



The City of Baltimore



Community Guide to the Budget – Fiscal 2023

What are we investing in for Fiscal 2023?

Prioritizing Our Youth

- The Fiscal 2023 budget includes \$417.1 million in support for City Schools, including increases required by the Kirwan Commission, which will fund Maintenance of Effort payments, the 21st Century School Modernization fund, teacher pension costs, and retiree health benefits.
- The Baltimore City Fire Department (BCFD) will launch an apprenticeship program through Apprenticeship Maryland providing internship opportunities for high school students.

Building Public Safety

- BCFD will enter the Emergency Services Payment Program, resulting in an estimated \$40 million from Medicaid reimbursement increasing support for Emergency Medical Services costs, new initiatives, and infrastructure upgrades.
- The Department of Transportation will manage new speed cameras on I-83. The expected \$34.7 million in revenue in Fiscal 2023 will be utilized for administrative costs and I-83 improvements.

Clean and Healthy Communities

- The Mayor's Office of Homeless Services will invest \$90 million in Federal and ARPA funds to provide rental assistance, case management services, and additional permanent supportive housing options for residents experiencing homelessness.
- The Department of Planning will hire a Resilience Planner to better support the City's efforts in preparing communities for extreme heat, flood, and other climate-related hazards.

Equitable Neighborhood Development

- The Department of Housing and Community Development (DHCD) will use \$100 million in ARPA funding to build new affordable housing units, address vacant properties, and provide low-income renter and homeowner support.
- The Office of Equity and Civil Rights will add two positions to develop equity training for City agencies.

Responsible Stewardship of City Resources

- Baltimore City Information and Technology's (BCIT) budget includes \$13.7 million for Phase 2 of the City's Enterprise Resource Planning system transition, which will replace and integrate the City's core financial, payroll, and human resources systems into one single platform.
- The Department of General Services will purchase a new energy management software system to identify savings opportunities from buildings that have been partially vacated due to work-from-home policies.

Fixed Costs

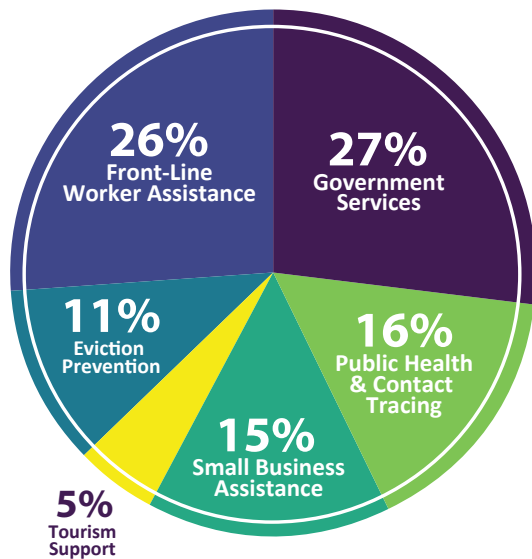
"Fixed costs" are expenses the City is required to pay by law or contract. Fixed costs limit the City's flexibility to shift resources within the budget to respond to sudden changes in revenue or spending obligations. In Fiscal 2023, fixed costs represent 25.3% or \$876.9 million of the City's General Fund budget.

- **Pension:** \$206.1 million
The City funds three pension systems for sworn fire and police employees, civil service employees, and elected officials.
- **Retiree Healthcare:** \$45.9 million
The City pays for healthcare costs of enrolled retirees based upon years of service.
- **Schools Maintenance of Effort:** \$321 million
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. In Fiscal 2023, this funding increased to meet the funding requirements under Kirwan.
- **Debt Service:** \$118.7 million
The City Charter mandates funding for payment of the principal and interest on municipal debt, including debt for capital projects, Tax Increment Financing, and State economic development loans.
- **Risk Management:** \$60.6 million
Risk Management includes workers' compensation claims and insurance and liability costs.
- **Baltimore City Community College:** \$1 million
The State mandates the City contribute to Baltimore City Community College.
- **Utilities:** \$32.2 million
Utilities include gas, electric, sewer, and water costs, as well as tipping fees for solid waste disposal.

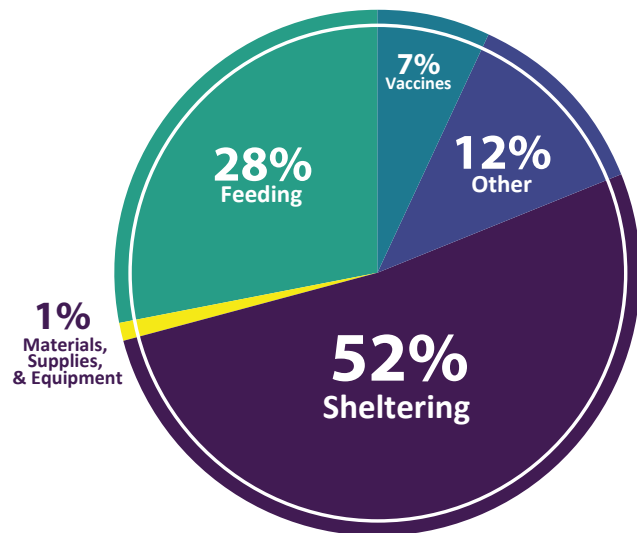
The Unprecedented Impact of COVID-19 Federal Aid

Federal aid continues to provide a lifeline for the City. In March 2020, the City received \$103.6 million from the Coronavirus Aid, Relief, and Economic Security (CARES) Act, which expired in December 2021. CARES Act funds supported maintenance of government services, public health programs and contact tracing, and assistance and relief programs for small businesses and non-profits. In addition, certain City programs, such as mass vaccination sites, sheltering, and feeding, are eligible for Federal Emergency Management Agency (FEMA) reimbursement. However, FEMA reimbursement may end at any time, impacting the City's ability to continue those services. As of August 2022, the City has been approved for \$93.7 million in reimbursement, with \$38.3 million pending FEMA approval.

CARES Spending (\$103.6 M)



FEMA Reimbursement (\$132 M)



ARPA Investments

The American Rescue Plan Act (ARPA) of 2021 provided the City with \$641 million in funds that will be spent on support projects to combat the COVID-19 public health crisis and the negative economic impacts. At the time of passage of the Fiscal 2023 budget, 75% of the City's ARPA funds were committed to the following projects:

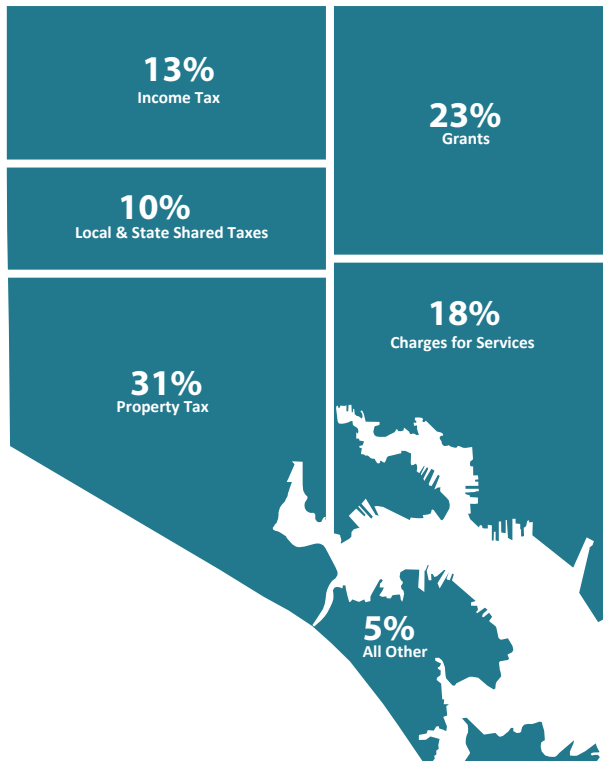
Use of Funds	Funding Committed
Administration	24.4
Economic Recovery	29.9
Workforce Development	34.8
Broadband and Digital Equity	35.0
Recreation Infrastructure	41.0
Violence Prevention	50.0
Reducing Homelessness	75.0
Public Health Response	91.1
Affordable and Vacant Housing	100.0
Total	481.2

What does it cost to run the City?

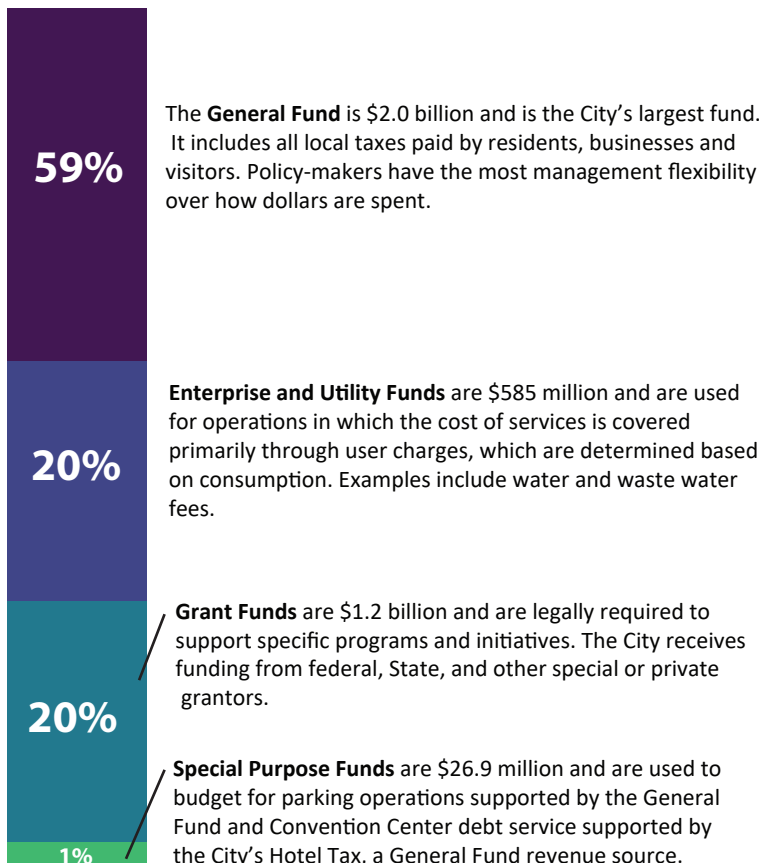
The City's fiscal year begins on July 1st and ends on June 30th. Baltimore's budget is required by law to be balanced each year.

Where does the money come from?

Operating Budget Revenue (\$3.5 billion)

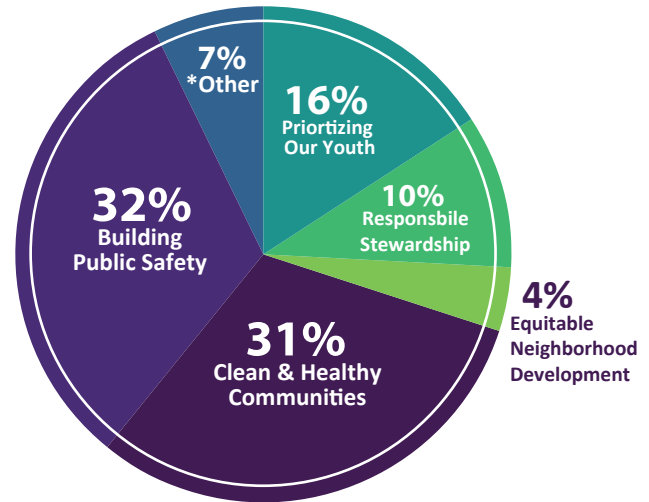


What operating funds does the City manage?

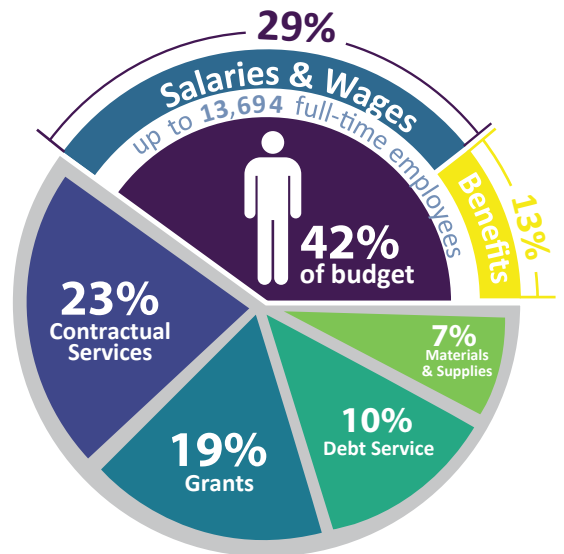


How is the money spent?

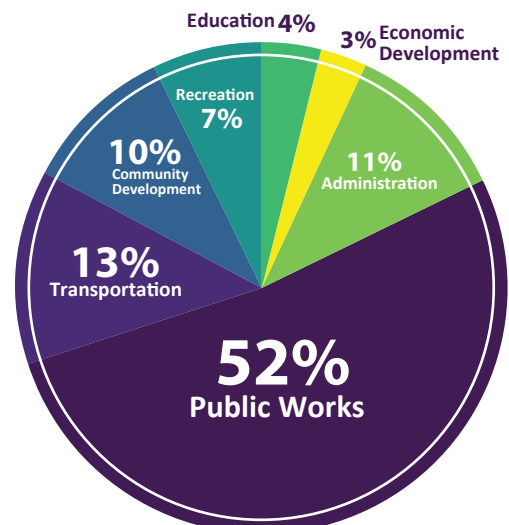
Operating by Outcome (\$3.5 billion)



Operating by Type of Expense (\$3.5 billion)



Capital by Project Type (\$487.6 million)



Note: These numbers represent the Fiscal 2023 adopted budget. Complete financial information can be found at www.budget.baltimorecity.gov

* Other includes centralized fixed costs of City operations, such as debt service, retiree health benefits, and self-insurance costs.



What did we accomplish in Fiscal 2022?

Prioritizing Our Youth

- The Health Department's Office of Youth and Trauma Services began offering trauma-informed care trainings for employees from City agencies, non-profits, and other service providers.
- Fiscal 2022 marked the first full year of operation of the Cahill Fitness and Wellness Center.

Building Public Safety

- The Mayor's Office of Neighborhood Safety and Engagement launched the Group Violence Reduction Strategy, an evidence-based approach to curtailing violent crime.
- The Baltimore Police Department (BPD) increased the percentage of time police officers spend on proactive policing as a part of BPD's efforts to respond to violence.

Clean and Healthy Communities

- The Department of Public Works (DPW) distributed recycling cans for every eligible Baltimore home, which was made possible by a \$8.3 million private grant and an interest-free loan.
- Baltimore City Recreation and Parks (BCRP) planted 2,800 trees, funded in part by vendors that caused to the City's tree canopy due to construction in City parks.

Equitable Neighborhood Development

- The Mayor's Office of Employment Development (MOED) hired Career Navigators to work with the Health Department's temporary staff who were hired to service as the City's COVID-19 contact tracers. This program is aimed at connecting these individuals with permanent employment.
- MOED staffed Community Job Hubs to provide job search and preparation assistance for community members who are not located near the City's main career centers.

Responsible Stewardship of City Resources

- BCIT trained a majority of City employees and contractors on its new cyber awareness training tool to combat cyber-attacks.
- The City began a comprehensive assessment of its procurement policies and practices in order to reform the City's policies, systems, processes, and overall capacity.

Want to Connect?



Brandon M. Scott



City Snapshot



15,800

Tons of recycling collected



1,845

Youth aged 5-13 enrolled in summer recreation camps



366,828

of Fire and EMS units dispatched annually



35,169

of city residents who received employment assistance services



90%

% of 911 calls answered within 10 seconds or less



228,307

of property maintenance code enforcement inspections



385

of structures released for demolition or stabilization



592,153

of 911 calls for Police service

Source of Data

- DPW: Service 663
- BCRP: Service 648
- BCDF: Service 614
- MOED: Service 795
- BCDF: Service 614
- DHCD: Service 745
- DHCD: Service 745
- BPD: Service 853

See 5-year trends by visiting the Fiscal 2023 Agency Detail.
This information reflects service outputs from Fiscal 2021.