associated construction drawings, and conducts inspections to ensure compliance with codes. This service will continue improving the building permitting process, in part through an updated online permit application filing system that increases the number of permits eligible for online filing.

The Historic Restorations Property Tax Credit has incentivized neighborhood development in many historic districts in Baltimore. The program is a 10 year, comprehensive tax credit granted on the increased property value resulting from the qualifying rehabilitation work. In Fiscal 2017, credits ranged from \$100 to \$10,000. This budget maintains funding for Historic Preservation, supporting a target increase in authorizations-to-proceed permits issued for Historic Districts and Landmark Properties from 800 in Fiscal 2017 to 887 in Fiscal 2018.

The Board of Municipal and Zoning Appeals (BMZA) supports the consistent application of the Zoning Code for the City of Baltimore, providing public notice and hearings regarding conditional use permits, among other items. This budget preserves current levels of service for BMZA (\$617,000) and anticipates an increase in the number of public hearings as a result the new zoning code implementation. BMZA has worked proactively with the Planning Department and HCD to ensure a seamless transition to any new operational procedures related to new zoning code requirements.

Sustainable Infrastructure

Indicator: Water Cleanliness



Source: 2016 Baltimore City MS4 Annual Report

Baltimore’s DPW measures fecal bacteria at 23 stations throughout the City. The City is required to meet state and local water quality standards, including bacteriological standards identified under State law as part of the Consent Decree. Data are divided into four watersheds across the City. When pollutants enter waterways, it is detrimental to the environment and public health, in addition to limiting water-based recreational activities.

<u>Positive Factors:</u>	<u>Negative Factors:</u>
<ul style="list-style-type: none"> • Trees and green infrastructure along waterways. • Proactive sewer maintenance and sewer repairs required through the Consent Decree. 	<ul style="list-style-type: none"> • Sanitary sewer overflows and leaks from sewer pipes. • Discharges to the storm water system.

The Fiscal 2018 recommended budget invests in numerous services and programs that will support the Cleanliness of City Waterways indicator:

DPW is in “Phase I” of the \$1.5 billion Wastewater Consent Decree program established in 2002 to upgrade and replace Baltimore’s sewer mains. This involves construction of thirty-four projects that will complete the necessary fixing and cleaning of the City’s sewer mains. Of these, 23 projects (68%) are already completed or in process of award or construction. “Phase I” projects are expected to be completed by January 1, 2021. This budget invests over \$396 million in capital funds to continue replacement and rehabilitation of waste water sewage systems. This investment will help eliminate sewer overflows and other discharges.

This budget also invests \$100.8 million in capital funds to support storm water drainage and management infrastructure improvements that will reduce flooding. The funding will also support pollution and erosion control to help restore polluted streams and watersheds to fishable and swimmable conditions.

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Sustainable Infrastructure	741,619,287	761,643,046	792,023,380	30,380,334
132 Real Estate Acquisition and Management	1,073,980	1,124,029	1,117,134	(6,895)
General	1,073,980	1,124,029	1,117,134	(6,895)
185 Board of Municipal & Zoning Appeals	650,514	621,322	617,327	(3,995)
General	650,514	621,322	617,327	(3,995)
189 Fleet Management	59,429,632	63,077,868	62,904,159	(173,709)
Internal Service	59,429,632	63,077,868	62,904,159	(173,709)
305 Healthy Homes	2,360,798	2,408,794	2,648,465	239,671
General	969,429	973,258	969,578	(3,680)
Federal	1,222,159	1,268,859	1,373,731	104,872
Special	169,210	166,677	305,156	138,479
548 Conduits	16,000,000	16,819,466	11,746,671	(5,072,795)
Conduit Enterprise	16,000,000	16,819,466	11,746,671	(5,072,795)
611 Fire Code Enforcement	5,042,521	5,389,343	5,365,953	(23,390)
General	4,715,443	5,055,069	5,031,679	(23,390)
Federal	157,078	160,534	160,534	0
State	170,000	173,740	173,740	0
613 Fire Facilities Maintenance and Replacement	20,795,503	20,315,803	20,606,215	290,412
General	16,468,978	15,907,848	15,721,606	(186,242)
Federal	2,975,168	3,026,868	3,250,168	223,300
State	1,091,257	1,115,265	1,368,619	253,354
Special	260,100	265,822	265,822	0
646 Park Maintenance	12,562,017	13,280,417	12,909,950	(370,467)
General	10,582,080	11,229,704	10,693,039	(536,665)
State	1,279,937	1,335,313	1,716,911	381,598
Special	700,000	715,400	500,000	(215,400)
654 Urban Forestry	4,491,310	4,999,564	5,580,476	589,912
General	4,391,310	4,897,364	4,880,476	(16,888)
State	0	0	700,000	700,000
Special	100,000	102,200	0	(102,200)
662 Vacant/Abandoned Property Cleaning and Boarding	8,325,900	9,238,637	10,512,849	1,274,212
General	6,898,751	7,780,091	9,085,700	1,305,609
Federal	1,427,149	1,458,546	1,427,149	(31,397)
670 Administration - DPW - WWW	39,650,241	41,030,349	43,589,680	2,559,331
Wastewater Utility	21,617,945	22,300,068	23,958,392	1,658,324
Water Utility	18,032,296	18,730,281	19,631,288	901,007
671 Water Management	84,659,542	85,148,646	86,180,360	1,031,714
Water Utility	84,659,542	85,148,646	86,180,360	1,031,714
672 Water and Wastewater Consumer Services	21,609,626	23,420,396	30,696,791	7,276,395
Wastewater Utility	4,602,058	4,790,272	8,476,191	3,685,919
Water Utility	14,891,070	16,467,063	18,844,601	2,377,538
Stormwater Utility	2,116,498	2,163,061	3,375,999	1,212,938
673 Wastewater Management	129,579,836	131,154,174	135,957,613	4,803,439
Wastewater Utility	129,273,836	130,841,442	135,644,881	4,803,439
State	306,000	312,732	312,732	0
674 Surface Water Management	19,849,530	22,288,906	23,578,197	1,289,291
Wastewater Utility	1,592,506	1,601,530	1,641,018	39,488
Water Utility	485,320	566,433	565,357	(1,076)
Federal	200,000	204,400	100,000	(104,400)
State	500,000	511,000	300,000	(211,000)
Stormwater Utility	17,071,704	19,405,543	20,971,822	1,566,279
675 Engineering and Construction Management - Water and Wastewater	154,572,108	155,719,880	167,425,206	11,705,326
Wastewater Utility	92,419,720	92,912,791	99,875,589	6,962,798
Water Utility	62,152,388	62,807,089	67,549,617	4,742,528
676 Administration - DPW	2,803,833	2,888,735	2,727,939	(160,796)
General	2,803,833	2,888,735	2,727,939	(160,796)
681 Administration - DOT	9,449,950	10,399,845	10,491,856	92,011
General	8,929,554	9,868,000	9,960,011	92,011
Federal	520,396	531,845	531,845	0
683 Street Management	31,736,764	33,567,498	32,208,573	(1,358,925)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Sustainable Infrastructure (Continued)	741,619,287	761,643,046	792,023,380	30,380,334
General	29,666,636	31,451,827	31,186,676	(265,151)
State	853,128	871,897	871,897	0
Special	1,217,000	1,243,774	150,000	(1,093,774)
688 Snow and Ice Control	6,341,931	5,135,872	6,550,000	1,414,128
General	6,341,931	5,135,872	6,550,000	1,414,128
690 Sustainable Transportation	19,554,062	19,455,100	19,562,708	107,608
General	1,036,914	7,020,068	7,011,902	(8,166)
Federal	100,000	102,200	102,200	0
State	3,219,489	3,368,535	3,199,319	(169,216)
Special	15,197,659	8,964,297	9,249,287	284,990
691 Public Rights-of-Way Landscape Management	3,402,284	4,140,927	4,096,306	(44,621)
General	3,402,284	4,140,927	4,096,306	(44,621)
692 Bridge and Culvert Management	3,159,212	3,395,087	3,349,772	(45,315)
General	3,159,212	3,395,087	3,349,772	(45,315)
694 Survey Control	528,866	525,971	515,245	(10,726)
General	528,866	525,971	515,245	(10,726)
696 Street Cuts Management	940,355	974,421	965,832	(8,589)
General	940,355	974,421	965,832	(8,589)
726 Administration - General Services	1,574,341	1,743,342	1,794,223	50,881
General	1,574,341	1,743,342	1,794,223	50,881
727 Real Property Management	2,394,868	2,563,980	2,538,880	(25,100)
General	2,394,868	2,563,980	2,538,880	(25,100)
731 Facilities Management	33,247,977	33,795,056	34,720,406	925,350
General	15,192,484	8,299,416	8,460,954	161,538
Federal	0	0	1,000,000	1,000,000
State	1,099,212	1,123,395	1,000,000	(123,395)
Internal Service	16,956,281	24,372,245	24,259,452	(112,793)
734 Design and Construction/Major Projects Division.	163,511	184,074	90,104	(93,970)
General	163,511	184,074	90,104	(93,970)
737 Administration - HCD	3,757,235	3,896,503	3,588,779	(307,724)
General	2,376,271	2,531,519	2,241,064	(290,455)
Federal	1,380,964	1,364,984	1,347,715	(17,269)
738 Weatherization Services	5,151,018	5,341,448	7,426,771	2,085,323
General	0	0	109,409	109,409
State	5,051,018	5,239,248	4,731,020	(508,228)
Special	100,000	102,200	2,586,342	2,484,142
742 Promote Homeownership	274,008	279,757	433,498	153,741
General	187,405	199,327	197,026	(2,301)
Federal	86,603	80,430	96,472	16,042
Special	0	0	140,000	140,000
745 Housing Code Enforcement	14,929,512	15,277,367	15,267,514	(9,853)
General	14,879,512	15,226,267	15,057,514	(168,753)
Federal	0	0	160,000	160,000
Special	50,000	51,100	50,000	(1,100)
747 Register and License Properties and Contractors	636,689	634,369	548,813	(85,556)
General	636,689	634,369	548,813	(85,556)
748 Housing Development Finance and Project Management	642,238	745,565	598,987	(146,578)
Federal	642,238	745,565	598,987	(146,578)
749 Blight Elimination	3,433,445	3,144,616	3,133,603	(11,013)
General	3,433,445	3,144,616	3,133,603	(11,013)
750 Housing Rehabilitation Services	3,301,724	3,491,870	3,857,549	365,679
Federal	2,923,624	3,105,452	3,434,099	328,647
State	378,100	386,418	423,450	37,032
751 Building and Zoning Inspections and Permits	5,729,893	5,708,059	5,706,721	(1,338)
General	5,729,893	5,708,059	5,706,721	(1,338)
762 Historic Preservation	628,470	661,898	1,032,843	370,945
General	628,470	661,898	657,843	(4,055)
Federal	0	0	150,000	150,000
State	0	0	150,000	150,000
Special	0	0	75,000	75,000

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Sustainable Infrastructure (Continued)	741,619,287	761,643,046	792,023,380	30,380,334
763 Comprehensive Planning and Resource Management	4,069,098	4,313,662	3,505,662	(808,000)
General	1,344,923	1,529,555	1,652,080	122,525
Federal	190,000	194,180	241,980	47,800
State	175,000	178,850	200,000	21,150
Special	2,359,175	2,411,077	1,411,602	(999,475)
765 Planning for a Sustainable Baltimore	1,428,610	1,532,064	4,285,943	2,753,879
General	980,759	1,075,238	1,033,073	(42,165)
Federal	185,000	189,070	250,000	60,930
State	136,000	139,025	261,275	122,250
Special	126,851	128,731	2,741,595	2,612,864
768 Administration - Planning	922,303	1,018,014	1,017,540	(474)
General	922,303	1,018,014	1,017,540	(474)
815 Live Baltimore	557,991	570,267	570,267	0
General	557,991	570,267	570,267	0
878 Disabilities Commission	206,041	220,085	0	(220,085)
General	206,041	220,085	0	(220,085)
TOTAL OPERATING BUDGET	741,619,287	761,643,046	792,023,380	30,380,334
LESS INTERNAL SERVICE FUND	76,385,913	87,450,113	87,163,611	(286,502)
TOTAL OPERATING APPROPRIATIONS	665,233,374	674,192,933	704,859,769	30,666,836

Key results funded in the Fiscal 2018 Recommended Budget:

- The 311 Unified Call Center will be upgraded to improve the resident experience. New features will focus on providing self-service options and improving integration of alternative communication methods such as text and e-mail.
- The City’s Procurement office will continue a proactive vendor outreach campaign to grow the number of eligible organizations interested in doing business with the City. This includes maintaining up-to-date information for existing vendors; in Fiscal 2016, the City had 19,268 vendors registered in CitiBuy.
- The Bureau of the Budget and Management Research will engage 2,835 residents in the annual budget planning process through community events, online engagement platforms and educational workshops.
- Accounts Payable will work to ensure vendors doing business with the City are paid within 30 days of submitting an invoice. In Fiscal 2016, the City paid 64% of invoices within 30 days; the bureau will achieve this improvement by increased training for City agencies and vendors on the correct process for billing and payment.
- Revenue Collections will close 95% of service requests within 30 days, an improvement over recent years.
- The City’s Retirement Savings Plan will work to grow the percentage of eligible employees enrolled in the Deferred Compensation Plan from 50% to 90% through continued targeted educational and outreach events.

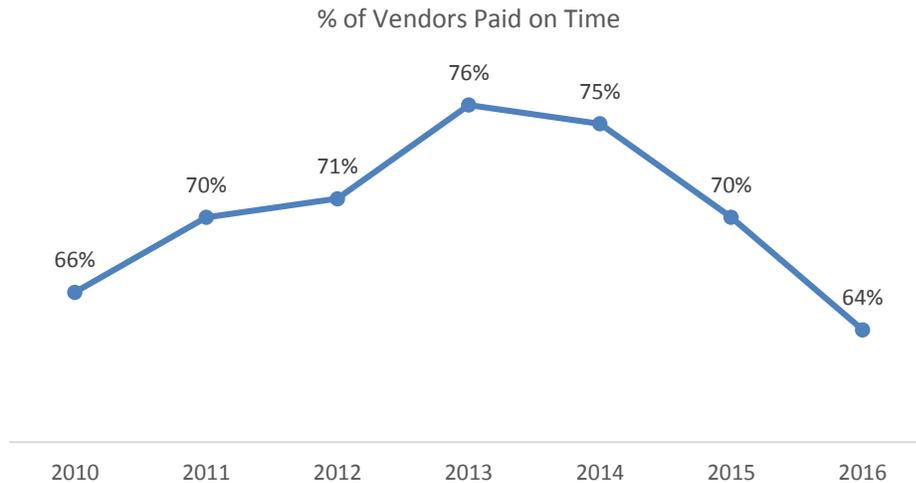
Key budget decisions in High Performing Government:

- Maintain current funding for Media Production and for the Law Department’s Transactions unit to increase transparency and accountability by making the business of government more accessible online and via other media, and respond in a timely fashion to Public Information requests.
- Maintain funding for Procurement to expand vendor outreach in order to increase bids per solicitation, increasing competition and providing more opportunities for minority and women businesses to engage in City procurement.
- Maintain funding for Revenue Collections to support initiatives aimed at providing customers with more convenient bill payment options, expand the number of bills that can be paid online, and improve accessibility to access service information.
- Maintain funding for Operating Budget Management to conduct management research studies that recommend strategies to improve government operations and push for the use of rigorous evaluation of City services.
- Maintain current funding for a data warehouse in order to consolidate all City data into a comprehensive database. Doing this allows the City to make far better use of the data it collects. Also maintain funding for the City’s Open Data website. Doing this increases the accessibility for residents and others of City performance, financial, and service data.

Fiscal 2018 Recommendation Overview

Fund Name	Fiscal 2017 Adopted	Fiscal 2018 CLS	Fiscal 2018 Recommended	Change from CLS	% Change from CLS
Federal	299,794	307,827	307,362	(465)	0%
General	91,990,497	94,098,241	93,223,381	(874,860)	-1%
Internal Service	35,240,104	35,740,911	36,659,589	918,678	3%
Loan and Guarantee Enterprise	500,000	514,052	512,743	(1,309)	0%
Special	10,493,430	11,036,962	13,025,345	1,988,383	18%
State	380,834	389,212	392,277	3,065	1%
Total	138,904,659	142,087,205	144,120,697	2,033,492	1%

Indicator: Prompt Vendor Payment



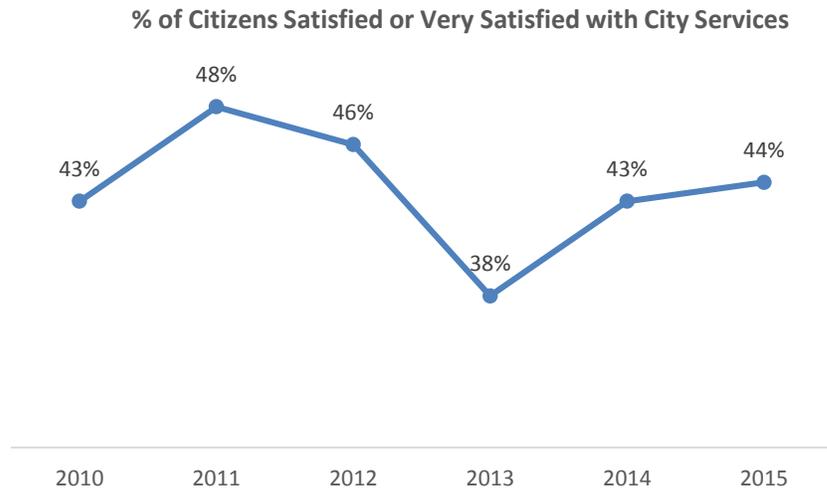
The prompt vendor payment rate is the percent of invoices paid within 30 days of receipt. In 2016 there were 126,000 invoices paid, of which 81,000 were paid within 30 days. As shown in the chart above this measure has been trending in the wrong direction since 2013.

During Fiscal 2018 numerous efforts will be made by various agencies to make sure vendor payments are made on time. The Accounts Payable service will continue utilizing the checklist system it has put in place to assist with ongoing payments. This system makes sure that no recurring payments are missed. Accounts Payable will also continue training new minority vendors to ensure that they fully understand the purchase order and invoicing system.

In addition, the Procurement service will continue providing training to City staff, especially new fiscal officers, as well as vendors on the entire procurement process. Police will continue to build upon the improvements it developed during its Lean event on its own purchasing process.

The Department of General Services will continue improving its Facility Maintenance Division vendor payment process, which it addressed in its own Lean event. One goal that that was established to show improvement on this metric included raising the percent of Urgent Work Invoices processed within 27 days of receipt from 50% to 60%. Another goal was lowering the number of days between review of invoices by management to requisition creation from seven to one.

Indicator: Customer Service



This indicator is currently tracked through the Community Survey. Between 2009 and 2015, the Community Survey had been administered annually. Starting in 2015, the City will conduct the survey biannually. As such, the survey was not administered in 2016.

Forty-four percent of residents were satisfied or very satisfied with City services in 2015. There is not much variation among citizen responses related to gender, race/ethnicity, or time spent living in the City. However, there is a large difference among age groups. Only 28% of people aged 35-44 are satisfied or very satisfied, while 52% of those over 65 years old are satisfied or very satisfied.

Residents are most satisfied with fire protection, libraries, EMS/ambulance services, curb side recycling, and City parks. They are least satisfied with housing code enforcement, recreation centers, street maintenance, and rat control. The survey report can be found on BBMR’s website at <http://bbmr.baltimorecity.gov/citizen-survey>.

To improve customer accountability, the 311 Call Center will be upgraded in Fiscal 2018, allowing for more self-service options and better integration of alternative communication methods such as text and e-mails.

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
High Performing Government	138,904,659	142,087,205	144,120,697	2,033,492
100 City Council	6,530,869	7,020,630	7,108,243	87,613
General	6,530,869	7,020,630	7,108,243	87,613
103 Council Services	711,450	740,670	745,251	4,581
General	711,450	740,670	745,251	4,581
106 Legislative Reference Services	628,895	643,001	639,401	(3,600)
General	628,895	643,001	639,401	(3,600)
107 Archives and Records Management	523,578	539,282	538,724	(558)
General	523,578	539,282	538,724	(558)
125 Executives Direction and Control - Mayoralty	7,069,525	7,270,197	8,650,771	1,380,574
General	6,274,897	6,447,191	7,098,429	651,238
Federal	299,794	307,827	307,362	(465)
State	380,834	389,212	392,277	3,065
Special	114,000	125,967	852,703	726,736
128 Labor Contract Negotiations and Administration	802,840	845,568	841,049	(4,519)
General	802,840	845,568	841,049	(4,519)
130 Executives Direction and Control - Comptroller	1,320,137	1,485,025	1,518,948	33,923
General	1,320,137	1,485,025	1,518,948	33,923
131 Audits	4,265,129	4,441,684	4,912,084	470,400
General	4,265,129	4,441,684	4,912,084	470,400
133 Municipal Telephone Exchange	9,371,241	9,424,516	10,329,704	905,188
Internal Service	9,371,241	9,424,516	10,329,704	905,188
136 Municipal Post Office	742,338	753,137	805,269	52,132
Internal Service	742,338	753,137	805,269	52,132
148 Revenue Collection	6,522,421	6,804,299	6,822,180	17,881
General	6,522,421	6,804,299	6,822,180	17,881
150 Treasury and Debt Management	1,060,958	1,092,877	1,087,202	(5,675)
General	1,060,958	1,092,877	1,087,202	(5,675)
152 Employees' Retirement System - Administration	4,895,981	5,098,319	5,076,344	(21,975)
Special	4,895,981	5,098,319	5,076,344	(21,975)
154 Fire and Police Retirement System - Administration	4,841,422	5,141,501	5,120,507	(20,994)
Special	4,841,422	5,141,501	5,120,507	(20,994)
155 Retirement Savings Plan	811,890	815,816	769,361	(46,455)
General	811,890	802,013	0	(802,013)
Special	0	13,803	769,361	755,558
347 CitiStat Operations	708,756	765,220	760,327	(4,893)
General	708,756	765,220	760,327	(4,893)
354 Office of Neighborhoods	806,762	798,114	0	(798,114)
General	806,762	798,114	0	(798,114)
698 Administration - Finance	1,369,826	1,393,451	1,504,811	111,360
General	1,369,826	1,393,451	1,504,811	111,360
699 Procurement	3,292,822	3,392,962	3,371,095	(21,867)
General	3,292,822	3,392,962	3,371,095	(21,867)
700 Surplus Property Disposal	142,027	146,372	145,430	(942)
Special	142,027	146,372	145,430	(942)
701 Printing Services	3,343,112	3,445,641	3,439,165	(6,476)
Internal Service	3,343,112	3,445,641	3,439,165	(6,476)
702 Accounts Payable	1,175,619	1,134,658	1,129,160	(5,498)
General	1,175,619	1,134,658	1,129,160	(5,498)
703 Payroll	3,448,373	3,532,020	3,523,727	(8,293)
General	3,448,373	3,532,020	3,523,727	(8,293)
704 Accounting	1,794,040	1,840,736	1,697,228	(143,508)
General	1,794,040	1,840,736	1,697,228	(143,508)
705 Loan and Guarantee Program	500,000	514,052	512,743	(1,309)
Loan and Guarantee Enterprise	500,000	514,052	512,743	(1,309)
707 Risk Management for Employee Injuries	8,354,158	8,435,558	8,426,129	(9,429)
Internal Service	8,354,158	8,435,558	8,426,129	(9,429)
708 Operating Budget Management	1,777,032	2,048,016	2,035,596	(12,420)

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
High Performing Government (Continued)	138,904,659	142,087,205	144,120,697	2,033,492
General	1,777,032	2,048,016	2,035,596	(12,420)
710 Fiscal Integrity & Recovery	1,082,228	1,132,084	1,127,095	(4,989)
General	1,082,228	1,132,084	1,127,095	(4,989)
770 Administration - Human Resources	2,657,697	2,733,784	2,800,723	66,939
General	2,657,697	2,733,784	2,800,723	66,939
771 Benefits Administration	6,743,564	6,833,408	6,278,962	(554,446)
General	4,413,619	4,504,818	3,951,640	(553,178)
Internal Service	2,329,945	2,328,590	2,327,322	(1,268)
772 Civil Service Management	2,804,942	2,414,428	2,259,547	(154,881)
General	2,804,942	2,414,428	2,259,547	(154,881)
802 Administration - MOIT	1,549,005	1,651,444	1,642,510	(8,934)
General	1,549,005	1,651,444	1,642,510	(8,934)
803 Enterprise Innovation and Application Services	6,893,918	7,173,658	6,799,127	(374,531)
General	6,893,918	7,173,658	6,799,127	(374,531)
804 Enterprise Unified Call Center	5,187,529	5,305,836	5,277,546	(28,290)
General	5,187,529	5,305,836	5,277,546	(28,290)
805 Enterprise IT Delivery Services	14,370,638	14,725,657	15,520,177	794,520
General	6,064,652	6,269,859	6,968,086	698,227
Special	0	0	100,000	100,000
Internal Service	8,305,986	8,455,798	8,452,091	(3,707)
833 Innovation Fund	1,100,000	773,679	773,679	0
General	1,100,000	773,679	773,679	0
836 Inspector General	784,665	792,183	784,308	(7,875)
General	784,665	792,183	784,308	(7,875)
860 Administration - Law	1,104,468	1,262,920	1,386,699	123,779
General	902,103	1,021,515	1,146,806	125,291
Internal Service	202,365	241,405	239,893	(1,512)
861 Controversies	6,914,810	6,538,084	6,451,973	(86,111)
General	4,429,667	3,989,419	3,918,856	(70,563)
Internal Service	2,485,143	2,548,665	2,533,117	(15,548)
862 Transactions	2,541,368	2,622,188	2,497,993	(124,195)
General	2,435,552	2,514,587	2,391,094	(123,493)
Internal Service	105,816	107,601	106,899	(702)
876 Media Production	1,250,732	1,263,051	1,709,906	446,855
General	750,732	752,051	748,906	(3,145)
Special	500,000	511,000	961,000	450,000
899 Fair Conduct of Elections	7,107,894	7,301,479	7,300,003	(1,476)
General	7,107,894	7,301,479	7,300,003	(1,476)
TOTAL OPERATING BUDGET	138,904,659	142,087,205	144,120,697	2,033,492
LESS INTERNAL SERVICE FUND	35,240,104	35,740,911	36,659,589	918,678
TOTAL OPERATING APPROPRIATIONS	103,664,555	106,346,294	107,461,108	1,114,814

**OPERATING BUDGET BY OUTCOMES COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

Outcome, Service and Fund	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Other	264,541,874	254,269,265	242,005,006	(12,264,259)
121 Contingent Fund	1,000,000	1,022,000	1,000,000	(22,000)
General	1,000,000	1,022,000	1,000,000	(22,000)
122 Miscellaneous General Expenses	23,998,756	24,196,828	18,347,911	(5,848,917)
General	23,998,756	24,196,828	18,347,911	(5,848,917)
123 General Debt Service	104,814,393	99,202,943	99,416,943	214,000
General	92,028,393	86,416,943	82,566,943	(3,850,000)
Special	12,786,000	12,786,000	16,850,000	4,064,000
124 TIF Debt Service	16,844,756	16,188,021	16,187,020	(1,001)
General	16,844,756	16,188,021	16,187,020	(1,001)
126 Contribution to Self-Insurance Fund	19,358,438	20,067,549	20,571,375	503,826
General	19,358,438	20,067,549	20,571,375	503,826
129 Conditional Purchase Agreement Payments	21,236,919	13,664,307	13,664,307	0
General	21,236,919	13,664,307	13,664,307	0
351 Retirees' Benefits	67,738,097	70,172,329	69,472,659	(699,670)
General	67,738,097	70,172,329	69,472,659	(699,670)
355 Employees' Retirement Contribution	9,550,515	9,755,288	3,344,791	(6,410,497)
General	9,550,515	9,755,288	3,344,791	(6,410,497)
TOTAL OPERATING BUDGET	264,541,874	254,269,265	242,005,006	(12,264,259)
LESS INTERNAL SERVICE FUND	0	0	0	0
TOTAL OPERATING APPROPRIATIONS	264,541,874	254,269,265	242,005,006	(12,264,259)

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Board of Elections	7,107,894	7,301,479	7,300,003	(1,476)
899 Fair Conduct of Elections	7,107,894	7,301,479	7,300,003	(1,476)
General	7,107,894	7,301,479	7,300,003	(1,476)
City Council	6,530,869	7,020,630	7,108,243	87,613
100 City Council	6,530,869	7,020,630	7,108,243	87,613
General	6,530,869	7,020,630	7,108,243	87,613
Comptroller	16,772,825	17,228,391	18,683,139	1,454,748
130 Executive Direction and Control - Comptroller	1,320,137	1,485,025	1,518,948	33,923
General	1,320,137	1,485,025	1,518,948	33,923
131 Audits	4,265,129	4,441,684	4,912,084	470,400
General	4,265,129	4,441,684	4,912,084	470,400
132 Real Estate Acquisition and Management	1,073,980	1,124,029	1,117,134	(6,895)
General	1,073,980	1,124,029	1,117,134	(6,895)
133 Municipal Telephone Exchange	9,371,241	9,424,516	10,329,704	905,188
Internal Service	9,371,241	9,424,516	10,329,704	905,188
136 Municipal Post Office	742,338	753,137	805,269	52,132
Internal Service	742,338	753,137	805,269	52,132
Council Services	711,450	740,670	745,251	4,581
103 Council Services	711,450	740,670	745,251	4,581
General	711,450	740,670	745,251	4,581
Courts: Circuit Court	18,699,204	24,462,054	22,934,053	(1,528,001)
110 Circuit Court	18,699,204	24,462,054	22,934,053	(1,528,001)
General	9,934,185	15,348,192	15,359,921	11,729
Federal	2,296,681	2,383,852	2,188,984	(194,868)
State	6,286,214	6,542,189	5,149,352	(1,392,837)
Special	182,124	187,821	235,796	47,975
Courts: Orphans' Court	487,609	504,286	522,898	18,612
817 Orphans' Court	487,609	504,286	522,898	18,612
General	487,609	504,286	522,898	18,612
Employees' Retirement Systems	10,549,293	11,055,636	10,966,212	(89,424)
152 Employees' Retirement System - Administration	4,895,981	5,098,319	5,076,344	(21,975)
Special	4,895,981	5,098,319	5,076,344	(21,975)
154 Fire and Police Retirement System - Administration	4,841,422	5,141,501	5,120,507	(20,994)
Special	4,841,422	5,141,501	5,120,507	(20,994)
155 Retirement Savings Plan	811,890	815,816	769,361	(46,455)
General	811,890	802,013	0	(802,013)
Special	0	13,803	769,361	755,558
Enoch Pratt Free Library	35,320,154	36,585,202	39,426,880	2,841,678
788 Information Services	35,320,154	36,585,202	39,426,880	2,841,678
General	24,261,873	25,236,464	24,942,789	(293,675)
State	10,300,998	10,573,892	13,598,603	3,024,711
Special	757,283	774,846	885,488	110,642
Finance	33,862,616	34,912,726	34,821,561	(91,165)
148 Revenue Collection	6,522,421	6,804,299	6,822,180	17,881
General	6,522,421	6,804,299	6,822,180	17,881
150 Treasury and Debt Management	1,060,958	1,092,877	1,087,202	(5,675)
General	1,060,958	1,092,877	1,087,202	(5,675)
698 Administration - Finance	1,369,826	1,393,451	1,504,811	111,360
General	1,369,826	1,393,451	1,504,811	111,360
699 Procurement	3,292,822	3,392,962	3,371,095	(21,867)
General	3,292,822	3,392,962	3,371,095	(21,867)
700 Surplus Property Disposal	142,027	146,372	145,430	(942)
Special	142,027	146,372	145,430	(942)

OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Finance (Continued)	33,862,616	34,912,726	34,821,561	(91,165)
701 Printing Services	3,343,112	3,445,641	3,439,165	(6,476)
Internal Service	3,343,112	3,445,641	3,439,165	(6,476)
702 Accounts Payable	1,175,619	1,134,658	1,129,160	(5,498)
General	1,175,619	1,134,658	1,129,160	(5,498)
703 Payroll	3,448,373	3,532,020	3,523,727	(8,293)
General	3,448,373	3,532,020	3,523,727	(8,293)
704 Accounting	1,794,040	1,840,736	1,697,228	(143,508)
General	1,794,040	1,840,736	1,697,228	(143,508)
705 Loan and Guarantee Program	500,000	514,052	512,743	(1,309)
Loan and Guarantee Enterprise	500,000	514,052	512,743	(1,309)
707 Risk Management for Employee Injuries	8,354,158	8,435,558	8,426,129	(9,429)
Internal Service	8,354,158	8,435,558	8,426,129	(9,429)
708 Operating Budget Management	1,777,032	2,048,016	2,035,596	(12,420)
General	1,777,032	2,048,016	2,035,596	(12,420)
710 Fiscal Integrity & Recovery	1,082,228	1,132,084	1,127,095	(4,989)
General	1,082,228	1,132,084	1,127,095	(4,989)
Fire	250,096,721	269,749,511	267,139,955	(2,609,556)
600 Administration - Fire	10,261,744	10,735,230	10,759,040	23,810
General	8,411,744	8,844,530	8,868,340	23,810
Federal	1,500,000	1,533,000	1,533,000	0
State	350,000	357,700	357,700	0
602 Fire Suppression and Emergency Rescue	150,115,225	159,454,341	159,226,648	(227,693)
General	146,103,710	155,354,573	154,896,308	(458,265)
Federal	2,611,575	2,669,029	2,910,400	241,371
State	1,399,940	1,430,739	1,419,940	(10,799)
608 Emergency Management	976,432	1,045,398	1,033,803	(11,595)
General	676,432	738,798	727,203	(11,595)
Federal	300,000	306,600	306,600	0
609 Emergency Medical Services	42,125,222	49,136,788	46,089,148	(3,047,640)
General	20,711,282	28,712,763	27,020,135	(1,692,628)
State	87,940	89,875	83,928	(5,947)
Special	21,326,000	20,334,150	18,985,085	(1,349,065)
610 Fire and Emergency Community Outreach	334,416	346,433	346,248	(185)
General	334,416	346,433	346,248	(185)
611 Fire Code Enforcement	5,042,521	5,389,343	5,365,953	(23,390)
General	4,715,443	5,055,069	5,031,679	(23,390)
Federal	157,078	160,534	160,534	0
State	170,000	173,740	173,740	0
612 Fire Investigation	939,593	1,059,479	1,058,108	(1,371)
General	939,593	1,059,479	1,058,108	(1,371)
613 Fire Facilities Maintenance and Replacement	20,795,503	20,315,803	20,606,215	290,412
General	16,468,978	15,907,848	15,721,606	(186,242)
Federal	2,975,168	3,026,868	3,250,168	223,300
State	1,091,257	1,115,265	1,368,619	253,354
Special	260,100	265,822	265,822	0
614 Fire Communications and Dispatch	15,546,557	17,497,841	17,891,431	393,590
General	11,105,130	12,968,321	13,389,596	421,275
Special	4,441,427	4,529,520	4,501,835	(27,685)
615 Fire Training and Education	3,959,508	4,768,855	4,763,361	(5,494)
General	3,959,508	4,768,855	4,763,361	(5,494)
General Services	94,415,461	98,800,340	99,508,892	708,552
189 Fleet Management	59,429,632	63,077,868	62,904,159	(173,709)
Internal Service	59,429,632	63,077,868	62,904,159	(173,709)
726 Administration - General Services	1,574,341	1,743,342	1,794,223	50,881
General	1,574,341	1,743,342	1,794,223	50,881

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
General Services (Continued)	94,415,461	98,800,340	99,508,892	708,552
731 Facilities Management	33,247,977	33,795,056	34,720,406	925,350
General	15,192,484	8,299,416	8,460,954	161,538
Federal	0	0	1,000,000	1,000,000
State	1,099,212	1,123,395	1,000,000	(123,395)
Internal Service	16,956,281	24,372,245	24,259,452	(112,793)
734 Design and Construction/Major Projects Division.	163,511	184,074	90,104	(93,970)
General	163,511	184,074	90,104	(93,970)
Health	137,032,646	141,768,824	141,889,865	121,041
303 Clinical Services	8,212,069	8,427,939	8,681,727	253,788
General	5,265,849	5,183,335	5,398,879	215,544
Federal	2,023,607	2,301,045	2,162,221	(138,824)
State	761,007	778,398	958,909	180,511
Special	161,606	165,161	161,718	(3,443)
305 Healthy Homes	2,360,798	2,408,794	2,648,465	239,671
General	969,429	973,258	969,578	(3,680)
Federal	1,222,159	1,268,859	1,373,731	104,872
Special	169,210	166,677	305,156	138,479
307 Substance Use Disorder and Mental Health	2,259,805	2,309,520	2,297,760	(11,760)
General	1,725,216	1,763,171	1,763,171	0
State	534,589	546,349	534,589	(11,760)
308 Maternal and Child Health	24,307,556	25,614,507	25,121,606	(492,901)
General	1,853,606	1,877,343	1,871,509	(5,834)
Federal	19,611,232	20,808,306	20,176,335	(631,971)
State	1,824,691	1,887,253	2,023,143	135,890
Special	1,018,027	1,041,605	1,050,619	9,014
310 School Health Services	16,593,740	17,002,176	16,080,888	(921,288)
General	2,683,130	2,563,235	14,752,464	12,189,229
Federal	477,833	520,728	39,580	(481,148)
State	504,606	504,787	502,171	(2,616)
Special	12,928,171	13,413,426	786,673	(12,626,753)
311 Health Services for Seniors	4,093,609	4,134,258	3,443,656	(690,602)
Federal	4,093,609	4,134,258	3,443,656	(690,602)
315 Emergency Services - Health	13,205,948	14,286,280	9,895,342	(4,390,938)
General	708,807	1,244,380	691,930	(552,450)
Federal	776,065	846,649	694,479	(152,170)
State	11,314,394	11,642,225	8,164,581	(3,477,644)
Special	406,682	553,026	344,352	(208,674)
316 Youth Violence Prevention	3,793,763	3,824,507	2,820,637	(1,003,870)
General	926,756	974,680	971,645	(3,035)
Federal	1,444,632	1,475,428	1,581,406	105,978
State	1,422,375	1,374,399	267,586	(1,106,813)
715 Administration - Health	9,801,581	9,829,463	9,706,752	(122,711)
General	4,699,514	4,600,643	4,038,121	(562,522)
Federal	3,121,200	3,189,866	3,689,325	499,459
State	1,040,400	1,063,289	1,063,289	0
Special	940,467	975,665	916,017	(59,648)
716 Animal Services	3,031,573	3,189,602	3,308,491	118,889
General	3,031,573	3,189,602	3,308,491	118,889
717 Environmental Inspection Services	3,403,339	3,394,188	3,299,977	(94,211)
General	3,371,919	3,362,077	3,268,557	(93,520)
Special	31,420	32,111	31,420	(691)
718 Chronic Disease Prevention	1,294,245	1,345,854	1,427,853	81,999
General	418,846	421,884	420,367	(1,517)
Federal	0	0	22,000	22,000
State	760,399	806,440	985,486	179,046

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Health (Continued)	137,032,646	141,768,824	141,889,865	121,041
Special	115,000	117,530	0	(117,530)
720 HIV Treatment Services for the Uninsured	33,962,716	35,200,179	41,633,422	6,433,243
General	1,196,603	1,227,948	1,225,345	(2,603)
Federal	27,544,382	28,605,353	36,409,502	7,804,149
State	5,221,731	5,366,878	3,998,575	(1,368,303)
721 Senior Centers	2,182,703	2,157,204	2,010,560	(146,644)
General	807,397	824,415	823,511	(904)
Federal	1,239,496	1,193,937	1,091,540	(102,397)
State	135,810	138,852	38,400	(100,452)
Special	0	0	57,109	57,109
722 Administration - CARE	571,674	507,730	1,197,805	690,075
General	375,797	361,919	991,156	629,237
Federal	195,877	145,811	206,649	60,838
723 Advocacy for Seniors	2,142,302	2,225,208	2,250,300	25,092
General	101,289	104,279	104,729	450
Federal	182,305	187,936	154,897	(33,039)
State	1,858,708	1,932,843	1,808,537	(124,306)
Special	0	150	182,137	181,987
724 Direct Care and Support Planning	1,872,945	1,868,828	2,028,692	159,864
Federal	136,753	139,762	136,753	(3,009)
State	1,736,192	1,729,066	1,819,939	90,873
Special	0	0	72,000	72,000
725 Community Services for Seniors	3,942,280	4,042,587	4,035,932	(6,655)
General	145,176	148,370	190,607	42,237
Federal	2,580,895	2,651,251	2,535,469	(115,782)
State	936,762	957,371	979,425	22,054
Special	279,447	285,595	330,431	44,836
Housing and Community Development	58,521,107	59,101,696	62,026,194	2,924,498
593 Community Support Projects	7,916,709	7,604,342	7,964,934	360,592
Federal	7,916,709	7,604,342	7,964,934	360,592
604 Before and After Care	0	0	173,078	173,078
General	0	0	173,078	173,078
737 Administration - HCD	3,757,235	3,896,503	3,588,779	(307,724)
General	2,376,271	2,531,519	2,241,064	(290,455)
Federal	1,380,964	1,364,984	1,347,715	(17,269)
738 Weatherization Services	5,151,018	5,341,448	7,426,771	2,085,323
General	0	0	109,409	109,409
State	5,051,018	5,239,248	4,731,020	(508,228)
Special	100,000	102,200	2,586,342	2,484,142
740 Dawson Center	401,789	299,869	360,017	60,148
General	31,620	32,315	32,315	0
Federal	370,169	267,554	327,702	60,148
742 Promote Homeownership	274,008	279,757	433,498	153,741
General	187,405	199,327	197,026	(2,301)
Federal	86,603	80,430	96,472	16,042
Special	0	0	140,000	140,000
745 Housing Code Enforcement	14,929,512	15,277,367	15,267,514	(9,853)
General	14,879,512	15,226,267	15,057,514	(168,753)
Federal	0	0	160,000	160,000
Special	50,000	51,100	50,000	(1,100)
747 Register and License Properties and Contractors	636,689	634,369	548,813	(85,556)
General	636,689	634,369	548,813	(85,556)
748 Housing Development Finance and Project Management	642,238	745,565	598,987	(146,578)
Federal	642,238	745,565	598,987	(146,578)
749 Blight Elimination	3,433,445	3,144,616	3,133,603	(11,013)

OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Housing and Community Development (Continued)	58,521,107	59,101,696	62,026,194	2,924,498
General	3,433,445	3,144,616	3,133,603	(11,013)
750 Housing Rehabilitation Services	3,301,724	3,491,870	3,857,549	365,679
Federal	2,923,624	3,105,452	3,434,099	328,647
State	378,100	386,418	423,450	37,032
751 Building and Zoning Inspections and Permits	5,729,893	5,708,059	5,706,721	(1,338)
General	5,729,893	5,708,059	5,706,721	(1,338)
752 Community Outreach Services	1,583,985	1,660,099	1,654,807	(5,292)
General	1,373,985	1,445,479	1,444,807	(672)
Special	210,000	214,620	210,000	(4,620)
754 Summer Food Service Program	3,547,207	3,631,205	3,564,457	(66,748)
State	3,547,207	3,631,205	3,564,457	(66,748)
809 Retention, Expansion, and Attraction of Businesses	1,275,849	1,306,739	1,153,235	(153,504)
General	1,023,849	1,049,195	1,049,195	0
Special	252,000	257,544	104,040	(153,504)
810 Real Estate Development	2,027,220	2,076,845	3,077,253	1,000,408
General	1,823,220	1,868,357	1,868,357	0
Special	204,000	208,488	1,208,896	1,000,408
811 Inner Harbor Coordination	356,663	364,510	364,510	0
General	356,663	364,510	364,510	0
812 Business Support - Small Business Resource Center	476,185	486,661	0	(486,661)
General	476,185	486,661	0	(486,661)
813 Technology Development - Emerging Technology Center	831,459	849,751	849,751	0
General	831,459	849,751	849,751	0
814 Improve and Promote Retail Districts Beyond Downtown	1,690,288	1,731,854	1,731,650	(204)
General	1,588,288	1,627,610	1,627,610	0
Special	102,000	104,244	104,040	(204)
815 Live Baltimore	557,991	570,267	570,267	0
General	557,991	570,267	570,267	0
Human Resources	12,206,203	11,981,620	11,339,232	(642,388)
770 Administration - Human Resources	2,657,697	2,733,784	2,800,723	66,939
General	2,657,697	2,733,784	2,800,723	66,939
771 Benefits Administration	6,743,564	6,833,408	6,278,962	(554,446)
General	4,413,619	4,504,818	3,951,640	(553,178)
Internal Service	2,329,945	2,328,590	2,327,322	(1,268)
772 Civil Service Management	2,804,942	2,414,428	2,259,547	(154,881)
General	2,804,942	2,414,428	2,259,547	(154,881)
Law	11,279,410	11,181,892	11,090,422	(91,470)
860 Administration - Law	1,104,468	1,262,920	1,386,699	123,779
General	902,103	1,021,515	1,146,806	125,291
Internal Service	202,365	241,405	239,893	(1,512)
861 Controversies	6,914,810	6,538,084	6,451,973	(86,111)
General	4,429,667	3,989,419	3,918,856	(70,563)
Internal Service	2,485,143	2,548,665	2,533,117	(15,548)
862 Transactions	2,541,368	2,622,188	2,497,993	(124,195)
General	2,435,552	2,514,587	2,391,094	(123,493)
Internal Service	105,816	107,601	106,899	(702)
869 Minority and Women's Business Opportunity Office	718,764	758,700	753,757	(4,943)
General	718,764	758,700	753,757	(4,943)
Legislative Reference	1,152,473	1,182,283	1,178,125	(4,158)
106 Legislative Reference Services	628,895	643,001	639,401	(3,600)
General	628,895	643,001	639,401	(3,600)
107 Archives and Records Management	523,578	539,282	538,724	(558)
General	523,578	539,282	538,724	(558)
Liquor License Board	1,885,782	2,180,660	2,169,654	(11,006)

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Liquor License Board (Continued)	1,885,782	2,180,660	2,169,654	(11,006)
850 Liquor Licensing	908,714	1,016,516	1,010,790	(5,726)
General	908,714	1,016,516	1,010,790	(5,726)
851 Liquor License Compliance	977,068	1,164,144	1,158,864	(5,280)
General	977,068	1,164,144	1,158,864	(5,280)
Mayoralty	7,069,525	7,270,197	8,650,771	1,380,574
125 Executive Direction and Control - Mayoralty	7,069,525	7,270,197	8,650,771	1,380,574
General	6,274,897	6,447,191	7,098,429	651,238
Federal	299,794	307,827	307,362	(465)
State	380,834	389,212	392,277	3,065
Special	114,000	125,967	852,703	726,736
M-R: Art and Culture	8,176,968	8,515,114	8,410,034	(105,080)
493 Art and Culture Grants	5,680,969	5,956,525	5,956,525	0
General	5,680,969	5,956,525	5,956,525	0
824 Events, Art, Culture, and Film	2,419,499	2,472,728	2,367,648	(105,080)
General	2,279,499	2,329,648	2,329,648	0
Special	140,000	143,080	38,000	(105,080)
828 Bromo Seltzer Arts Tower	76,500	85,861	85,861	0
General	76,500	85,861	85,861	0
M-R: Baltimore City Public Schools	265,412,081	269,682,822	280,896,604	11,213,782
352 Baltimore City Public Schools	265,412,081	269,682,822	280,896,604	11,213,782
General	265,412,081	269,682,822	280,896,604	11,213,782
M-R: Cable and Communications	1,250,732	1,263,051	1,709,906	446,855
876 Media Production	1,250,732	1,263,051	1,709,906	446,855
General	750,732	752,051	748,906	(3,145)
Special	500,000	511,000	961,000	450,000
M-R: Civic Promotion	13,949,530	14,256,418	14,812,367	555,949
590 Civic Promotion Grants	458,148	468,226	468,226	0
General	458,148	468,226	468,226	0
820 Convention Sales and Tourism Marketing	13,491,382	13,788,192	14,344,141	555,949
General	13,491,382	13,788,192	14,344,141	555,949
M-R: Conditional Purchase Agreements	21,236,919	13,664,307	13,664,307	0
129 Conditional Purchase Agreement Payments	21,236,919	13,664,307	13,664,307	0
General	21,236,919	13,664,307	13,664,307	0
M-R: Contingent Fund	1,000,000	1,022,000	1,000,000	(22,000)
121 Contingent Fund	1,000,000	1,022,000	1,000,000	(22,000)
General	1,000,000	1,022,000	1,000,000	(22,000)
M-R: Convention Center Hotel	7,920,000	9,436,574	7,273,000	(2,163,574)
535 Convention Center Hotel	7,920,000	9,436,574	7,273,000	(2,163,574)
General	7,920,000	9,436,574	7,273,000	(2,163,574)
M-R: Convention Complex	24,363,962	23,993,628	23,966,270	(27,358)
540 Royal Farms Arena Operations	500,000	525,650	525,650	0
General	500,000	525,650	525,650	0
855 Convention Center	19,283,874	18,894,228	18,860,532	(33,696)
General	12,832,271	12,442,625	13,595,806	1,153,181
State	6,451,603	6,451,603	5,264,726	(1,186,877)
857 Convention Center Debt Service	4,580,088	4,573,750	4,580,088	6,338
Convention Center Bond	4,580,088	4,573,750	4,580,088	6,338
M-R: Debt Service	104,814,393	99,202,943	99,416,943	214,000
123 General Debt Service	104,814,393	99,202,943	99,416,943	214,000
General	92,028,393	86,416,943	82,566,943	(3,850,000)
Special	12,786,000	12,786,000	16,850,000	4,064,000
M-R: Educational Grants	7,204,727	7,341,231	19,707,231	12,366,000
446 Educational Grants	7,204,727	7,341,231	19,707,231	12,366,000

OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
M-R: Educational Grants (Continued)	7,204,727	7,341,231	19,707,231	12,366,000
General	7,204,727	7,341,231	7,341,231	0
Federal	0	0	500,000	500,000
Special	0	0	11,866,000	11,866,000
M-R: Employees' Retirement Contribution	9,550,515	9,755,288	3,344,791	(6,410,497)
355 Employees' Retirement Contribution	9,550,515	9,755,288	3,344,791	(6,410,497)
General	9,550,515	9,755,288	3,344,791	(6,410,497)
M-R: Environmental Control Board	962,655	998,726	1,014,779	16,053
117 Adjudication of Environmental Citations	962,655	998,726	1,014,779	16,053
General	962,655	998,726	1,014,779	16,053
M-R: Health and Welfare Grants	1,213,859	1,244,812	1,244,812	0
385 Health and Welfare Grants	1,213,859	1,244,812	1,244,812	0
General	1,213,859	1,244,812	1,244,812	0
M-R: Innovation Fund	1,100,000	773,679	773,679	0
833 Innovation Fund	1,100,000	773,679	773,679	0
General	1,100,000	773,679	773,679	0
M-R: Miscellaneous General Expenses	23,998,756	24,196,828	18,347,911	(5,848,917)
122 Miscellaneous General Expenses	23,998,756	24,196,828	18,347,911	(5,848,917)
General	23,998,756	24,196,828	18,347,911	(5,848,917)
M-R: Office of CitiStat Operations	708,756	765,220	760,327	(4,893)
347 CitiStat Operations	708,756	765,220	760,327	(4,893)
General	708,756	765,220	760,327	(4,893)
M-R: Office of Criminal Justice	8,708,666	8,844,008	8,125,951	(718,057)
616 Juvenile Justice	499,494	510,571	375,738	(134,833)
General	247,128	268,609	208,427	(60,182)
Federal	86,649	89,518	88,974	(544)
State	165,717	152,444	78,337	(74,107)
617 Victim Services - MOCJ	728,131	784,185	1,801,739	1,017,554
General	124,721	138,286	138,286	0
Federal	73,825	96,731	1,057,102	960,371
State	96,824	106,886	106,351	(535)
Special	432,761	442,282	500,000	57,718
618 Crime Prevention	739,468	754,442	1,528,142	773,700
General	593,196	606,647	335,693	(270,954)
Federal	146,272	147,795	992,449	844,654
State	0	0	200,000	200,000
757 CitiWatch	2,548,438	2,479,248	2,369,683	(109,565)
General	2,292,663	2,217,341	2,217,341	0
Federal	70,775	72,837	72,342	(495)
Special	185,000	189,070	80,000	(109,070)
758 Coordination of Public Safety Strategy - Administration	4,193,135	4,315,562	2,050,649	(2,264,913)
General	626,434	668,564	665,803	(2,761)
Federal	3,246,701	3,319,958	1,339,846	(1,980,112)
State	245,000	250,390	45,000	(205,390)
Special	75,000	76,650	0	(76,650)
M-R: Office of Employment Development	24,967,770	25,707,876	27,974,986	2,267,110
791 BCPS Alternative Options Academy for Youth	250,000	314,508	202,777	(111,731)
State	250,000	314,508	202,777	(111,731)
792 Workforce Services for TANF Recipients	3,446,796	3,560,782	3,362,980	(197,802)
Federal	3,246,796	3,356,382	3,262,980	(93,402)
State	200,000	204,400	100,000	(104,400)
793 Employment Enhancement Services for Baltimore City Residents	1,959,712	2,109,261	2,981,168	871,907
General	1,314,712	1,349,203	2,346,168	996,965
Special	645,000	760,058	635,000	(125,058)
794 Administration - MOED	623,549	597,452	659,521	62,069

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
M-R: Office of Employment Development (Continued)	24,967,770	25,707,876	27,974,986	2,267,110
General	623,549	642,543	659,521	16,978
Federal	0	(45,091)	0	45,091
795 Workforce Services for Baltimore Residents	6,258,597	6,284,039	6,674,989	390,950
Federal	5,658,597	5,639,948	6,244,098	604,150
State	400,000	439,691	230,891	(208,800)
Special	200,000	204,400	200,000	(4,400)
796 Workforce Services for Ex-Offenders	1,623,610	1,725,934	1,672,925	(53,009)
General	126,499	173,865	172,925	(940)
Federal	748,785	772,203	750,000	(22,203)
State	748,326	779,866	750,000	(29,866)
797 Workforce Services for Out of School Youth-Youth Opportunity	3,673,752	3,704,193	3,672,000	(32,193)
General	2,923,978	2,938,457	2,928,616	(9,841)
Federal	495,963	514,059	514,973	914
State	253,811	251,677	140,911	(110,766)
Special	0	0	87,500	87,500
798 Youth Works Summer Job Program	4,673,725	4,885,756	5,722,675	836,919
General	1,813,147	1,910,349	1,943,091	32,742
Federal	1,100,000	1,124,200	1,500,000	375,800
State	1,360,578	1,432,352	1,529,584	97,232
Special	400,000	418,855	750,000	331,145
800 Workforce Services for WIOA Funded Youth	2,458,029	2,525,951	3,025,951	500,000
Federal	2,458,029	2,525,951	3,025,951	500,000
M-R: Office of Human Services	65,268,220	67,060,734	61,578,557	(5,482,177)
356 Administration - Human Services	5,174,187	5,676,040	4,821,208	(854,832)
General	1,043,103	1,094,054	1,138,804	44,750
Federal	3,074,759	3,507,538	2,648,424	(859,114)
State	110,503	113,266	210,503	97,237
Special	945,822	961,182	823,477	(137,705)
605 Head Start	8,570,171	8,774,074	8,501,377	(272,697)
General	540,000	551,880	510,000	(41,880)
Federal	7,697,187	7,881,884	7,766,894	(114,990)
State	132,984	135,910	224,483	88,573
Special	200,000	204,400	0	(204,400)
741 Community Action Partnership	6,262,688	6,419,940	7,337,740	917,800
General	776,960	749,499	712,085	(37,414)
Federal	877,543	905,330	963,303	57,973
State	4,608,185	4,765,111	4,662,352	(102,759)
Special	0	0	1,000,000	1,000,000
893 Homeless Prevention and Support Services for the Homeless	1,820,831	1,860,890	1,087,243	(773,647)
Federal	1,148,157	1,173,417	593,802	(579,615)
State	672,674	687,473	493,441	(194,032)
894 Outreach to the Homeless	3,873,090	3,958,297	3,234,985	(723,312)
General	174,286	178,120	399,727	221,607
Federal	3,315,618	3,388,560	2,551,867	(836,693)
State	383,186	391,617	283,391	(108,226)
895 Temporary Housing for the Homeless	13,576,557	13,798,067	9,464,784	(4,333,283)
General	7,905,475	8,002,222	7,430,615	(571,607)
Federal	4,190,511	4,282,701	175,350	(4,107,351)
State	1,480,571	1,513,144	1,858,819	345,675
896 Permanent Housing for the Homeless	25,990,696	26,573,426	27,131,220	557,794
General	731,174	736,260	736,260	0
Federal	24,982,489	25,554,899	26,151,170	596,271
State	61,495	62,847	25,795	(37,052)
Special	215,538	219,420	217,995	(1,425)
M-R: Office of Information Technology	28,001,090	28,856,595	29,239,360	382,765

OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
M-R: Office of Information Technology (Continued)	28,001,090	28,856,595	29,239,360	382,765
802 Administration - MOIT	1,549,005	1,651,444	1,642,510	(8,934)
General	1,549,005	1,651,444	1,642,510	(8,934)
803 Enterprise Innovation and Application Services	6,893,918	7,173,658	6,799,127	(374,531)
General	6,893,918	7,173,658	6,799,127	(374,531)
804 Enterprise Unified Call Center	5,187,529	5,305,836	5,277,546	(28,290)
General	5,187,529	5,305,836	5,277,546	(28,290)
805 Enterprise IT Delivery Services	14,370,638	14,725,657	15,520,177	794,520
General	6,064,652	6,269,859	6,968,086	698,227
Special	0	0	100,000	100,000
Internal Service	8,305,986	8,455,798	8,452,091	(3,707)
M-R: Office of Neighborhoods	806,762	798,114	0	(798,114)
354 Office of Neighborhoods	806,762	798,114	0	(798,114)
General	806,762	798,114	0	(798,114)
M-R: Office of the Inspector General	784,665	792,183	784,308	(7,875)
836 Inspector General	784,665	792,183	784,308	(7,875)
General	784,665	792,183	784,308	(7,875)
M-R: Office of the Labor Commissioner	802,840	845,568	841,049	(4,519)
128 Labor Contract Negotiations and Administration	802,840	845,568	841,049	(4,519)
General	802,840	845,568	841,049	(4,519)
M-R: Retirees' Benefits	67,738,097	70,172,329	69,472,659	(699,670)
351 Retirees' Benefits	67,738,097	70,172,329	69,472,659	(699,670)
General	67,738,097	70,172,329	69,472,659	(699,670)
M-R: Self-Insurance Fund	19,358,438	20,067,549	20,571,375	503,826
126 Contribution to Self-Insurance Fund	19,358,438	20,067,549	20,571,375	503,826
General	19,358,438	20,067,549	20,571,375	503,826
M-R: TIF Debt Service	16,844,756	16,188,021	16,187,020	(1,001)
124 TIF Debt Service	16,844,756	16,188,021	16,187,020	(1,001)
General	16,844,756	16,188,021	16,187,020	(1,001)
Municipal and Zoning Appeals	650,514	621,322	617,327	(3,995)
185 Board of Municipal & Zoning Appeals	650,514	621,322	617,327	(3,995)
General	650,514	621,322	617,327	(3,995)
Office of Civil Rights	1,898,755	2,294,102	1,886,294	(407,808)
656 Wage Investigation and Enforcement	224,196	208,531	329,164	120,633
General	224,196	208,531	329,164	120,633
846 Discrimination Investigations, Resolutions and Conciliations	912,520	959,140	948,403	(10,737)
General	861,520	907,018	896,281	(10,737)
Federal	40,800	41,698	41,698	0
Special	10,200	10,424	10,424	0
848 Police Community Relations	555,998	906,346	608,727	(297,619)
General	555,998	906,346	608,727	(297,619)
878 Disabilities Commission	206,041	220,085	0	(220,085)
General	206,041	220,085	0	(220,085)
Planning	8,256,405	8,752,220	10,957,724	2,205,504
761 Development Oversight and Project Support	1,207,924	1,226,582	1,115,736	(110,846)
General	1,207,924	1,226,582	1,115,736	(110,846)
762 Historic Preservation	628,470	661,898	1,032,843	370,945
General	628,470	661,898	657,843	(4,055)
Federal	0	0	150,000	150,000
State	0	0	150,000	150,000
Special	0	0	75,000	75,000
763 Comprehensive Planning and Resource Management	4,069,098	4,313,662	3,505,662	(808,000)
General	1,344,923	1,529,555	1,652,080	122,525
Federal	190,000	194,180	241,980	47,800

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Planning (Continued)	8,256,405	8,752,220	10,957,724	2,205,504
State	175,000	178,850	200,000	21,150
Special	2,359,175	2,411,077	1,411,602	(999,475)
765 Planning for a Sustainable Baltimore	1,428,610	1,532,064	4,285,943	2,753,879
General	980,759	1,075,238	1,033,073	(42,165)
Federal	185,000	189,070	250,000	60,930
State	136,000	139,025	261,275	122,250
Special	126,851	128,731	2,741,595	2,612,864
768 Administration - Planning	922,303	1,018,014	1,017,540	(474)
General	922,303	1,018,014	1,017,540	(474)
Police	480,696,060	511,191,655	493,738,648	(17,453,007)
621 Administration - Police	40,979,686	49,755,151	59,087,762	9,332,611
General	39,341,563	48,082,492	54,996,533	6,914,041
Federal	1,638,123	1,672,659	2,171,229	498,570
State	0	0	120,000	120,000
Special	0	0	1,800,000	1,800,000
622 Police Patrol	256,311,725	272,994,740	259,323,326	(13,671,414)
General	248,993,193	265,409,872	251,759,631	(13,650,241)
Federal	0	0	85,000	85,000
State	5,594,532	5,740,601	5,649,150	(91,451)
Special	1,724,000	1,844,267	1,829,545	(14,722)
623 Crime Investigation	36,306,243	37,755,337	34,753,540	(3,001,797)
General	33,730,564	35,122,679	34,073,540	(1,049,139)
Federal	104,550	107,164	80,000	(27,164)
State	2,471,129	2,525,494	600,000	(1,925,494)
624 Target Violent Criminals	43,447,576	43,960,902	43,722,929	(237,973)
General	36,656,644	38,430,556	37,952,740	(477,816)
State	4,670,577	3,364,466	3,604,309	239,843
Special	2,120,355	2,165,880	2,165,880	0
625 SWAT/ESU	9,730,800	9,814,206	9,743,808	(70,398)
General	9,730,800	9,814,206	9,743,808	(70,398)
626 Homeland Security - Intelligence	15,198,561	15,238,246	9,035,814	(6,202,432)
General	7,378,582	7,296,895	7,358,100	61,205
Federal	7,819,979	7,941,351	1,677,714	(6,263,637)
627 Emergency Communications	7,822,472	7,917,390	7,696,692	(220,698)
General	7,822,472	7,917,390	7,696,692	(220,698)
628 Police Internal Affairs	9,039,682	9,611,054	9,273,368	(337,686)
General	9,039,682	9,611,054	9,273,368	(337,686)
632 Manage Police Records and Evidence Control Systems	7,810,451	8,093,204	6,936,749	(1,156,455)
General	7,810,451	8,093,204	6,936,749	(1,156,455)
634 Crowd, Traffic, and Special Events Management	9,060,572	9,384,747	11,068,327	1,683,580
General	8,829,947	9,148,356	10,831,936	1,683,580
Federal	230,625	236,391	236,391	0
635 Police Recruiting and Training	15,904,099	16,809,887	13,939,176	(2,870,711)
General	15,383,899	16,278,243	13,939,176	(2,339,067)
State	520,200	531,644	0	(531,644)
637 Special Operations - K-9 and Mounted Unit	4,587,249	4,802,737	4,589,347	(213,390)
General	4,587,249	4,802,737	4,589,347	(213,390)
638 Marine Unit	2,049,579	2,142,317	2,086,635	(55,682)
General	2,049,579	2,142,317	2,086,635	(55,682)
640 Special Operations - Aviation	6,117,186	6,177,219	5,064,046	(1,113,173)
General	6,117,186	6,177,219	5,064,046	(1,113,173)
642 Crime Laboratory	16,330,179	16,734,518	17,417,129	682,611
General	14,000,416	14,344,623	15,666,672	1,322,049
Federal	2,329,763	2,389,895	1,750,457	(639,438)
Public Works	532,174,333	544,322,401	591,028,589	46,706,188

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Public Works (Continued)	532,174,333	544,322,401	591,028,589	46,706,188
660 Administration - DPW - SW	1,476,356	1,479,276	1,506,375	27,099
General	1,476,356	1,479,276	1,506,375	27,099
661 Public Right-of-Way Cleaning	20,379,772	20,719,466	21,850,053	1,130,587
General	17,372,627	17,796,786	16,330,539	(1,466,247)
Special	593,215	451,538	400,000	(51,538)
Stormwater Utility	2,413,930	2,471,142	5,119,514	2,648,372
662 Vacant/Abandoned Property Cleaning and Boarding	8,325,900	9,238,637	10,512,849	1,274,212
General	6,898,751	7,780,091	9,085,700	1,305,609
Federal	1,427,149	1,458,546	1,427,149	(31,397)
663 Waste Removal and Recycling	26,886,421	27,736,698	28,255,593	518,895
General	26,886,421	27,736,698	28,255,593	518,895
664 Waste Re-Use and Disposal	20,119,005	21,154,004	21,783,904	629,900
General	20,119,005	21,154,004	21,783,904	629,900
670 Administration - DPW - WWW	39,650,241	41,030,349	43,589,680	2,559,331
Water Utility	18,032,296	18,730,281	19,631,288	901,007
Wastewater Utility	21,617,945	22,300,068	23,958,392	1,658,324
671 Water Management	84,659,542	85,148,646	86,180,360	1,031,714
Water Utility	84,659,542	85,148,646	86,180,360	1,031,714
672 Water and Wastewater Consumer Services	21,609,626	23,420,396	30,696,791	7,276,395
Water Utility	14,891,070	16,467,063	18,844,601	2,377,538
Stormwater Utility	2,116,498	2,163,061	3,375,999	1,212,938
Wastewater Utility	4,602,058	4,790,272	8,476,191	3,685,919
673 Wastewater Management	129,579,836	131,154,174	135,957,613	4,803,439
State	306,000	312,732	312,732	0
Wastewater Utility	129,273,836	130,841,442	135,644,881	4,803,439
674 Surface Water Management	19,849,530	22,288,906	23,578,197	1,289,291
Water Utility	485,320	566,433	565,357	(1,076)
Federal	200,000	204,400	100,000	(104,400)
State	500,000	511,000	300,000	(211,000)
Stormwater Utility	17,071,704	19,405,543	20,971,822	1,566,279
Wastewater Utility	1,592,506	1,601,530	1,641,018	39,488
675 Engineering and Construction Management - Water and Wastewater	154,572,108	155,719,880	167,425,206	11,705,326
Water Utility	62,152,388	62,807,089	67,549,617	4,742,528
Wastewater Utility	92,419,720	92,912,791	99,875,589	6,962,798
676 Administration - DPW	2,803,833	2,888,735	2,727,939	(160,796)
General	2,803,833	2,888,735	2,727,939	(160,796)
730 Public and Private Energy Performance	2,262,163	2,343,234	16,964,029	14,620,795
Federal	0	0	2,000,000	2,000,000
State	0	0	300,000	300,000
Special	0	0	12,500,000	12,500,000
Internal Service	2,262,163	2,343,234	2,164,029	(179,205)
Recreation and Parks	43,959,115	45,895,382	47,129,189	1,233,807
644 Administration - Rec and Parks	4,222,732	4,504,217	5,299,502	795,285
General	4,086,165	4,364,236	4,459,521	95,285
State	136,567	139,981	139,981	0
Special	0	0	700,000	700,000
645 Aquatics	2,923,399	3,127,220	3,126,602	(618)
General	2,423,399	2,616,220	2,422,781	(193,439)
Special	500,000	511,000	703,821	192,821
646 Park Maintenance	12,562,017	13,280,417	12,909,950	(370,467)
General	10,582,080	11,229,704	10,693,039	(536,665)
State	1,279,937	1,335,313	1,716,911	381,598
Special	700,000	715,400	500,000	(215,400)
647 Youth and Adult Sports	848,858	826,269	826,465	196
General	689,030	661,359	661,555	196

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Recreation and Parks (Continued)	43,959,115	45,895,382	47,129,189	1,233,807
Special	159,828	164,910	164,910	0
648 Community Recreation Centers	14,420,833	14,530,656	14,381,268	(149,388)
General	12,977,807	13,055,883	12,968,327	(87,556)
Federal	276,776	282,865	282,865	0
Special	1,166,250	1,191,908	1,130,076	(61,832)
649 Special Facilities Management - Recreation	1,448,285	1,479,954	1,479,730	(224)
General	37,071	98	0	(98)
Special	1,411,214	1,479,856	1,479,730	(126)
650 Horticulture	1,826,699	1,910,462	1,904,116	(6,346)
General	1,272,275	1,322,995	1,322,262	(5,733)
Special	554,424	582,467	581,854	(613)
651 Recreation for Seniors	122,933	107,703	143,901	36,198
General	122,933	107,703	107,901	198
Special	0	0	36,000	36,000
652 Therapeutic Recreation	413,580	427,957	427,826	(131)
General	413,580	427,957	427,826	(131)
653 Park Programs & Events	678,469	700,963	1,049,353	348,390
State	0	0	306,600	306,600
Special	678,469	700,963	742,753	41,790
654 Urban Forestry	4,491,310	4,999,564	5,580,476	580,912
General	4,391,310	4,897,364	4,880,476	(16,888)
State	0	0	700,000	700,000
Special	100,000	102,200	0	(102,200)
Sheriff	20,208,270	21,780,243	22,073,213	292,970
881 Courthouse Security	4,351,821	4,682,483	4,708,554	26,071
General	4,351,821	4,682,483	4,708,554	26,071
882 Deputy Sheriff Enforcement	10,241,619	11,050,443	11,028,345	(22,098)
General	10,241,619	11,050,443	11,028,345	(22,098)
883 Service of Protective and Peace Orders	1,897,499	2,043,718	2,080,294	36,576
General	1,897,499	2,043,718	2,080,294	36,576
884 District Court Sheriff Services	2,448,070	2,621,776	2,794,273	172,497
General	2,448,070	2,621,776	2,794,273	172,497
889 Child Support Enforcement	1,269,261	1,381,823	1,461,747	79,924
General	1,269,261	1,381,823	1,461,747	79,924
State's Attorney	41,862,283	43,639,539	43,966,812	327,273
115 Prosecution of Criminals	33,784,573	34,656,898	34,795,721	138,823
General	27,154,911	27,778,091	27,529,747	(248,344)
Federal	1,439,329	1,514,246	1,456,462	(57,784)
State	4,828,091	4,994,350	5,409,404	415,054
Special	362,242	370,211	400,108	29,897
781 Administration - State's Attorney	6,527,788	7,355,766	6,480,718	(875,048)
General	6,527,788	7,355,766	6,480,718	(875,048)
786 Victim and Witness Services	1,549,922	1,626,875	2,690,373	1,063,498
General	1,290,659	1,380,687	1,376,271	(4,416)
Federal	259,263	246,188	1,314,102	1,067,914
Transportation	200,198,195	211,946,662	206,380,997	(5,565,665)
500 Street Lighting	19,187,612	22,123,716	23,173,562	1,049,846
General	19,187,612	22,123,716	23,173,562	1,049,846
548 Conduits	16,000,000	16,819,466	11,746,671	(5,072,795)
Conduit Enterprise	16,000,000	16,819,466	11,746,671	(5,072,795)
681 Administration - DOT	9,449,950	10,399,845	10,491,856	92,011
General	8,929,554	9,868,000	9,960,011	92,011
Federal	520,396	531,845	531,845	0
682 Parking Management	41,854,893	45,246,282	43,935,182	(1,311,100)

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
Transportation (Continued)	200,198,195	211,946,662	206,380,997	(5,565,665)
Parking Management	10,074,375	10,585,024	10,713,044	128,020
Parking Enterprise	31,780,518	34,661,258	33,222,138	(1,439,120)
683 Street Management	31,736,764	33,567,498	32,208,573	(1,358,925)
General	29,666,636	31,451,827	31,186,676	(265,151)
State	853,128	871,897	871,897	0
Special	1,217,000	1,243,774	150,000	(1,093,774)
684 Traffic Management	12,425,870	12,088,092	12,039,183	(48,909)
General	11,801,341	11,449,823	11,400,914	(48,909)
Special	624,529	638,269	638,269	0
685 Special Events	1,352,974	1,373,575	1,359,799	(13,776)
General	1,352,974	1,373,575	1,359,799	(13,776)
687 Inner Harbor Services - Transportation	1,352,622	1,424,809	1,414,649	(10,160)
General	1,352,622	1,424,809	1,414,649	(10,160)
688 Snow and Ice Control	6,341,931	5,135,872	6,550,000	1,414,128
General	6,341,931	5,135,872	6,550,000	1,414,128
689 Vehicle Impounding and Disposal	7,600,611	7,749,963	7,721,493	(28,470)
General	7,600,611	7,749,963	7,721,493	(28,470)
690 Sustainable Transportation	19,554,062	19,455,100	19,562,708	107,608
General	1,036,914	7,020,068	7,011,902	(8,166)
Federal	100,000	102,200	102,200	0
State	3,219,489	3,368,535	3,199,319	(169,216)
Special	15,197,659	8,964,297	9,249,287	284,990
691 Public Rights-of-Way Landscape Management	3,402,284	4,140,927	4,096,306	(44,621)
General	3,402,284	4,140,927	4,096,306	(44,621)
692 Bridge and Culvert Management	3,159,212	3,395,087	3,349,772	(45,315)
General	3,159,212	3,395,087	3,349,772	(45,315)
693 Parking Enforcement	14,784,630	15,125,501	14,974,926	(150,575)
Parking Management	14,700,630	15,039,401	14,929,926	(109,475)
Special	84,000	86,100	45,000	(41,100)
694 Survey Control	528,866	525,971	515,245	(10,726)
General	528,866	525,971	515,245	(10,726)
695 Dock Master	280,783	262,034	259,329	(2,705)
Special	280,783	262,034	259,329	(2,705)
696 Street Cuts Management	940,355	974,421	965,832	(8,589)
General	940,355	974,421	965,832	(8,589)
697 Traffic Safety	7,849,908	9,574,523	9,477,031	(97,492)
General	6,854,892	8,563,126	8,468,378	(94,748)
Federal	995,016	1,011,397	1,008,653	(2,744)
727 Real Property Management	2,394,868	2,563,980	2,538,880	(25,100)
General	2,394,868	2,563,980	2,538,880	(25,100)
TOTAL OPERATING BUDGET	2,759,750,329	2,858,917,241	2,896,398,369	37,481,128
LESS INTERNAL SERVICE FUND	113,888,180	125,534,258	125,987,229	452,971
TOTAL OPERATING APPROPRIATIONS	2,645,862,149	2,733,382,983	2,770,411,140	37,028,157

**OPERATING BUDGET RECOMMENDATION COMPARED WITH
AGENCY CURRENT LEVEL OF SERVICE (CLS) AND PRIOR YEAR BUDGET**

AGENCY, SERVICE AND FUND	FISCAL 2017 BUDGET	FISCAL 2018 CLS	FISCAL 2018 BUDGET	CHANGE BUD vs. CLS
SUMMARY BY FUND				
General	1,747,281,452	1,820,429,463	1,813,500,000	(6,929,463)
Parking Management	24,775,005	25,624,425	25,642,970	18,545
Convention Center Bond	4,580,088	4,573,750	4,580,088	6,338
Water Utility	180,220,616	183,719,512	192,771,223	9,051,711
Parking Enterprise	31,780,518	34,661,258	33,222,138	(1,439,120)
Loan and Guarantee Enterprise	500,000	514,052	512,743	(1,309)
Conduit Enterprise	16,000,000	16,819,466	11,746,671	(5,072,795)
Federal	168,486,073	173,458,141	174,411,770	953,629
State	100,506,491	101,848,101	95,656,655	(6,191,446)
Special	100,623,709	95,248,966	119,303,476	24,054,510
Stormwater Utility	21,602,132	24,039,746	29,467,335	5,427,589
Wastewater Utility	249,506,065	252,446,103	269,596,071	17,149,968
TOTAL OPERATING BUDGET	2,645,862,149	2,733,382,983	2,770,411,140	37,028,157
INTERNAL SERVICE FUND BY AGENCY				
Comptroller	10,113,579	10,177,653	11,134,973	957,320
Finance	11,697,270	11,881,199	11,865,294	(15,905)
General Services	76,385,913	87,450,113	87,163,611	(286,502)
Human Resources	2,329,945	2,328,590	2,327,322	(1,268)
Law	2,793,324	2,897,671	2,879,909	(17,762)
M-R: Conditional Purchase Agreements	0	0	0	0
M-R: Office of Information Technology	8,305,986	8,455,798	8,452,091	(3,707)
Public Works	2,262,163	2,343,234	2,164,029	(179,205)
TOTAL INTERNAL SERVICE FUND	113,888,180	125,534,258	125,987,229	452,971

Notes:

- Current Level of Service (CLS): The estimated cost to maintain services at the Fiscal 2017 level, including inflationary and other adjustments, and assuming no programmatic or management changes.

FISCAL 2018
CHANGES TO FULL-TIME FUNDED POSITIONS
 Finance Recommendations

Agency	Fiscal 2017 Budget	Fiscal 2018 Budget	Change in Budget
Board of Elections			
<i>General</i>	5	5	0
City Council			
<i>General</i>	68	68	0
Comptroller			
<i>General</i>	67	71	4
<i>Internal Service</i>	34	34	0
Council Services			
<i>General</i>	6	6	0
Courts: Circuit Court			
<i>Federal</i>	13	13	0
<i>General</i>	80	80	0
<i>Special</i>	2	3	1
<i>State</i>	23	28	5
Courts: Orphans' Court			
<i>General</i>	5	5	0
Employees' Retirement Systems			
<i>General</i>	3	0	(3)
<i>Special</i>	72	75	3
Enoch Pratt Free Library			
<i>General</i>	325	325	0
<i>Special</i>	10	10	0
<i>State</i>	54	54	0
Finance			
<i>General</i>	266	263	(3)
<i>Internal Service</i>	31	30	(1)
<i>Loan and Guarantee</i>	2	2	0
<i>Special</i>	2	2	0
Fire			
<i>General</i>	1,680	1,681	1
<i>Special</i>	51	52	1
General Services			
<i>General</i>	94	77	(17)
<i>Internal Service</i>	294	313	19
Health			
<i>Federal</i>	287	272	(15)
<i>General</i>	172	182	10
<i>Special</i>	235	243	8
<i>State</i>	106	89	(17)

FISCAL 2018
CHANGES TO FULL-TIME FUNDED POSITIONS
 Finance Recommendations

Agency	Fiscal 2017 Budget	Fiscal 2018 Budget	Change in Budget
Housing and Community Development			
<i>Federal</i>	53	57	4
<i>General</i>	354	350	(4)
<i>Special</i>	0	3	3
<i>State</i>	25	14	(11)
Human Resources			
<i>General</i>	67	68	1
<i>Internal Service</i>	2	2	0
Law			
<i>General</i>	78	77	(1)
<i>Internal Service</i>	25	25	0
Legislative Reference			
<i>General</i>	6	6	0
Liquor License Board			
<i>General</i>	21	22	1
Mayoralty			
<i>Federal</i>	1	1	0
<i>General</i>	53	62	9
<i>Special</i>	1	1	0
M-R: Cable and Communications			
<i>General</i>	4	4	0
M-R: Convention Complex			
<i>General</i>	151	151	0
M-R: Environmental Control Board			
<i>General</i>	8	8	0
M-R: Office of CitiStat Operations			
<i>General</i>	7	7	0
M-R: Office of Criminal Justice			
<i>Federal</i>	6	6	0
<i>General</i>	6	6	0
<i>State</i>	3	2	(1)
M-R: Office of Employment Development			
<i>Federal</i>	113	106	(7)
<i>General</i>	32	32	0
<i>Special</i>	3	5	2
<i>State</i>	9	6	(3)
M-R: Office of Human Services			
<i>Federal</i>	25	31	6
<i>General</i>	14	16	2
<i>Special</i>	17	22	5
<i>State</i>	47	47	0

FISCAL 2018
CHANGES TO FULL-TIME FUNDED POSITIONS
 Finance Recommendations

Agency	Fiscal 2017 Budget	Fiscal 2018 Budget	Change in Budget
M-R: Office of Information Technology			
<i>General</i>	112	117	5
<i>Internal Service</i>	5	5	0
M-R: Office of Neighborhoods			
<i>General</i>	10	0	(10)
M-R: Office of the Inspector General			
<i>General</i>	10	10	0
M-R: Office of the Labor Commissioner			
<i>General</i>	6	6	0
Municipal and Zoning Appeals			
<i>General</i>	10	10	0
Office of Civil Rights			
<i>General</i>	19	18	(1)
Planning			
<i>General</i>	56	56	0
<i>Special</i>	1	1	0
Police			
<i>Federal</i>	18	18	0
<i>General</i>	3,042	3,029	(13)
<i>Special</i>	11	12	1
<i>State</i>	54	54	0
Public Works			
<i>General</i>	790	754	(36)
<i>Internal Service</i>	9	9	0
<i>Special</i>	9	3	(6)
<i>Stormwater Utility</i>	101	141	40
<i>Wastewater Utility</i>	874	875	1
<i>Water Utility</i>	903	931	28
Recreation and Parks			
<i>General</i>	299	298	(1)
<i>Special</i>	11	12	1
Sheriff			
<i>General</i>	219	219	0
State's Attorney			
<i>Federal</i>	14	22	8
<i>General</i>	322	322	0
<i>Special</i>	0	2	2
<i>State</i>	42	44	2

FISCAL 2018
CHANGES TO FULL-TIME FUNDED POSITIONS
 Finance Recommendations

Agency	Fiscal 2017 Budget	Fiscal 2018 Budget	Change in Budget
Transportation			
<i>Conduit Enterprise</i>	124	119	(5)
<i>Federal</i>	3	3	0
<i>General</i>	925	927	2
<i>Parking Management</i>	153	153	0
<i>Special</i>	4	4	0
<i>State</i>	1	1	0
TOTAL	13,275	13,295	20

FISCAL 2018
CHANGES TO FULL-TIME FUNDED POSITIONS
 Finance Recommendations

Summary by Fund	Fiscal 2017 Budget	Fiscal 2018 Budget	Change in Budget
Internal Service	400	418	18
State	364	339	(25)
Special	429	450	21
Loan and Guarantee	2	2	0
Parking Management	153	153	0
Stormwater Utility	101	141	40
Wastewater Utility	874	875	1
Water Utility	903	931	28
Conduit Enterprise	124	119	(5)
Federal	533	529	(4)
General	9,392	9,338	(54)
TOTAL	13,275	13,295	20

Fiscal 2018
HIGHWAY USER REVENUE BY AGENCY DETAIL
(dollars in thousands)

Agency	Fiscal 2018 Total	Fiscal 2018 HUR- Eligible
Transportation		
500 - Street Lighting	\$23,174	\$23,174
681 - Administration & Transportation Planning	\$9,960	\$9,960
683 - Street Management	\$31,187	\$31,187
684 - Traffic Management	\$11,401	\$11,401
685 - Special Events	\$1,360	\$821
688 - Snow and Ice Control	\$6,550	\$6,550
689 - Vehicle Impounding and Disposal	\$7,721	\$7,721
690 - Sustainable Transportation	\$7,012	\$368
691 - Public Rights-of-Way Landscape Management	\$4,096	\$4,096
692 - Bridge and Culvert Management	\$3,350	\$3,350
696 - Street Cuts Management	\$966	\$966
697 - Traffic Safety	\$8,468	\$8,468
Public Works		
661 - Public Right-of-Way Cleaning ¹	\$16,331	\$14,948
676 - Administration and 660 - SW Administration ²	\$3,042	\$742
Recreation and Parks		
654 - Urban Forestry ³	\$4,880	\$3,571
Police		
634 - Crowd, Traffic, and Special Events Management	\$9,088	\$9,088
Baltimore City Public Schools⁴	\$5,484	\$5,484
Debt Service	\$16,519	\$16,519
Capital Budget Projects	\$11,940	\$11,940
	\$182,529	\$170,354

¹ Public Right-of-Way Cleaning includes Street and Alley Cleaning, Cleaning of Business Districts, Mechanical Sweeping Operations, and Graffiti Removal.

² DPW Administration includes Solid Waste Administration and DPW Administration. Both allocations were produced on a budget basis.

³ Rec and Parks Urban Forestry includes Street Tree Planting and Maintenance

⁴ Additional State HUR funding for MTA Bus Transportation

Summary of Capital Budget Recommendations

Fiscal 2018

Executive Summary

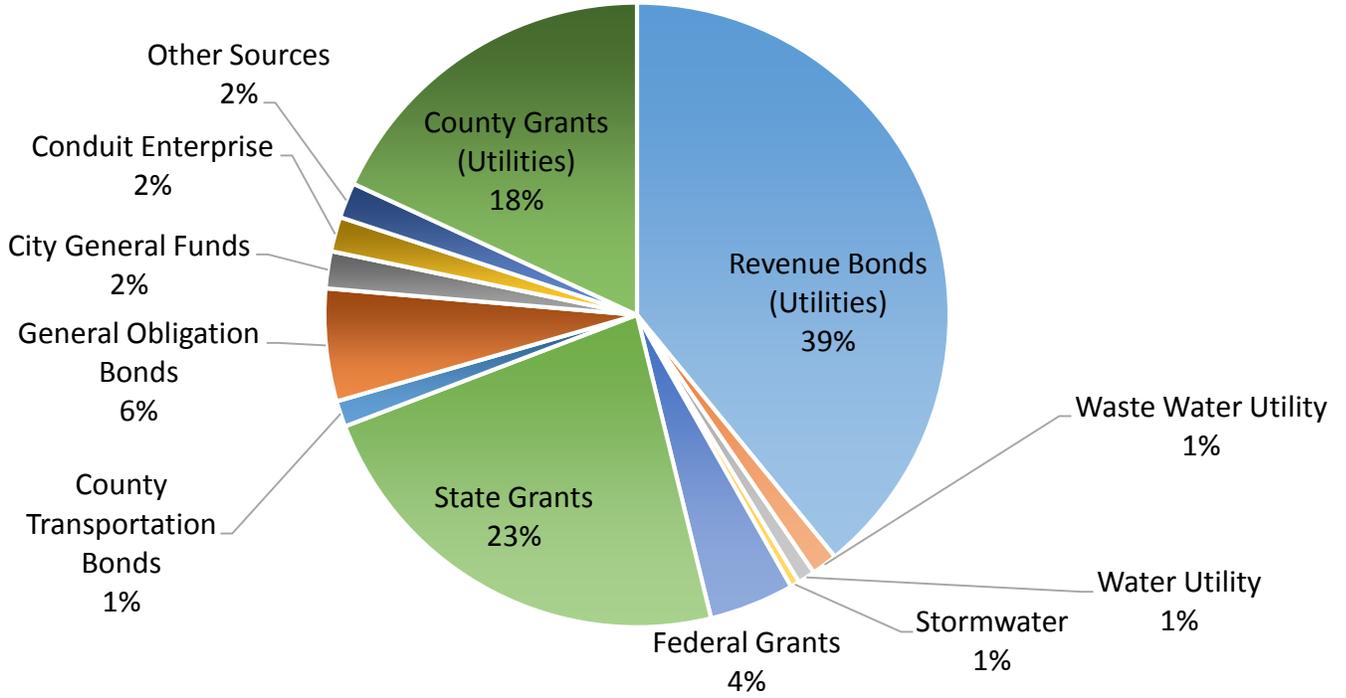
Board of Estimates Recommendations

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**FISCAL 2018
CAPITAL BUDGET RECOMMENDATIONS**

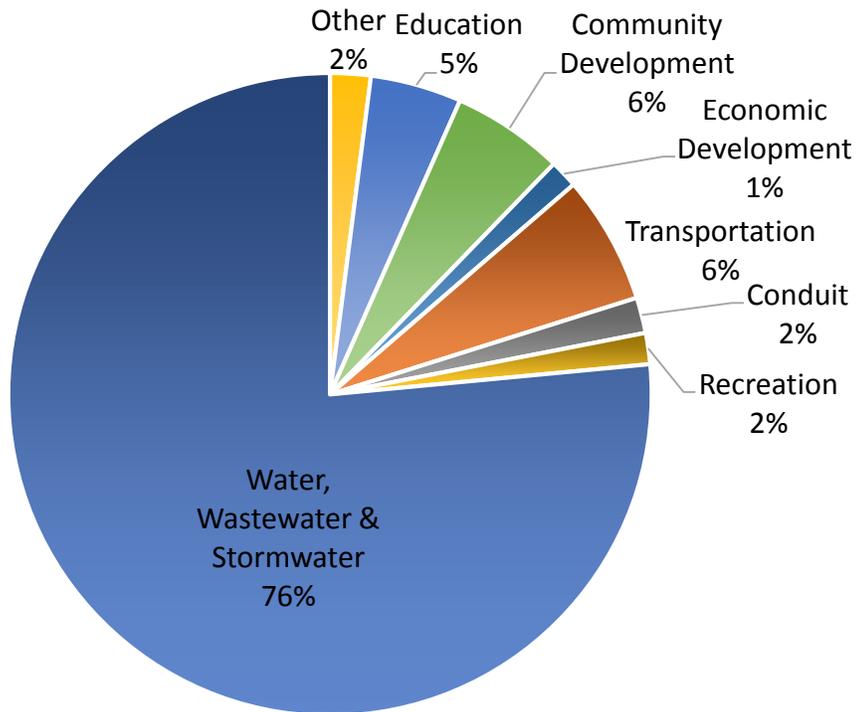
Where the Money Comes From

Total: \$1.12 Billion



How the Money is Used

Total: \$1.12 Billion



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The recommendation for the Fiscal 2018 capital budget is \$1.12 billion, a 113% increase over Fiscal 2017. The Capital Budget can fluctuate considerably from year to year due to project schedules, the timing of borrowing, and the availability of grant funding. There are significant increases in both General Fund Pay-As-You-Go (PAYGO) funding, and Utility Funds for critical Water and Wastewater revenue bond projects.

Recommendations from the General Fund PAYGO total \$21.4 million, an increase of \$5.9 million or 38% above the General Fund Fiscal 2017 level of appropriation.

- \$4.4 million supports compliance with the federal Department of Justice (DOJ) Consent Decree, providing the Police with mobile computer systems in their vehicles to track and document interactions with the public and a data warehouse to securely store information.
- Another \$3.6 million supports community and economic development projects, including Whole Block Demolition and Westside Historic Properties Stabilization.
- \$1.2 million supports Information Technology upgrades and \$310,000 supports capital planning and historic preservation.

Recommendations for General Obligation Bonds are \$65 million, consistent with the Fiscal 2017 level of appropriation. The recommendation includes:

- \$19.3 million for renovation and modernization of City Schools and the Enoch Pratt Free Library Central Branch
- \$28.2 million for community and economic development projects, including \$8.5 million for demolition of whole blocks and blighted structures
- \$5.4 million for park and recreation facility improvements
- \$12.1 million for City building repairs and upgrades

The City's contribution to the 21st Century School Modernization Program totals \$23.9 million, including an estimated \$12 million in Beverage Container Tax revenue, \$7.1 million in State formula aid leveraged by the City, 10% of the Casino Lease revenue (\$1.25 million); and 50% of Table Games aid (\$3.6 million). These funds, combined with State and City Schools contributions, will finance a \$1.1 billion program that will support between 23 and 28 school renovation and replacement projects.

The Fiscal 2018 recommendations also include \$15 million in County Transportation bonds to support transportation projects. Specifically these funds will support \$11.5 million for street resurfacing projects throughout the City, \$1.1 million for bridge repairs, and \$2.4 million for sidewalk repair and reconstruction.

Appropriations from Federal and State grants are recommended at \$307.5 million, an increase of \$80.3 million. This increase is primarily the result of increased State funding for Wastewater projects; Federal funding levels remained consistent. Federal grants include \$16.5 million for bridge replacement or repair, \$13.7 million for street and highway repairs and reconstruction, \$11.5 million for affordable housing and demolition of blighted structures, \$2.5 million for bicycle and pedestrian improvements, \$3 million for traffic signal improvement and safety, \$1 million for recreational facility improvements, and \$860 thousand in streetscape projects. State grants include \$186.5 million for storm water and wastewater grants for pollution and erosion control and sewage system rehabilitation, \$32 million to support renovations at the Central Library, \$17.6 million for housing redevelopment projects, \$10.1 million for park and playground improvements, \$7.5 million for bridge, highway and street repairs and improvements, \$3 million for blight elimination efforts, and \$2 million to support DOJ Consent Decree compliance.

The recommended appropriation from revenue bond funds is \$436.4 million, an increase of \$389.3 million. Projects supported in the Fiscal 2018 recommendation include \$234.5 million to continue replacement and rehabilitation of

wastewater sewage systems, \$157.3 million for water infrastructure improvements, and \$44.6 million to restore polluted streams and watersheds to fishable and swimmable conditions. For the first time, the City will issue revenue bonds supported by the Stormwater Fee. DPW is in “Phase I” of the \$1.5 billion Wastewater Consent Decree program established in 2002 to upgrade and replace Baltimore’s sewer mains. This involves construction of thirty-four projects that will complete the necessary fixing and cleaning of the City’s sewer mains. Of these, 11 projects are already completed and another 12 are currently under construction or being awarded. Another 11 of these projects are currently being designed or advertised. In June 2016, the Back River Headworks project was added to the Consent Decree, as the sewer overflow issue had not been diagnosed when the original consent decree took effect in 2002. The project will correct a 10-mile sewage backup that will reduce more than 80% of the sewer overflow volume in Baltimore. “Phase I” projects are expected to be completed by January 1, 2021.

The recommended funding from utility and other funds is \$252.7 million. The recommendation includes \$227 million which will be used for water and wastewater projects, \$202 million of which comes from County grants. \$7.9 million is recommended for community development projects, \$8.4 million in street, highway and traffic repairs and safety, \$5.2 million for storm water projects, and \$4 million for city fleet and vehicle consolidation and relocation. The recommendation also includes \$20 million for conduit-related projects, a decrease of \$16 million from Fiscal 2017, due to an adjustment in the per linear foot lease rate. These funds will support Conduit construction and maintenance.

In summary, the sources of the recommended appropriations for Fiscal 2018 are:

General Fund (PAYGO)	\$21,400,000
Utility Funds (PAYGO)	\$30,223,000
Conduit Funds (PAYGO)	\$20,000,000
General Obligation Bonds	\$65,000,000
Federal Grants	\$49,002,000
State Grants	\$256,485,000
Revenue Bonds	\$436,378,000
County Transportation Bonds	\$15,000,000
All Other	\$222,523,000
Total	\$1,118,011,000

FISCAL 2018
PRELIMINARY BUDGET PLAN
 Total Capital Recommendations
 (Dollars in Thousands)

Capital Funds	Fiscal 2017 Budget	Fiscal 2018 Budget	Dollar Change	Percent Change
Pay-As-You-Go				
General	15,500	21,400	5,900	38%
Conduit Enterprise	36,000	20,000	(16,000)	-44%
Waste Water Utility	10,086	15,000	4,914	49%
Water Utility	7,000	10,000	3,000	43%
Stormwater	9,769	5,223	(4,546)	-47%
Total	78,355	71,623	(6,732)	-9%
Grants				
Federal	48,351	49,002	651	1%
State	178,859	258,485	79,626	45%
Total	227,210	307,487	80,277	35%
Loans and Bonds				
Revenue Bonds	47,120	436,378	389,258	826%
General Obligation Bonds	65,000	65,000	-	0%
County Transportation Bonds	15,000	15,000	-	0%
Total	127,120	516,378	389,258	306%
All Other	91,302	222,523	131,221	144%
Total Capital - All Funds	\$523,987	\$1,118,011	\$594,024	113%

FISCAL 2018

CAPITAL BUDGET DISTRIBUTION BY AGENCY DETAIL

(Dollars in Thousands)

Agency	General Obligation Bonds	General Funds	Revenue Loans	Utility Funds	Federal Funds	State Funds	County Grants	Other Funds	TOTAL
Baltimore City Public Schools	17,000	0	0	0	0	0	0	0	17,000
Convention Center	500	0	0	0	0	0	0	0	500
Enoch Pratt Free Library	2,250	0	0	0	0	32,028	0	0	34,278
General Services	10,600	0	0	0	0	0	0	4,000	14,600
Housing & Community Development									
Community Development	17,800	6,875	0	0	11,527	18,841	0	7,900	62,943
Economic Development	4,800	2,750	0	0	0	1,500	0	0	9,050
Mayoralty-Related									
American Visionary Art Museum	125	0	0	0	0	0	0	0	125
B & O	50	0	0	0	0	0	0	0	50
Baltimore City Heritage Area Capital	100	0	0	0	0	0	0	0	100
Baltimore Museum of Art - Fire Safety	75	0	0	0	0	0	0	0	75
Broadband Infrastructure	500	0	0	0	0	0	0	0	500
Capital Project Priorities	0	150	0	0	0	0	0	0	150
Creative Alliance	100	0	0	0	0	0	0	0	100
Green Network Plan	1,000	0	0	0	0	0	0	0	1,000
INSPIRE Plan Implementation	2,500	0	0	0	0	0	0	0	2,500
Maryland Zoo	100	0	0	0	0	0	0	0	100
MD Science Center	50	0	0	0	0	0	0	0	50
Modell Lyric	125	0	0	0	0	0	0	0	125
National Aquarium	125	0	0	0	0	0	0	0	125
National Great Blacks in Wax Museum	100	0	0	0	0	0	0	0	100
Office of Information Technology	0	1,000	0	0	0	0	0	0	1,000
Reginald F. Lewis Museum Improvements	75	0	0	0	0	0	0	0	75
Star-Spangled Banner Flag House Build	50	0	0	0	0	0	0	0	50
Walters Art Museum	75	0	0	0	0	0	0	0	75
Planning	0	310	0	0	0	0	0	0	310
Police	0	4,400	0	0	0	2,000	0	0	6,400
Public Works									
Solid Waste	1,500	0	0	0	0	0	0	0	1,500
Storm Water	0	0	10,910	0	0	10,732	0	150	21,792
Pollution/Erosion Control	0	0	33,690	5,223	0	40,092	0	0	79,005
Waste Water/Water	0	0	391,778	25,000	0	135,695	202,038	0	754,511
Recreation and Parks	5,400	1,000	0	0	1,025	10,121	0	0	17,546
Transportation									
Alleys and Footways	0	900	0	0	0	1,000	0	2,900	4,800
Bridges	0	500	0	0	16,460	1,790	0	8,375	27,125
Traffic	0	680	0	0	2,960	394	0	60	4,094
Street Resurfacing	0	110	0	0	0	0	0	11,125	11,235
Streets & Highways	0	2,025	0	0	14,570	4,275	0	580	21,450
Dev. Agencies	0	700	0	0	2,460	17	0	395	3,572
Conduits	0	0	0	0	0	0	0	20,000	20,000
TOTAL BY FUND	\$ 65,000	\$ 21,400	\$ 436,378	\$ 30,223	\$ 49,002	\$ 258,485	\$ 202,038	\$ 55,485	\$ 1,118,011

Appendix

Fiscal 2018

Executive Summary

Board of Estimates Recommendations

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Results Teams are at the heart of the Outcome Budgeting process. They spent countless hours evaluating budget proposals to make recommendations to fund City services that best advance the Priority Outcomes. They helped identify more efficient and effective ways to deliver services to residents of Baltimore.

We sincerely thank Results Team participants for their many significant contributions to our Fiscal 2018 budget process and to the City of Baltimore.

<p><u>Thriving Youth & Families</u></p> <p>Chair: John Kirk Budget Analyst: Mira Green CitiStat Analyst: Yousuf Ahmad Members:</p> <ul style="list-style-type: none"> • Shannon Burroughs-Campbell • Jennifer Mange • Ryan Trout • Danny Heller • Marguerite Murray • Martha Holleman, <i>community representative</i> 	<p><u>Safe Neighborhoods</u></p> <p>Chair: Rana DellaRocco Budget Analyst: Matt Rappaport CitiStat Analyst: Mark Conway Members:</p> <ul style="list-style-type: none"> • James Matz • Connor Scott • Elouise Mayne • Andrew Vaught • Ashley Cannon • Samantha Mellerson, <i>community representative</i> • Mark Washington, <i>community representative</i>
<p><u>Healthy Communities</u></p> <p>Chair: Kelly King Budget Analyst: Philip Gear CitiStat Analyst: Arish Narayen Members:</p> <ul style="list-style-type: none"> • Mac Campbell • Nadya Morgan • Jennifer Martin • Sarah Buzogany • Peter Bleich 	<p><u>Vibrant Economy</u></p> <p>Chair: Kim Grove Budget Analyst: Jessica Clarke CitiStat Analyst: Sam Sidh Members:</p> <ul style="list-style-type: none"> • Quinton Herbert • Robert Pipik • Mary Sloat • Nancy Jordan-Howard • Allison Burr-Livingstone • Walter Nolley, <i>community representative</i>
<p><u>Sustainable Infrastructure</u></p> <p>Chair: ChiChi Nyagah-Nash Budget Analyst: Tony Scott CitiStat Analyst: Momen Abukhdeir Members:</p> <ul style="list-style-type: none"> • Jackson Gilman-Forlini • Sara Paraniham • Caitlin Doolin • Shelley Payne Broadnax • Kendall (KT) Jaeger 	<p><u>High Performing Government</u></p> <p>Chair: Alan Robinson Budget Analyst: Jonathan Morancy Members:</p> <ul style="list-style-type: none"> • Patrick Fleming • Michael Schrock • Julie French • Olivia Jacobs-Wright • Tim Dodd

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ACTIVITY: A subdivision of a program that specifies how the program is performed. Some programs may be accomplished through the performance of only one activity, while other programs may require the performance of two or more activities.

AGENCY: An organization authorized by the Mayor and City Council to operate in the best interest of the public. Each agency is responsible by City Charter for submitting a budget request outlining projected costs of operation for the upcoming fiscal year to the Director of Finance and/or Planning Commission, as applicable.

APPROPRIATION: The legislative authority to spend and obligate a specified amount from a designated fund account for a specific purpose.

ASSESSABLE BASE: The value of all taxable property within the boundaries of the City of Baltimore.

ASSESSED VALUATION: A valuation set upon real estate and other taxable property by the State Department of Assessments and Taxation and utilized by the City of Baltimore as a basis for levying taxes. By State law, all taxable real property must be assessed annually at 100% of market value.

BUDGET: A proposed plan of revenue and expenditure for a given year.

CAPITAL FUND: A set of budget accounts established to plan for specific capital projects financed by revenues received from other City funds, revenue, and general obligation bond borrowing, state, federal, county, private, and other miscellaneous sources.

CAPITAL BUDGET: The appropriations for capital projects, which comprise the first year of the Capital Improvement Program.

CAPITAL IMPROVEMENT PROGRAM: A six-year plan specifying physical improvements recommended by the Planning Commission after reviewing the requests of City agencies.

CAPITAL PROJECT: An improvement to City property, which by policy of the Board of Estimates must meet defined criteria.

CITISTAT: An innovative, accountability tool for measuring performance and monitoring the effective use of public resources by major City agencies, based on the ComStat program pioneered in the New York City Police Department by Jack Maple. Monthly budgetary performance reviews for all major agencies are conducted by the Mayor's CitiStat management team with agency heads being held accountable for expenditure variances and revenue management.

CONDUIT ENTERPRISE FUND: Established to budget for revenue charged to private and public entities renting space in the City owned and operated underground conduit system and for operating and capital expenses for the system.

CONVENTION CENTER BOND FUND: Established in Fiscal 1995 to budget and account for hotel tax revenues to be dedicated to support the payment of principal and interest associated with City indebtedness to finance one-third of the \$150 million cost of the joint City-State expansion of the Baltimore Convention Center.

CURRENT LEVEL OF SERVICES BUDGET: Estimates of the appropriations needed by each municipal agency for the next ensuing fiscal year. These estimates are formulated in order to maintain the same service level for each particular program, purpose, activity, or project included in each agency's budget.

DEBT SERVICE: Principal and interest payments on debt (bonds) incurred by the City.

DEDICATED FUNDS: Includes revenue, which by law, contract, or regulation may be used only to support appropriations for specific purposes.

FISCAL YEAR: The time frame to which the annual budget applies. For the City of Baltimore, this period is from July 1 through June 30.

FUND: A sum of money segregated for specific activities. Use of this money requires adherence to special regulations established for each type of fund. The funds identified within Baltimore City's budget are the Capital Fund, Conduit Enterprise Fund, Convention Center Bond Fund, General Fund, Internal Service Fund, Loan and Guarantee Enterprise Fund, Parking Enterprise Fund, Parking Management Fund, Special Fund, Water Utility Fund, and Waste Water Utility Fund.

FUND ADJUSTMENT: Represents an adjustment made to appropriations for permanent full-time salaries and wages when a budgeted position is funded from more than one fund source, e.g. General and Federal Funds.

FUNDING SOURCE: Income/revenue received which supports an appropriation.

GENERAL FUND: A central fund into which most of the City's tax and unrestricted revenues are budgeted to support basic City operations and pay-as-you-go (PAYGO) capital projects.

GRANT: A contribution made from either the private sector to the City or by one governmental unit to another unit. The contribution is usually made to support a specified program, function, or project.

INDICATOR: A measure that represents a quality of life improvement that the City tracks and is ultimately aiming to improve. The City has 23 measurable Indicators organized within each of the Mayor's seven Priority Outcomes that reflect many of the City's greatest challenges.

INTERNAL SERVICE FUND: Established to budget for the financing of goods and/or services provided by certain City agencies to other City agencies or programs on a cost reimbursement basis.

LOAN AND GUARANTEE ENTERPRISE FUND: Established to budget for the self-supporting program of loans and guarantees administered by the Department of Finance pursuant to policies and procedures approved by the Board of Estimates.

MAJOR GOVERNMENTAL FUNCTION: For purposes of comparison, a group of similar services rendered by various agencies within the City will be segregated together, e.g., Adjudications and Corrections, Economic Development, General Government, Legislative, Public Safety, Social Services, et cetera.

OBJECT OF EXPENDITURE: A group of similar services, commodities, equipment, or personnel costs used to clarify spending within the budget. Objects of expenditure identified within Baltimore City's budget are:

Salaries: Payment to personnel for services rendered to the City including overtime, shift differential, sick leave conversion, full-time, part-time, and contractual personnel costs.

Other Personnel Costs: Payment for benefits provided to City personnel. Included are charges to the City for social security, retirement, health plan, and prescription drug costs.

Contractual Services: Payment for services rendered to the City under contractual arrangements such as rents and telephone service.

Materials and Supplies: Payment for consumable materials and supplies such as custodial supplies and heating fuel.

Equipment: Payment for replacement or procurement of City property other than real property.

Grants, Subsidies and Contributions: Payment in support of various non-profit, private sector activities which will provide health, welfare, educational, cultural, and/or promotional benefits to citizens of Baltimore.

Debt Service: Payments for interest and principal of bonds issued by or on behalf of the City.

Capital Improvements: Payment for the acquisition of real property or improvements made to existing City property.

OPERATING BUDGET: A plan, approved by the Mayor and City Council, for appropriating funds to agencies for operating costs during the fiscal year. This plan establishes legal expenditure limits and will reflect appropriations budgeted according to programs, sources of funding, and costs of program operation other than capital improvements, which are over \$50,000; items of repair, maintenance or emergency nature costing more than \$100,000; or Bureau of Water and Waste Water items of repair, maintenance, or emergency nature costing more than \$250,000.

ORDINANCE OF ESTIMATES: A bill enacted by the City Council, and approved by the Mayor, which gives legal effect to the appropriations included in the annual budget.

OTHER POST EMPLOYMENT BENEFITS (OPEB): The Government Accounting Standards Board (GASB) has instituted an accounting rule which mandates that OPEB benefits be recorded as accrued liabilities in the annual financial statements of governmental entities. Therefore, an annual contribution to a Post Employment Benefits Trust Fund is required.

OUTCOME BUDGETING: A budget process that aligns resources with results that matter most to citizens. It's a budgeting tool that integrates strategic planning, long range financial planning, and performance management.

OUTCOMESTAT: A data-driven decision making tool that aligns resources from all sectors in building and sustaining the best possible quality of life in Baltimore. OutcomeStat aligns strategic planning, program management, and budgeting. It represents a vision for the City that sets meaningful goals and measures its progress.

OVERTIME: Payments to employees eligible for additional compensation for services rendered after a regularly scheduled work period subject to the provisions of negotiated labor contracts and the federal Fair Labor Standards Act.

PARKING ENTERPRISE FUND: Established to budget for operating and debt service expenses for City financed garages substantially supported by revenues derived from operation of these garages.

PARKING MANAGEMENT FUND: Established to budget for the administration of the City's parking garages and lots, parking enforcement activities, and operation of the parking garages and lots financed with General Obligation Bonds.

PAY-AS-YOU-GO (PAYGO): Capital projects funded from current year revenues.

PERFORMANCE MEASURES: Show the results or public benefits of the services provided. The benefits can be in the form of an amount of products or services provided (outputs); reflect the cost per unit of output or outcome (efficiency);

gauge how well a service meets customer expectations (effectiveness); or changes in attitudes, behaviors, knowledge, skills, and conditions as a result of the service (outcome).

POSITIONS: Represents those permanent full and part-time jobs that have a job number assigned.

Permanent Full-Time: Payments to an employee filling a permanent full-time budgeted position for services rendered on a continuing basis.

Permanent Part-Time: Payments to an employee who works less than a full-time schedule on a continuing basis.

PRIORITY OUTCOME: Goals established by the Mayor for improving the quality of life for Baltimore's citizens. The current Priority Outcomes are:

- Better Schools
- Safer Streets
- Stronger Neighborhoods
- A Growing Economy
- Innovative Government
- A Cleaner City
- A Healthier City

RESULTS TEAM: An interdisciplinary group of six to ten members assigned to a particular Priority Outcome that issues guidance to agencies for submitting budget proposals, ranks the proposals, and helps the Mayor develop a budget recommendation that maximizes outcomes, or results, achieved for dollars spent.

REVENUE: Income generated by taxes, fines, penalties, notes, bonds, investment income, property rental, user charges, federal grants, state grants, private grants, county grants, and miscellaneous services.

SALARY AND WAGE DIFFERENTIAL: Added compensation received by certain employees when regularly assigned to night or shift work and to certain employees when required to work under various hazardous conditions.

SALARY AND WAGE SAVINGS: An adjustment made to appropriations resulting from the number of permanent full-time positions which are either vacant, filled by an employee in a lower pay classification, or through employee turnover within the agency.

SERVICE: Replaces program in the budget structure. An activity or set of activities performed by an agency that has: identifiable costs for budgeting purposes; a clear public purpose and measurable objectives; and clear lines of accountability for its performance and fiscal management. Services are the means to achieving desired Outcomes for City residents.

SERVICE CODE: A three digit numeric codes used to identify services or programs within an agency.

SEVERANCE PAY: Payments to permanent full-time and permanent part-time employees for amounts due them for accumulated leave balances to include vacation, personal, sick, et cetera, pursuant to provisions of negotiated labor agreements.

SPECIAL FUND: Established to budget for revenues derived from certain state, federal and private governmental grants, and other revenue sources that are restricted to expenditures for specific purposes.

STIPENDS: Payments to participants in certain grant-funded programs for a specific purpose.

STORMWATER UTILITY FUND: Established to budget for the operating and capital expenses of the City's stormwater management system.

SUB-OBJECT OF EXPENDITURE: A subdivision of an object of expenditure in which groups of similar services or related articles are further delineated into more specific types of expenditures.

SUPPLEMENTARY APPROPRIATIONS: Additional spending authority provided by the City Council and approved by the Mayor derived from revenues from any source, other than the full rate property tax and other taxes, imposed in excess of or in addition to those relied upon by the Board of Estimates in determining the tax levy required to balance the annual Ordinance of Estimates. These appropriations include grants from private or governmental sources which could not be expected with reasonable certainty at the time of the formulation of the proposed Ordinance of Estimates, additional appropriations for programs included in the annual budget made necessary by a material change in circumstances, or new programs which could not be reasonably anticipated at the time of formulation of the Ordinance of Estimates.

All such appropriations must be embodied in a separate ordinance limited to a single program, purpose, activity, or project and provide the revenue necessary to support the appropriation.

TARGET: Targets are the annual numerical benchmarks an agency aims to achieve for a performance measure in a given.

TRANSFERS: Charges or expenditure reimbursements used as follows:

- To reimburse a program for costs which are charged as overhead to special grants.
- To transfer expenditures between funds in order to adjust the amounts derived from various sources for a multi-funded program rather than split each object and subobject of expenditure.
- To reimburse a program for services rendered where the reimbursement is calculated on a fee basis rather than for specific expenditures.

WASTE WATER UTILITY FUND: Established to budget for the operating and capital expenses of the City's sewage facilities.

WATER UTILITY FUND: Established to budget for the operating and capital expenses of the City's water supply system.

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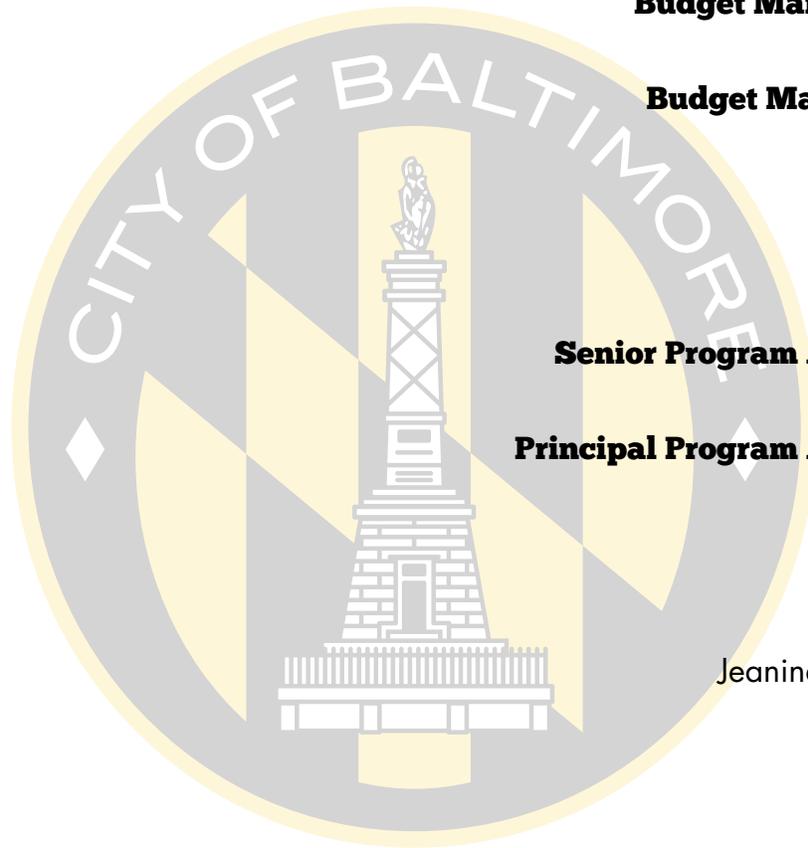
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The City of Baltimore budget publications are available at the Enoch Pratt Free Library Central Branch in the Maryland Room and online at budget.baltimorecity.gov.

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