

FISCAL 2009

Preliminary Budget Plan



Sheila Dixon, Mayor
City of Baltimore, Maryland



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Cover:

City Hall with tulips in bloom at War Memorial Plaza, Cylburn Mansion and Arboretum, Upton rowhouses and views of the Inner Harbor. The photos display the vitality of Baltimore City with Mayor Sheila Dixon's initiative for a Cleaner Greener Baltimore. The City is home to an historic seaport and a variety of historic parks and neighborhoods.

Photo Credit:

Mark L. Dennis, Staff Photographer, Office of the Mayor

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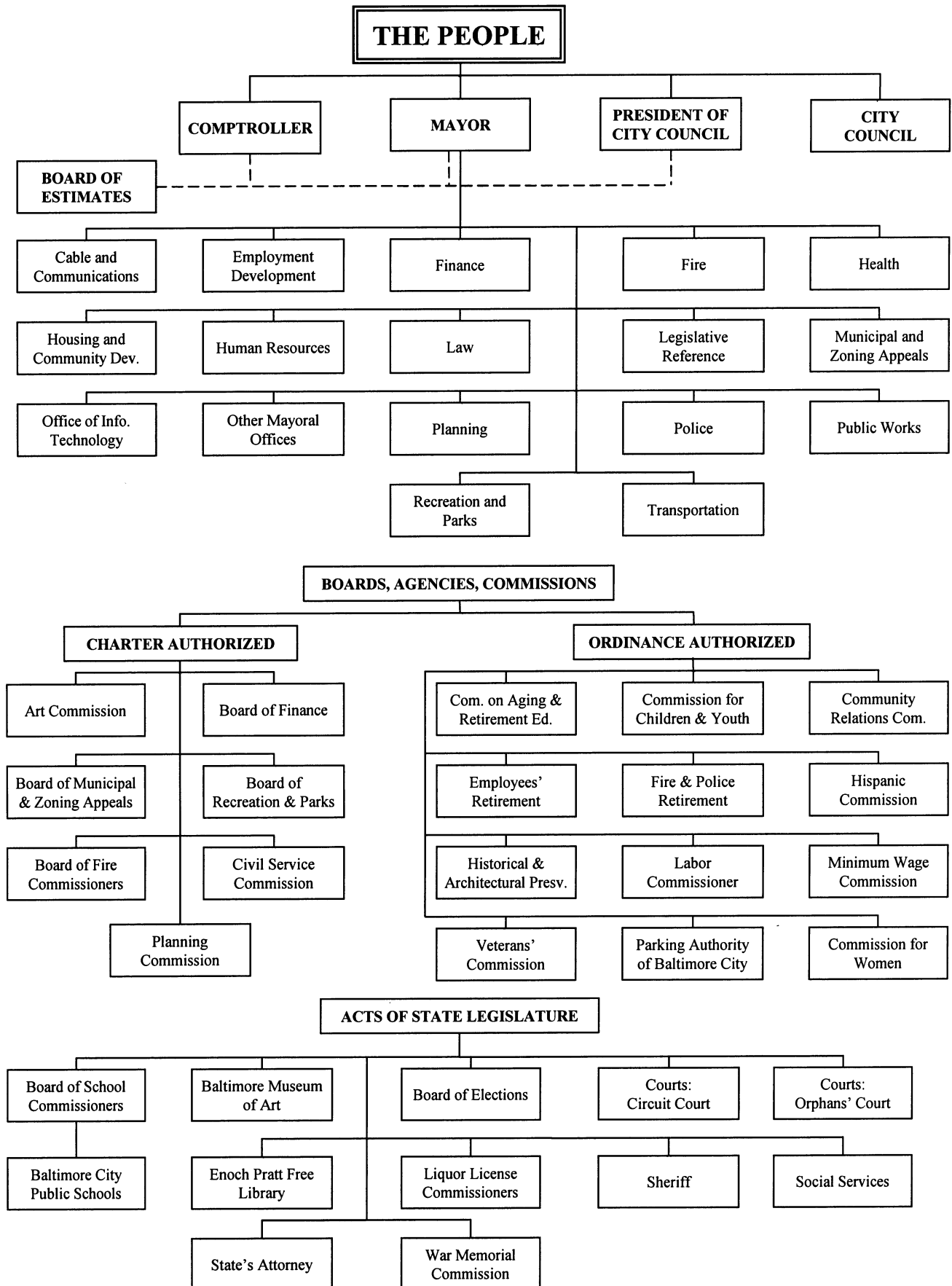
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MUNICIPAL ORGANIZATION CHART



CITY OF BALTIMORE

SHEILA DIXON, Mayor



DEPARTMENT OF FINANCE

EDWARD J. GALLAGHER, Director
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Baltimore, Maryland 21202
(410) 396-4940

March 19, 2008

The Honorable Members of the
Board of Estimates
City Hall, Room 204
Baltimore, Maryland 21202

Re: Preliminary Operating and Capital
Budget Plan - Fiscal 2009

Dear Madam President and Members:

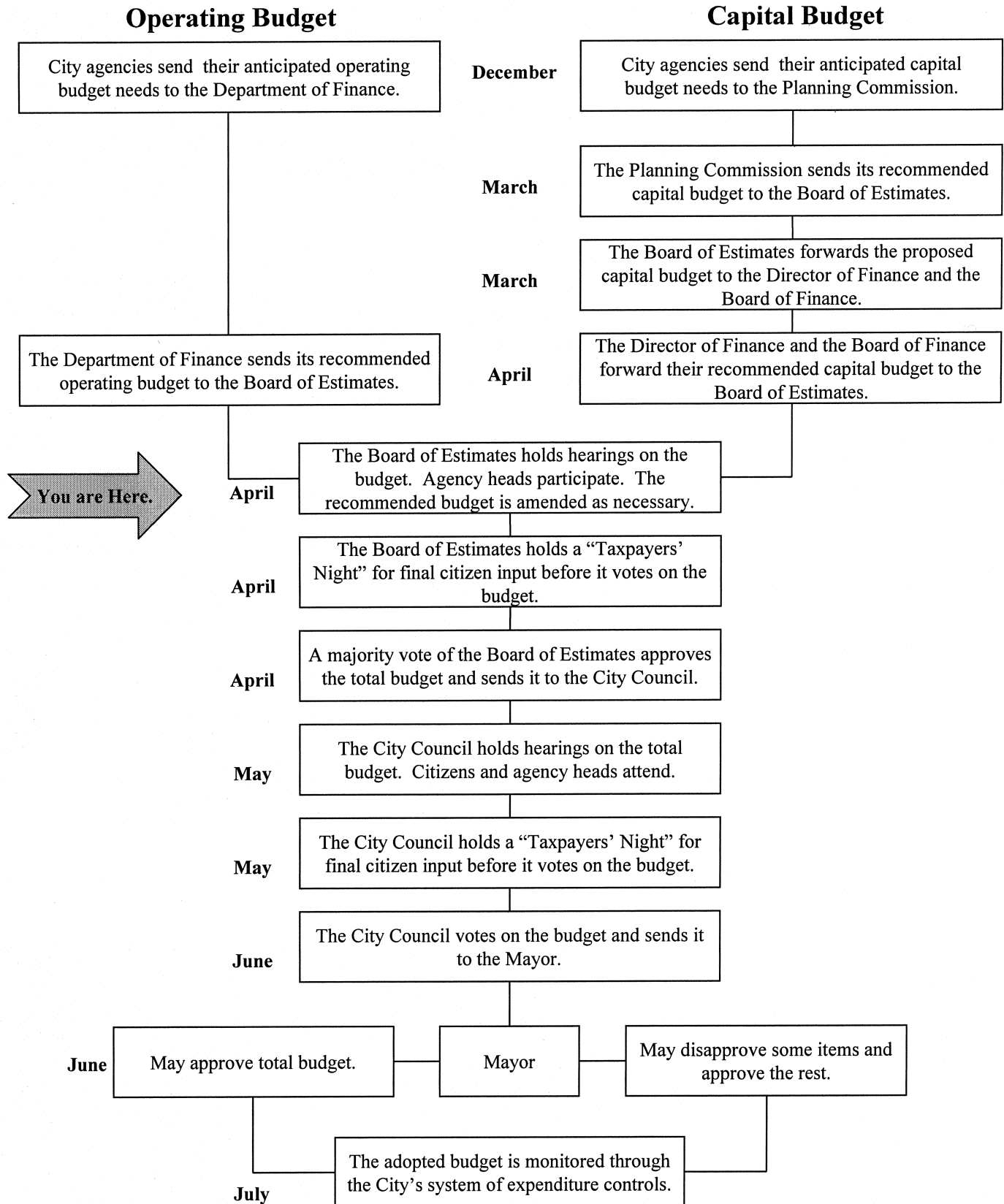
Pursuant to Article VI, Section 4(a) of the Baltimore City Charter, transmitted herewith are the Fiscal 2009 Preliminary Operating and Capital Budget Plans, as prepared by the Department of Finance.

Respectfully submitted,

Edward J. Gallagher, Director
Department of Finance



The City of Baltimore's Budget Process



Fiscal 2009 Preliminary Budget Plan

Summary of Recommendations



FISCAL 2009

PRELIMINARY BUDGET PLAN Recommended Budget Appropriation Levels

The total Fiscal 2009 appropriation plan recommended by the Department of Finance for the City of Baltimore is \$2.9 billion. This is an increase of \$275.5 million or 10.4% above the Fiscal 2008 adopted budget.

The two components of the total recommended appropriation plan are the operating budget plan and the capital budget plan. The operating plan is recommended at \$2.2 billion, which is an increase of \$103.2 million or 4.9%. The capital plan is recommended at \$726.4 million, which is an increase of \$172.3 million or 31.1%.

Recommended Plan

<i>FISCAL 2009</i>	RECOMMENDED AMOUNT	CHANGE FROM FISCAL 2008	PERCENT CHANGE
OPERATING PLAN	\$2.195 billion	\$103.2 million	4.9%
CAPITAL PLAN	\$726.4 million	\$172.3 million	31.1%
TOTAL PLAN	\$2.921 billion	\$275.5 million	10.4%

FISCAL 2009

SUMMARY OF RECOMMENDATIONS

Economic Outlook

OVERVIEW

As the City of Baltimore approaches Fiscal 2009, City leaders must be extremely cautious of an economic outlook that is seriously challenged and subject to real and substantial impacts from national economic forces. As of March 2008, the nation's economy shows clear and unequivocal signs of economic recession. The national housing market downturn that has unfolded over the past two years has impacted the country's financial markets, which have been operating in near-crisis mode since August 2007. In early 2008, there is unambiguous evidence that the country is seeing impacts from the housing and mortgage industry crisis spreading throughout other sectors of the economy. Few economists at this point question whether the nation is in recession. That point enjoys wide agreement as economic conditions continue to worsen. Rather, the questions under debate include for how long and just how deep the recession will hit as well as what steps the nation's leaders might take to most effectively mitigate the impacts on citizens and businesses. Here in Baltimore City, local budgetary performance in Fiscal 2008 has already begun to show impacts from the slowing economy. More impacts are to come, and City leaders would be prudent to embrace a conservative budget model as the best means for helping to preserve City service delivery in the face of the recession that has clearly begun and that will most likely worsen before it gets better.

NATIONAL OUTLOOK

The national economic outlook as of March 2008 is bleak. The weakening of the housing market over the past two years and the impacts in the sub-prime mortgage market have extended now to the conventional mortgage market and the larger credit market overall. In testimony before Congress in February 2008, Federal Reserve Chairman Ben Bernanke described the stress in the financial markets as now going much beyond concerns about the mortgage market, which initially triggered the turmoil. He reported that "other factors, including a broader retrenchment in the willingness of investors to bear risk, difficulties in valuing complex or illiquid financial products, uncertainties about the exposures of major financial institutions to credit losses, and concerns about the weaker outlook for economic growth, have...roiled the financial markets in recent months."

The Federal Reserve's "beige book" released in March 2008 cites evidence of weakened business activity throughout the country and across a variety of sectors. The report cites slowing activity in manufacturing, transportation, shipping and commercial real estate, among other sectors, as well as serious tightening in the availability of credit. Economists are now concerned with the impact of inflation on this weakened economy, as rising prices for commodities are affecting consumer and wholesale prices. The Bureau of Economic Analysis reports that the price index for personal consumption expenditures (PCE) increased 3.4% over the four quarters of 2007, up from 1.9% in 2006. Job loss is also on the rise, with the U.S. Department of Labor

estimating that the nation lost 63,000 jobs in February 2008, the second consecutive monthly decline. While the national unemployment rate reached 5.0% in December 2007 for the first time since November 2005, it dropped to 4.9% in January 2008 and 4.8% in February. The fact that the estimated job loss grew in February while the unemployment rate dropped might indicate that some portion of the unemployed workforce has simply stopped seeking employment.

At this point, businesses and consumers are showing signs of conserving cash. For consumers, this conservative behavior is largely the result of higher energy costs and declines in household wealth relative to home values and equity. *The New York Times* reported in March 2008 that the Mortgage Bankers Association announced that a record high 7.9% of all loans were past due or in foreclosure and reported further that “some analysts now predict that average home prices will ultimately fall 20% from their peak in 2006...the ratio of homeowners’ equity to the value of their homes fell below 50% for the first time in history last year...[and] about 30% of all homes bought in 2005 and 2006 are ‘under water,’ meaning they have mortgages that are higher than their resale value.” Businesses too are impacted by rising costs of doing business and by lack of credit availability. The Federal Reserve Chairman projected in February that “business investment in equipment and software will be subdued in 2008...[and] nonresidential construction is likely to decelerate sharply in coming quarters as business activity slows and funding becomes harder to obtain.”

OUTLOOK FOR THE STATE OF MARYLAND

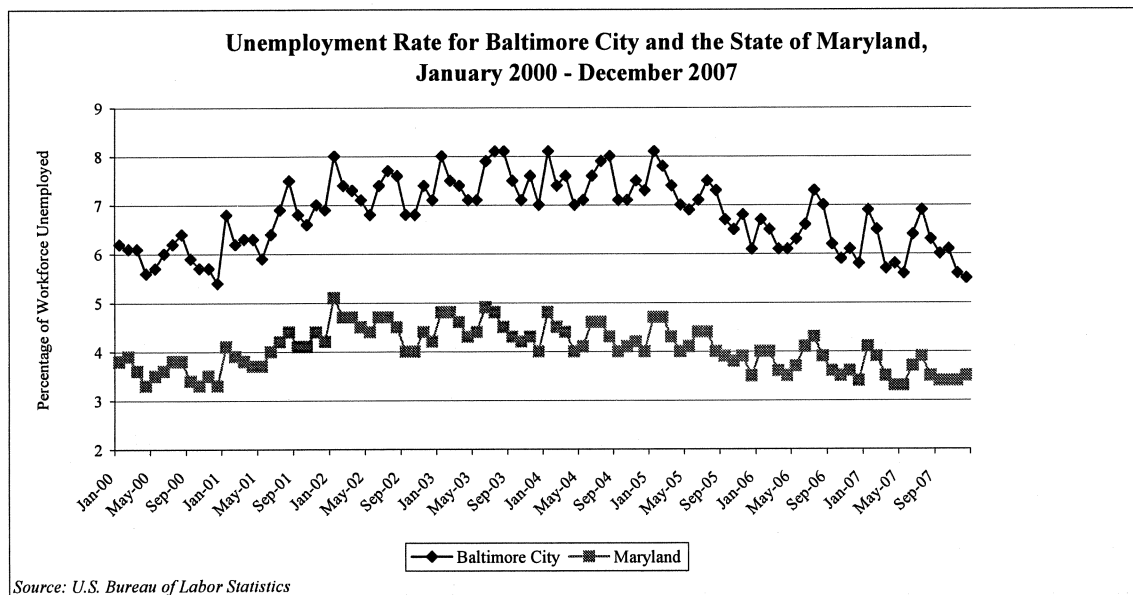
In March 2008, the Board of Revenue Estimates for the State of Maryland reported that it projects a decline in State General Fund revenues of \$333.0 million in Fiscal 2008 and Fiscal 2009 compared to its previous projections. The Board reported that its estimate for reductions in income has worsened from 0.5% decline in 2008 to 1.0% decline in 2008. Perhaps most reflective of the current recession-like activity on the national front, total State sales tax revenue declined by 5.5% and 1.8% in January and February, respectively, and the portion of the total that is generated by consumers declined 6.6% and 3.5%, respectively. The Board reports that the only other time since at least Fiscal 1982 that consumer sales tax revenues declined two consecutive months was during the recession of 1991. Overall, the Board reports that it has revised its projection for State General Fund growth in Fiscal 2009 from December’s 8.1% forecast to 6.8%. The General Assembly is working on recommendations to trim Fiscal 2009 expenditures accordingly.

IMPACTS ON BALTIMORE CITY

City leaders must be cognizant of the impacts that the national and State economic trends will possibly have on the City. The City will likely see impacts in terms of employment figures, unemployment rates among residents, income and wages and residential foreclosures. With the State budget outlook worsening, the City is likely to see impacts in the amount of State support to City government, institutions and residents over the next few years.

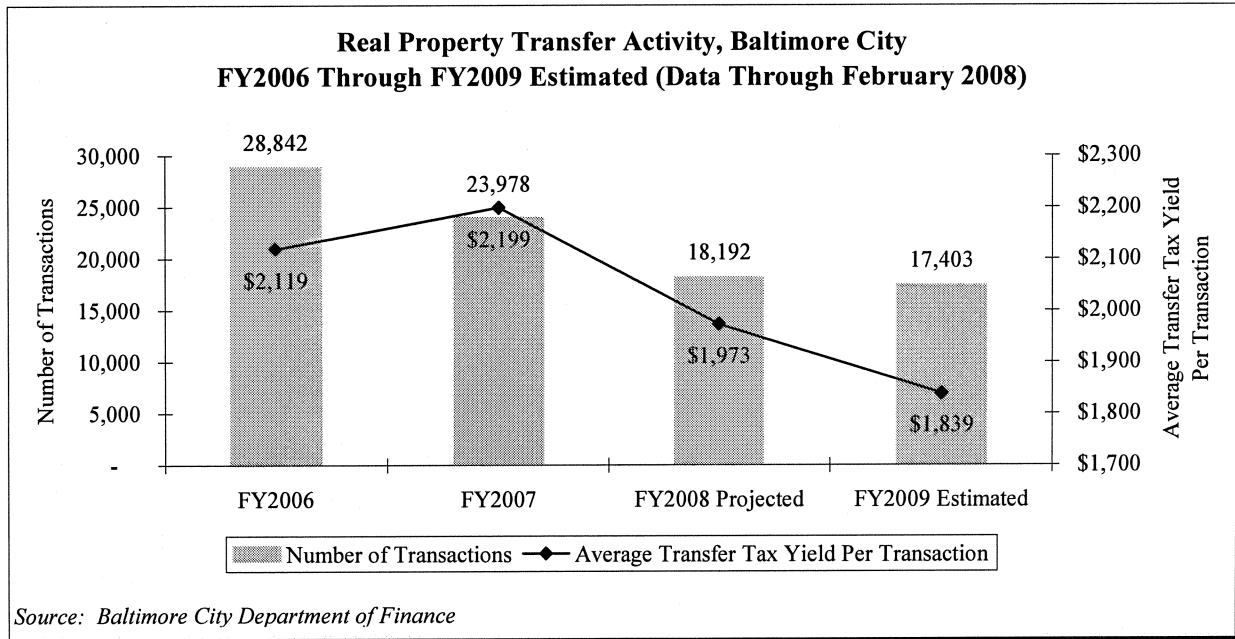
Baltimore City’s unemployment rate traditionally runs between one-and-a-half and two times that of the State of Maryland and significantly higher than the nation’s unemployment rate. If unemployment rises nationally with the current recession, Baltimore City will be especially hurt

because of its relatively high unemployment rate to begin with compared to the State and the nation.



Additionally, the City is likely to experience further downturns in activity within the real property market with the tightening in the credit markets and the corresponding impacts to potential homebuyers and investors. Furthermore, if residential home values decline at the rate that some analysts predict from their peak of 2006, the City will face further erosion in the revenues it derives from Transfer and Recordation Taxes. The National Association of Realtors reported in February 2008 that existing home prices dropped by 5.2% in the fourth quarter of 2007 compared to drops of 1.7% and 1.3% in the previous two quarters. Existing home sales dropped by 20.9% in the fourth quarter 2007 and housing starts dropped by 26.0%.

Here in the Baltimore metropolitan area, Metropolitan Regional Information Systems reports that home sales dropped by 40.0% in January 2008 compared to the same period one year earlier, and the median price per home sold dropped nearly 6.0%. While the total number of units sold in the City alone fell 38.0% in January compared to one year earlier, the median residential sale price in the City actually increased slightly from \$141,650 in January 2007 to \$145,000 in January 2008. While the news regarding home prices in the City is certainly encouraging, it is unlikely that the City will continue to see rising trends in home sale prices given the market forces around the region and nationally.



If home values decline, the City's real property assessable base, which has experienced historic levels of growth over the past five years, could potentially face very stagnant growth in the years to come, if not outright declines.

The City's Real Property Assessable Base Has Experienced Historic Levels of Increase in Triennial Assessments in Recent Years			
January 1, 1999 through January 1, 2008			
Year	Assessment Group	Full Cash Value Increase Before the Three-Year Phase In	Phased-In Increase
1999	2	2.8%	0.9%
2000	3	7.3%	2.4%
2001	1	10.3%	3.4%
2002	2	6.1%	2.0%
2003	3	23.0%	7.7%
2004	1	18.5%	6.2%
2005	2	21.6%	7.2%
2006	3	45.6%	15.2%
2007	1	58.5%	19.5%
2008	2	75.0%	25.0%

Source: State Department of Assessments and Taxation

Additionally, the current national economic trends and the impacts from the collapse of the sub-prime mortgage lending market are likely to result in a continued rise in mortgage foreclosures in Baltimore City. Any significant increase in foreclosure activity would have negative ripple effects on the City's property tax and income tax base from the homeowners directly impacted

by the foreclosures as well as those neighboring households impacted by an increase in vacant or rental properties resulting from the foreclosures. The City's Department of Housing and Community Development (HCD) currently forecasts that the number of mortgage foreclosures in the City is on the rise and will continue to rise over the next two years as a large number of adjustable rate mortgages (ARMs) reset. The level of foreclosure activity in the City is not currently, and may not reach, the cataclysmic levels that have been seen in comparable cities, such as Detroit and Cleveland, and other areas that have had significant over-building (Prince George's County included in this category). However, foreclosures are rapidly rising in Baltimore and will negatively impact some City neighborhoods and contribute to downward pressure on real estate values for the next several years.

After declining during the first six years of this decade, foreclosure rates in Baltimore have started to increase. In 2004, Housing and Community Development (HCD) reports that there were just under 4,000 foreclosure filings, dropping to 3,020 by 2006. In 2007, however, the filing trend reversed, and there were slightly more than 4,000 filings. HCD projects that there will be more than 5,000 filings in 2008. HCD estimates that there are more than 4,300 ARMs to Baltimore homeowners that will reset during 2008 and another 1,900 that will reset in 2009.

CONCLUSION

Given the national economic trends signaling that the country is undoubtedly experiencing the start of a recession, City leaders would be prudent to view the local economic outlook with extreme caution. The Fiscal 2009 budget recommendation is based on an assumption of just 4.8% revenue growth, which is much less than the 6% actual growth, on average, experienced from Fiscal 2003 through Fiscal 2007. The City's Fiscal 2009 outlook is somewhat bolstered by the very positive economic trends it has experienced over the past five years, including a reversal for the first time in decades in the downward trend in population, double digit growth in the phased-in value for real property triennial assessments for three years straight, an up-tick in the number of income tax returns from City residents and growth in the average income per taxable return. However, each of these trends is in serious danger of slowing and even reversal given the national recession, which will affect the employment and earnings outlook for City residents, and the significant local pressures stemming from potential reductions in State Aid, potential declines in real property values and pending mortgage foreclosures.

In the face of these pressures, it is imperative that City leaders, first of all, renew their focus on conservative financial management, including the maintenance of reserves to help weather any unanticipated downturn in revenues that the City might experience. Second, City managers must continue to identify efficiencies in their operations and work to manage more effectively in order to ensure that the City continues to improve the quality of service delivery during what is likely to be a period of much slower revenue growth over the next three years than what the City has experienced over the past three years. Finally, decision-makers must evaluate every proposed use of resources, whether it be direct expenditure, tax incentives, or other subsidy, in light of the extent to which it will support in a concrete way the City's long-term strategy for economic growth and the extent to which it might help or hurt the City's ability to weather the economic uncertainty for the years to come.

FISCAL 2009

SUMMARY OF RECOMMENDATIONS Revenue Forecast – Major Revenues

GENERAL FUND

	Fiscal 2007 Actual	Fiscal 2008 Budget	Fiscal 2009 Estimated	Dollar Change	Percent Change
Revenue Category					
Taxes - Local	\$1,036,950,610	\$1,049,271,000	\$1,107,423,600	\$58,152,600	5.5%
Licenses and Permits	32,332,788	31,306,000	31,995,700	689,700	2.2%
Fines and Forfeits (1)	2,900,366	5,612,000	4,402,000	(1,210,000)	(21.6%)
Use of Money and Property	35,345,535	32,506,000	32,692,700	186,700	0.6%
Federal Grants	92,836	119,000	132,000	13,000	10.9%
State Grants	97,014,988	101,109,000	99,026,000	(2,083,000)	(2.1%)
Private Grants	173,480	175,000	175,000	0	0.0%
Charges - Current Services (2)	40,363,333	38,672,000	39,375,000	703,000	1.8%
Other	33,560,998	24,203,000	28,825,000	4,622,000	19.1%
Total General Fund Revenue	\$1,278,734,934	\$1,282,973,000	\$1,344,047,000	\$61,074,000	4.8%

- (1) The estimated reduction in Fines and Forfeits in Fiscal 2009 is primarily the result of reduced collections from Environmental Control Board (ECB) fines due to changes in the administration of ECB citations.
- (2) The reduction in Charges - Current Services compared to Fiscal 2007 is primarily the result of reductions in fees collected for lien report requests as well as landfill tipping fees.

Funding sources for the General Fund are anticipated to total \$1.344 billion, an increase of \$61.1 million or 4.8% above the Fiscal 2008 adopted budget of \$1.283 billion.

The strong growth in the real property tax base and the positive trend in City residents' income tax are the two main factors allowing policymakers to consider continuing the prudent property tax rate reduction. This forecast includes the fourth installment of a proposed five-year plan to reduce the tax rate 2 cents a year for a total 10-cent reduction over five years. The Fiscal 2009 estimated savings for taxpayers from the total 8-cent reduction will be about \$24.1 million. The estimated cumulative taxpayer savings over the five-year program are estimated to be about \$87.7 million.

The forecasted revenue increase is attributed primarily to two factors. First, the real property assessable base and new construction increases, reflecting record real estate base growth, contribute to an estimated \$52.2 million or 8.4% increase in current year property taxes. Second, an increase of \$27.0 million or 11.4% in income tax receipts is attributed to stable employment, the evidence of positive income growth by City residents, and minor growth in capital gains. Together these two revenue sources make up more than two-thirds of General Fund revenues.

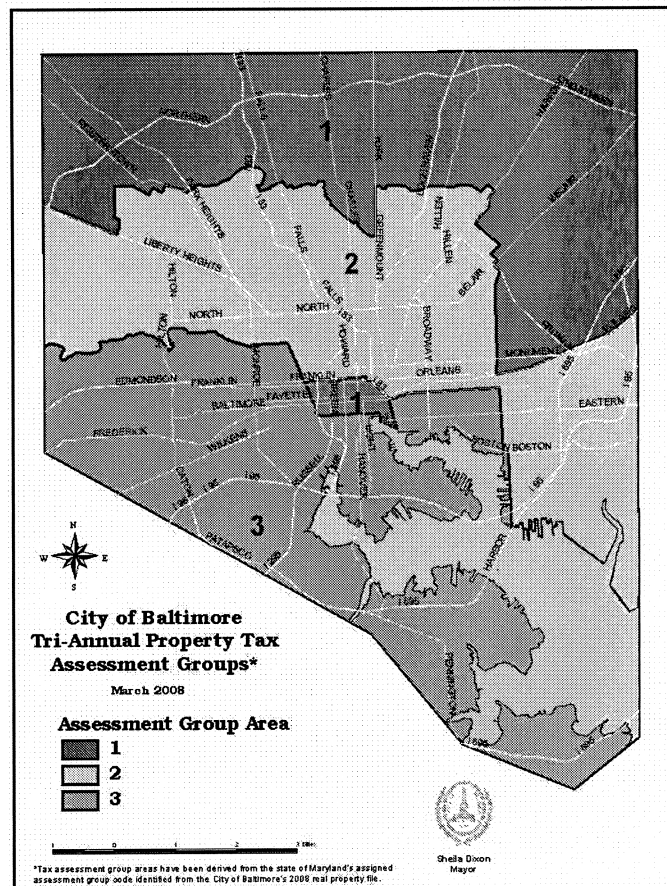
PROPERTY TAXES – The Fiscal 2009 budget recommendation includes the fourth year of a five-year property tax rate reduction plan. This will reduce the current real property tax rate of \$2.268 per \$100 of assessed value by two cents, lowering it to \$2.248 per \$100 of assessed value. The cumulative four-year tax rate reduction will be eight cents or 3.4%. State law requires that the personal property tax rate be set at two and one-half times the real property tax

rate. Accordingly, the proposed personal property tax rate would be reduced from \$5.67 per \$100 of assessed value to \$5.62 per \$100 of assessed value.

The Fiscal 2009 estimated current year property tax revenues including the 4.0% assessment growth cap tax credit are forecasted to increase 8.4% to \$675.9 million or \$52.3 million above the Fiscal 2008 budget of \$623.6 million. The increase is due to record assessment value increases and a continued strong level of new construction activity.

Real Property

The State Department of Assessments and Taxation (SDAT) estimates the value of all taxable property and issues new assessments for about one-third of the properties each year. The SDAT reassessed Group 2 for Fiscal 2009. Group 2 is defined as the middle third section of the City, including most of the West, Center and East sides of the City as shown in the map below.



The Statewide average assessment for Group 2 increased 11.1 % on an annual basis, a growth rate below the Fiscal 2008 annual increase of 18.7%. However, Group 2 assessments in the City (effective Fiscal 2009) increased a record-high amount of 25.0% on an annual basis, compared to Group 1 annual growth in Fiscal 2008 of 19.5%. For both years, the growth in the City has exceeded the State average. While the record triennial growth rates in recent years are encouraging indicators for the City, it is not likely this level of growth will continue given the market forces that are described in the Economic Outlook section of this report.

Owner occupied residential properties are protected from the impact of record assessment increases by the Mayor and City Council decision to maintain the 4.0% assessment growth cap.

This tax credit, provided to owner occupied residential properties, protects the taxpayer from any assessment increase in excess of 4.0% over the prior year. Over 113,000 homeowners are estimated to receive tax relief totaling about \$117.4 million in Fiscal 2009. This is a \$45.5 million or 63.3% increase in tax relief compared to the Fiscal 2008 tax cap cost of \$71.9 million. The City's cost of the 4.0% cap was as low as \$12.2 million as recently as Fiscal 2004.

Business and Public Utility Personal Property

Personal property is assessed annually with valuations established by the State based upon returns filed by the individual businesses. Total current year business and public utility personal property taxes are estimated to be \$95.4 million, a decline of 0.1%, from \$95.5 million in Fiscal 2008. This decline reflects a number of factors. First, the State has continued the reclassification of public utility personal to public utility real property. This is a continuing reflection of the impact of deregulation and competition in the energy and telecommunications industries. Second, as in past years, the continuing competition and consolidation, particularly the de-regulation of the telecommunications industry continues to have an impact on the number of companies and the value of the tax base. Increased competition has resulted in far fewer companies, a total of 34 companies were certified in Fiscal 2007 compared to a high of 46 in Fiscal 2002.

INCOME TAXES – The City's income tax rate for Fiscal 2009 remains unchanged at 3.05%. Local income taxes are anticipated to yield \$263.7 million or 11.4% above the Fiscal 2008 budget of \$236.7 million. The forecasted increase arises from the following factors: growth in basic wages and earnings, increase in the total number of taxable returns, evidence of the positive changes in the demographics of City taxpayers, and the modest growth in capital gains. The Fiscal 2009 forecast was adjusted to consider the effects of the new Income Tax Reform Act of 2007 enacted by the Maryland General Assembly in the 2007 Special Session. The work of the Special Session resulted in major changes in the income tax structure, which took effect in January 2008. The forecasted income tax revenue is net of the estimated impact of this new legislation of about \$9.3 million for Fiscal 2009.

The most recent data from the State Department of Labor, Licensing and Regulation, reflecting wage activity during the second quarter of 2007, shows that average weekly wages for jobs located in the City had grown by 5.8%. Even though the data compiled by the Maryland State Comptroller is not strictly comparable for calendar year 2006 and 2005 tax returns because of changes in federal law regarding the filing extension date, there is a consistent growth pattern of about 1.5% in the number of taxable returns filed in the City for the last three years. Additionally, the average tax paid per City return shows an average growth of 9.3%, exceeding the State's average growth of 7.7% for the same period.

There is factual evidence that the City has experienced changes in its demographics over the past few years, which supports the positive trends in income tax receipts. Based on Maryland State Comptroller Income Tax report for tax year 2006, the number of returns filed by taxpayers with adjusted income higher than \$100,000 has grown by 36.6% in the City, exceeding the State's growth of 25.7% during the last three years. Additionally, the average tax payment per high income returns between tax year 2004 and tax year 2006 grew by 58.9% in the City while the statewide change was 43.5%. The success of Baltimore's new start-up businesses, profits of major financial sector businesses, medical service industry growth and the relocation of higher income taxpayers to new residences in the City are believed to be contributing to growth.

However, in light of national economic forces contributing to the onset of recession, as described in the Economic Outlook section of this report, City leaders must view these income tax trends with extreme caution, as these growth trends are likely to slow. In particular, the growth in capital gain is expected to substantially decline in future years due to not only the housing market conditions, but also to the expected slowing down in the general economy, which has seriously affected the stock market. In prior years, the City enjoyed important growth in income tax from gains related to the enormous level of activity in the housing market.

STATE AID – State Aid budgeted in the General Fund decreased \$2.1 million or 2.1% from \$101.1 million in Fiscal 2008 to \$99.0 million in Fiscal 2009. The largest portion of this decline is due to a reduction in the Income Tax Disparity Grant. This aid program as approved in the State budget will be \$75.5 million or \$2.7 million below the Fiscal 2008 grant of \$78.2 million. The aid is based on a formula in State law designed to assure that all subdivisions receive per capita income tax receipts equivalent to 75.0% of the statewide average per capita local income tax yield. The calculation is based on tax receipts for the most recent tax year filings through September 1. The Fiscal 2009 grant is based on Calendar 2006 tax returns.

The Maryland General Assembly must consider enacting legislation to change the Disparity Grant formula to take account of the change in Federal law that alters the deadline for filing extensions from August 15 to October 15. This change means that substantial income, particularly of wealthier taxpayers, is not reported in the data used to calculate the Disparity grant. This exacerbates the income tax disparities among Maryland's rich and poor counties. The law must be changed to more accurately account for and correct the true wealth disparities of Maryland subdivisions. The law should be changed to account for all tax returns filed by November 1 each year. This is a key element of a reasonable package of measures to continue to diversify the City's revenue sources and perhaps help reduce reliance on the property tax. It would provide millions of dollars in additional State aid to the City and even more aid to the balance of Maryland's poor subdivisions.

In addition to the reduction in the Income Tax Disparity Grant, the City will be facing the elimination of the Public Utility Deregulation Grant due to changes enacted during the 2007 Special Session of the General Assembly, which will reduce the total State Aid by \$453,000 in Fiscal 2009. The public utility deregulation grant was established in the 1999 General Assembly Session to compensate the City and other jurisdictions for exempting electric generation equipment from personal property tax payment. The grant for Library Services is budgeted to increase from \$6.6 million to \$7.1 million. The grant for Local Health Operations is budgeted to increase from \$12.7 million to \$13.1 million. Additionally, there is an estimated increase of \$150,000 from security interest filing fees.

As this publication goes to press, the General Assembly is still working on the State budget. The final report from the Board of Revenue Estimates was issued on March 6, 2008 and reported a further decline of \$258.2 million in the forecast of State revenues for Fiscal 2009 from its earlier forecast. It is uncertain at this time whether local governments will experience further State aid reductions for Fiscal 2009.

RECORDATION AND TRANSFER TAX – The City's revenue from recordation and transfer taxes is expected to total \$65.0 million for Fiscal 2009, a decrease of \$29.7 million or a 31.4% compared to the Fiscal 2008 budget estimate. The 2007 Special Session of the General Assembly eliminated the transfer tax exemption for transfer of controlling interest corporations.

The State estimated additional revenue to the City from this legislation of \$4.7 million in Fiscal 2009, but this was a very soft estimate. Given current market conditions and the general economic slowdown, the City will monitor the controlling interest activity closely in Fiscal 2009 to determine the true impact.

Over the past few years, recordation and transfer taxes were the source of substantial additional revenue to the City, generated from investment and a large dose of speculative prices in the national, regional and local real estate market. These market conditions were characterized by the availability of inexpensive debt options and exotic mortgage programs that made real estate the favored investment. Starting in Fiscal 2007, the signs of the real estate market slowdown started to be more evident, becoming more severe during Fiscal 2008. The effects of the decline in the housing market activity on the transfer and recordation tax collection is expected to continue in Fiscal 2009.

The current year revenue collections clearly show the impact of the housing market's post-boom decline. The total number of real estate transactions subject to the City's transfer tax has declined by 23.3% from 15,504 to 11,884, during the first eight months of Fiscal 2008 compared to same period last year. In addition, the drastic price escalation experienced during the past few years has reached its peak, showing the severe adjustments on recent years' speculative prices. As of February 2008, the year to date average yield for each transfer tax payment is 0.8% lower than Fiscal 2007 year to date and 6.1% lower than the Fiscal 2006 year to date. The Metropolitan Regional Information Systems (MRIS) reports that homes in the City stayed on the market an average of 124 days in January 2008, a 57.0% increase from 79 days one year earlier.

The estimated decline in recordation tax collections is also a consequence of the absolute downturn in housing market activity. Even though recordation and transfer tax share the same base for revenue, recordation taxes are also generated by the refinancing of mortgages, enabling this source to exceed transfer tax receipts in recent years. Fiscal 2009 estimated recordation tax receipts are anticipated to decline \$15.7 million to \$33.0 million or 32.2% below the \$48.7 million budgeted in Fiscal 2008.

The slowdown in the housing market has affected the region to a greater extent than the City. The City continues to have the advantage of being a low cost option for housing in the Washington and Baltimore regions. As the low cost option for home buyers, the January 2008 average price of a City home according to MRIS data was \$176,234 or 51.4% of the Baltimore Metro area average.

PRELIMINARY BUDGET PLAN

Energy Tax Rate Calculation

ENERGY TAX RATE CALCULATION

The Baltimore City Code mandates 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 the 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 review a proposed rate of taxation. The base year tax rates for Fiscal 2005 used data provided by suppliers for 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 requires the Director of Finance for Fiscal 2007 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 December by the United States Department of Labor. The CPI developed by the Department of Labor that is available as of December represents the bi-monthly federal calculation for the month of November. Accordingly, the annual change from November to November in the CPI is used to adjust the tax rates. The CPI November 2006 to November 2007 change used for Fiscal 2009 is 4.5%.

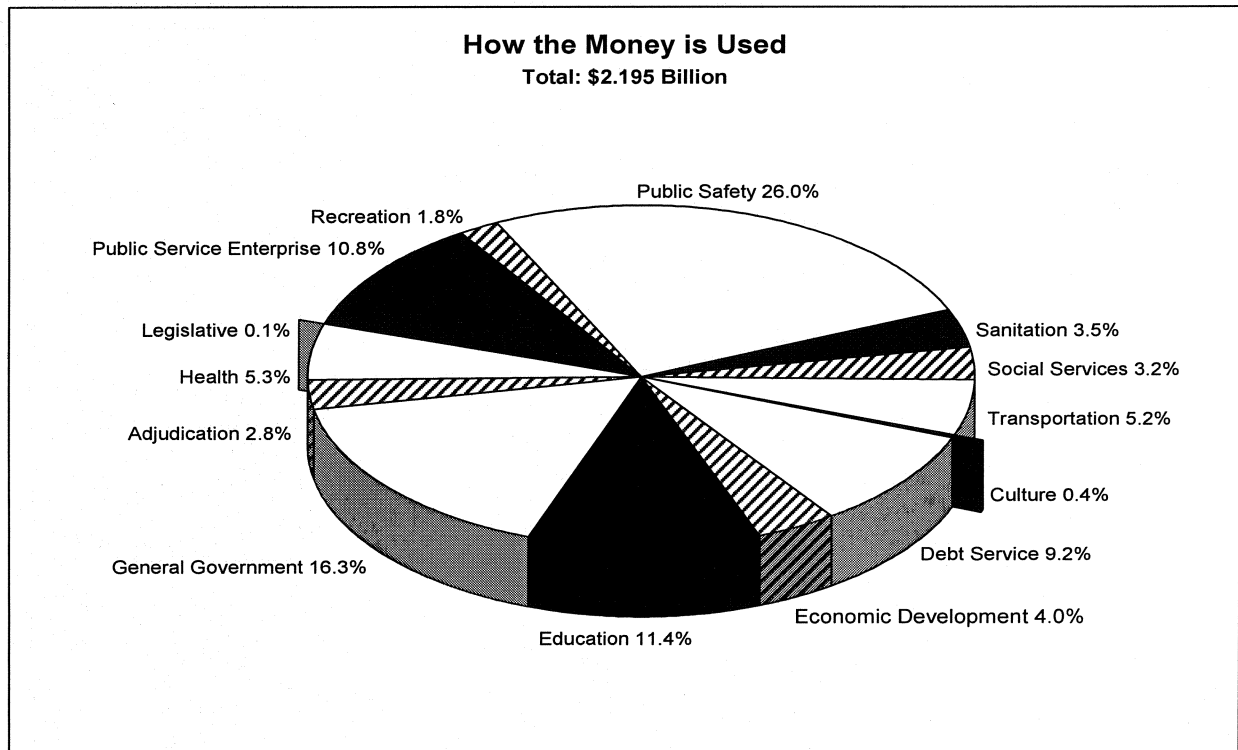
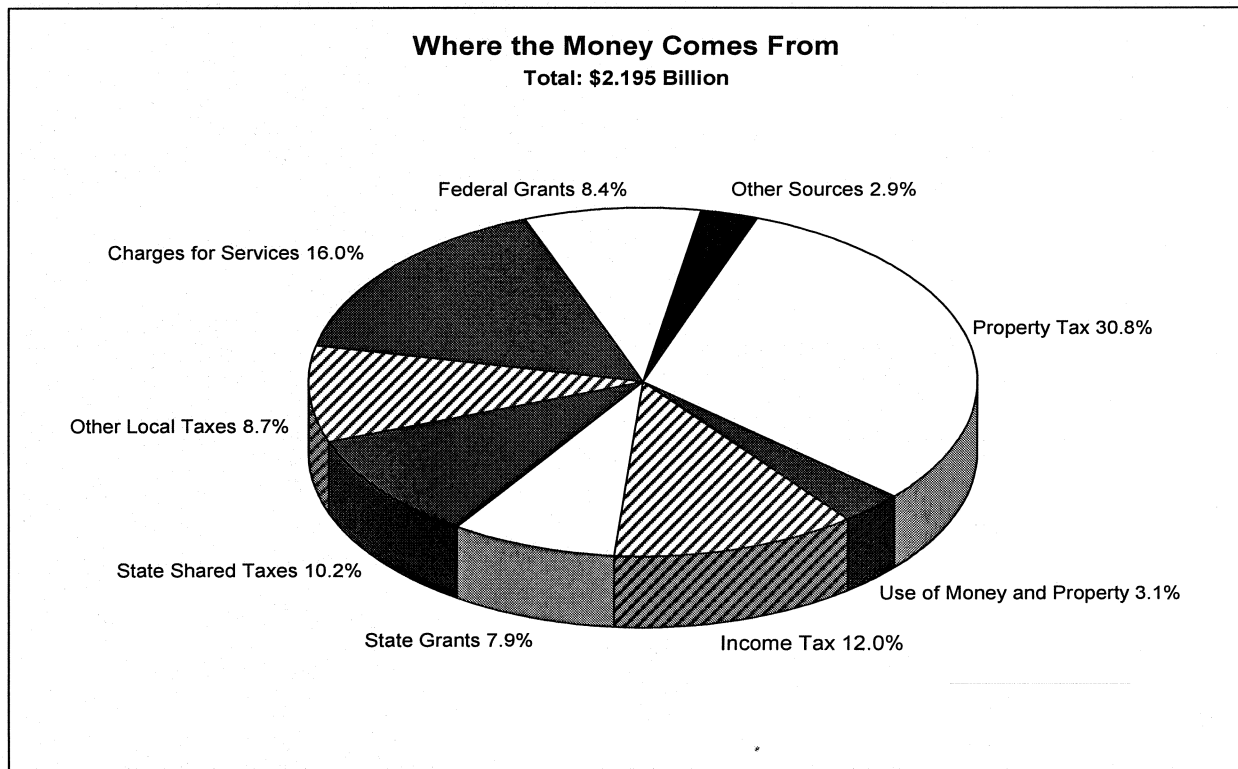
Article 28, Section 25-14(g) of the Baltimore City Code mandates that the tax rates computed be included annually in the proposed operating budget submitted by the Board of Estimates. For Fiscal 2009, the recommended rates are as follow:

Fiscal Year 2009 Energy Tax Rates (\$) by User Group and Energy Type

User Group	Electricity (KWh)	Natural Gas (therm)	Fuel Oil (gal)	LPG (gal)	Steam (lb)
Commercial	0.006270	0.081077	0.092663	0.113088	0.001972
Residential	0.002007	0.023830	0.033443	0.035820	0.000566
Non-Profit	0.003792	0.055551	0.068978	0.084816	0.001006

FISCAL 2009

OPERATING BUDGET RECOMMENDATIONS



SUMMARY OF RECOMMENDATIONS

Operating Budget Plan

General Fund

The General Fund Budget for Fiscal 2009 is \$1.344 billion representing growth of approximately \$61.1 million or 4.8% above the Fiscal 2008 adopted budget of \$1.283 billion. The operating portion of the Fiscal 2009 budget is recommended at \$1.3 billion, an increase of \$60.5 million or 4.7%. The capital budget is recommended at \$8.6 million, an increase in Pay-As-You-Go (PAYGO) expenditures of \$600,000 compared to Fiscal 2008.

The Fiscal 2009 Preliminary Budget plan proposes the fourth year of the City Administration's five-year plan for property tax reduction for both real and personal property. The real property tax rate of \$2.268 per \$100 of valuation will be reduced by two cents, to \$2.248 of assessed valuation. In accordance with State law, the personal property tax rate must be two and one-half times that of the real property tax rate. Thus, the tax rate for personal property in Fiscal 2009 will be reduced from \$5.67 per \$100 of assessed valuation to \$5.62. This is the lowest property tax rate in the City in more than 25 years. The total cost in Fiscal 2009 of this four-year 8-cent property tax reduction is \$24.1 million. The cumulative impact of the four years of tax reduction will have returned \$55.6 million to City taxpayers.

Salary increases have been included for all City employees in the Fiscal 2009 Preliminary Budget plan. The cost of salaries will grow about \$30.1 million. The budget plan proposes no layoffs in the General Fund, which is extremely important for maintaining the current level of service.

The budget plan also includes the third year of the plan to replace \$4.2 million of Community Development Action Grant (CDBG) and Urban Development Action Grant (UDAG) funds, which supported the operating budget of the Department of Housing and Community Development. The replaced funds are transferred to the capital budget to support the Affordable Housing Program. This is part of the City's five-year plan to contribute a total of \$60 million to the Affordable Housing Program.

Finally, the recommended budget plan supports essential quality of life issues that must be addressed if the City is to continue to thrive and to sustain the progress made in recent years. The budget plan maintains a \$6.5 million commitment to children's programs, including after school programs, that the City began with the use of supplemental appropriations derived from General Fund surpluses in Fiscal 2005 and 2006. This \$6.5 million is now built in as part of the base General Fund budget.

Additionally, the recommendations include:

- \$2.3 million for the YouthWorks Summer Jobs program (an amount that will fund the same number of job slots as in the past year and accommodates a pending increase in the minimum wage);
- \$1.0 million for the Creative Baltimore Fund and \$400,000 for the last year of a three-year commitment to contribute toward free admissions at the Baltimore Museum of Art and the Walters Art Museum;

- \$600,000 to support the implementation of the 10-Year Plan to End Homelessness;
- \$1.6 million in funding to support the reorganization of the Code Enforcement Unit at the Department of Housing and Community Development, which was approved by the Board of Estimates during Fiscal 2008;
- \$600,000 in funding for Project Serve work crews, a program under the Living Classrooms Foundation that provides employment training and wrap-around services for individuals who have been incarcerated or who have struggled with substance addiction;
- \$75,000 for the Department of Recreation and Parks to staff one Public School pool for community use during evenings and weekends; and
- \$73,000 in funds to increase the hourly wage for pool, lifeguard and water safety staff at Recreation and Parks in order to better compete with other nearby pools and counties for qualified staff.

Following are highlights of some of the changes to specific agency budget recommendations for the General Fund.

BALTIMORE CITY PUBLIC SCHOOL SYSTEM (BCPSS) – The General Fund recommendation for Fiscal 2009 is \$204.7 million, an increase of \$191,000 or 0.1% above the Fiscal 2008 level of appropriation. The local share component of the recommendation is \$197.8 million, which is \$2.5 million more than the State-mandated Maintenance of Effort. In addition to surpassing the State requirement for Maintenance of Effort and increasing per pupil spending, the City also provides \$4.0 million in support of certain services and \$2.8 million for employee termination leave as specified in the State law, which created the New Board of School Commissioners. These so called “transition services” increased by \$191,000 or 5.0% as a result of salary and benefit increases.

In addition to the basic direct contribution to the public schools, the City also provides General Fund support to cover the BCPSS’ costs for retiree health benefits (\$28.4 million) as well as support for the School Health Program (\$5.0 million), school crossing guards (\$5.2 million), and debt service (\$13.7 million). The amount of total funding by the City for these four non-direct categories of expenditure is recommended to increase by 5.0% from a total of \$49.6 million in Fiscal 2008 to \$52.3 million in Fiscal 2009. The cost of retiree health benefits alone is projected to cost the City \$28.4 million in Fiscal 2009, an increase of \$1.4 million over Fiscal 2008. Because the City provides these benefits directly to BCPSS retirees rather than having BCPSS provide the benefits, the contribution is not reflected in the local Maintenance of Effort the way it is in other Maryland subdivisions. Total City operating support will increase by \$76 per pupil in Fiscal 2009 from \$3,128 in Fiscal 2008 to \$3,204 in Fiscal 2009.

The City’s six-year capital improvement program includes \$18.0 million in General Obligation bonds for the school system in Fiscal 2009, an amount that has increased by 50.0% from the \$12.0 million that was funded in the Fiscal 2000 capital budget. Finally, the City also contributes \$3.7 million in Motor Vehicle Fund revenues as a grant in support of pupil transportation.

City Support for the Baltimore City Public School System Fiscal 2008 v. Fiscal 2009		
Category of Expense	Fiscal 2008 Budgeted	Fiscal 2009 Recommended
Part I: Direct Payment by the City to the Schools		
Funding in Excess of MOE	6,759,666	2,540,789
Required Maintenance of Effort (MOE)	191,088,879	195,307,756
Sub Total	\$ 197,848,545	\$ 197,848,545
Transition Services	3,820,163	4,011,171
BCPS Termination Leave	2,800,000	2,800,000
BCPS Grant Support for Transportation (MVR Fund)	3,654,000	3,654,000
Sub Total Direct Cost	\$ 208,122,708	\$ 208,313,716
Part II: Costs of the City in Support of the Schools		
Health/School Nurse Program (General Fund portion)	5,011,169	5,011,169
School Crossing Guards	5,075,017	5,214,000
Retiree Health Benefits	26,901,090	28,353,749
Debt Service/COPs for Schools	12,596,217	13,692,666
Sub Total: In Support of Schools	\$ 49,583,493	\$ 52,271,584
Total City Costs	\$ 257,706,201	\$ 260,585,300
<i>Source: Bureau of the Budget and Management Research</i>		

CIVIC PROMOTION – The recommendation for Fiscal 2009 is \$12.3 million, a decrease of \$59,000 or 0.5% below the Fiscal 2008 level of appropriation. The recommended level for the Baltimore Area Convention and Visitors Association (BACVA) decreased from \$9.4 million to \$9.1 million. City’s annual grant for BACVA is based on State legislation, which requires the City’s General Fund to appropriate an amount equal to 40.0% of the City’s gross hotel tax receipts plus a reconciliation between budgeted and actual receipts based on the most recently completed fiscal year. Although hotel tax receipts are estimated to be higher in Fiscal 2009, the reconciliation amount resulted in an overall reduction in the BACVA appropriation. The recommendation includes \$151,000 to fund the Partnership for Baltimore’s Waterfront. The Partnership will provide additional landscaping, cleaning and public safety services to a designated acreage of the waterfront district.

BOARD OF ELECTIONS – The recommendation for Fiscal 2009 is \$5.1 million, a decrease of \$2.0 million or 28.0% below the Fiscal 2008 level of appropriation. The budget plan reflects funding for one election, the Presidential General election. In Fiscal 2008 three elections were held, the Mayoral Primary and General elections, as well as the Presidential Primary election.

EMPLOYEES’ RETIREMENT CONTRIBUTION – The recommendation for all funds for Fiscal 2009 is \$118.8 million, an increase of \$553,500 or 0.1% above the Fiscal 2008 level of

appropriation. The budget plan includes:

- **Fire and Police Retirement System** – The recommendation for all funds is \$68.9 million, an increase of \$2.5 million or 3.7%. The General Fund portion is \$66.6 million, an increase of \$2.4 million or 3.7% above the Fiscal 2008 level of appropriation. Also, an additional \$5.7 million is recommended to be used for reducing the accrued liabilities in the Benefit Improvement Fund and the Employees' Retirement Fund of the system.
- **Employees' Retirement System** – The recommendation for all funds is \$37.2 million, a decrease of \$1.2 million or 3.1% below the Fiscal 2008 level of appropriation. The General Fund portion is \$16.9 million, a decrease of \$426,500 or 2.4% below the Fiscal 2008 level of appropriation.
- **Other Post Employment Benefits (OPEB)** – The Governmental Accounting Standards Board (GASB) has instituted an accounting rule change which mandates that OPEB benefits be recorded as accrued liabilities in the annual financial statements of governmental entities. Pursuant to this change, the City has established an OPEB Trust, and the General Fund budget recommendation includes \$6.5 million as a contribution to the Trust in Fiscal 2009. This represents an increase of \$1.5 million or 30.0% above the Fiscal 2008 level of appropriation.

ENOCH PRATT FREE LIBRARY – The recommendation for Fiscal 2009 is \$23.9 million, an increase of \$106,100 or 0.4% above the Fiscal 2008 level of appropriation. The budget plan includes funding for salary and benefit increases of \$364,700. The increased personnel expense is partially offset by the abolishment of six vacant positions. The budget plan includes \$45,000 to fund the creation of a facilities management position.

FIRE DEPARTMENT – The recommendation for Fiscal 2009 is \$142.2 million, an increase of \$8.8 million or 6.6% above the Fiscal 2008 level of appropriation. The budget plan includes \$6.7 million in salary and benefit increases. Prior Board of Estimates actions in 2008 created one command staff position within the Fire Marshall's office at a cost of \$112,200 and three battalion chief and one command staff position within Emergency Medical Services at a cost of \$402,600. The budget plan includes the transfer of oversight responsibility for the Office of Emergency Management to the Mayor's Office. The budget plan also includes \$65,000 to fund the creation of one accounting position within departmental administration primarily to manage payroll.

The General Fund budget assumes that Special Fund revenues generated by fees charged for Emergency Medical Services (EMS) will support \$11.0 million worth of expenses in the EMS division, an increase of \$300,000 or 2.8% above the Fiscal 2008 level of appropriation. The budget recommendation includes \$1.7 million for estimated payments to the Department's new EMS billing vendor (these billing services were previously performed in-house), an increase of \$1.3 million in fleet management charges, and an increase of \$969,900 for Worker's Compensation costs due to the trend of experience.

HEALTH DEPARTMENT – The recommendation for Fiscal 2009 is \$25.9 million, a decrease of \$658,200 or 2.5% below the Fiscal 2008 level of appropriation. The budget plan includes an additional \$787,000 for salary and benefit increases; \$180,000 for clinic security; and an additional \$75,000 for tuberculosis services. To offset these additions, the agency's plan reduces agency-wide administrative services by \$400,000, primarily by not funding vacant positions;

eliminating \$320,000 worth of expenses related to a particular HIV screening program (current services will be maintained); allocating eligible General Fund administrative overhead costs to State and federal grants (\$191,000); and implementing a \$110,000 reduction in the needle exchange program (current services will be maintained by identifying other funding sources and program efficiencies). The Homeless Services Program (\$758,600) has been transferred out of the Health Department to its own agency.

HISPANIC COMMISSION – Recommended for Fiscal 2009 is an appropriation of \$140,000 for the Hispanic Commission. Included in the budget plan is the creation of two positions. The mission of the Hispanic Commission is to identify and define issues concerning the rights and needs of the City's Hispanic Community, advise the Mayor and City agencies on the development of relevant policies, plans and programs that affect Hispanics and create a central source of information for the Hispanic Community.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT – The recommendation for Fiscal 2009 is \$30.7 million, an increase of \$4.2 million or 15.7% above the Fiscal 2008 level of appropriation. The budget recommendation includes a \$4.2 million contribution to the Affordable Housing Program as part of the City's five-year plan to fund \$60 million in the Affordable Housing Program. The budget plan includes the transfer of 21 Federal Fund positions into the General Fund with a value of \$1.1 million. Another \$334,000 is included in the budget plan for the operation of the Dawson House Outreach Center.

MAYOR'S OFFICE OF CRIMINAL JUSTICE – The recommendation for Fiscal 2008 is \$1.2 million. The budget plan reconstitutes the Mayor's Office of Criminal Justice Program as a separate agency of City government. Included is the transfer of five positions from the Police Department.

MAYOR'S OFFICE OF HOMELESS SERVICES – The recommendation for Fiscal 2009 is \$1.3 million in the General Fund. The Office of Homeless Services has been transferred out of the Health Department to the Mayor's Office. The budget plan includes \$600,000 to begin to fund the implementation of the 10-Year Plan to End Homelessness.

OFFICE OF EMPLOYMENT DEVELOPMENT – The recommendation for Fiscal 2009 is \$7.7 million, an increase of \$413,700 or 5.7% above the Fiscal 2008 level of appropriation. The budget plan includes \$83,200 for the creation of two positions by prior action of the Board of Estimates during Fiscal 2008 and \$902,653 for salary and benefit increases. The budget plan also includes \$2.3 million for summer jobs, which is level with the amount funded in Fiscal 2008.

POLICE DEPARTMENT – The recommendation for Fiscal 2009 is \$311.0 million, an increase of \$13.4 million or 4.5% above the Fiscal 2008 level of appropriation. The includes a net increase of \$10.5 million for salary and benefits; \$1.9 million increased contribution to Worker's Compensation based on actual experience trends; \$662,600 for fleet management expenses; and an additional \$441,000 for 800 MHz maintenance costs. Prior Board of Estimates actions approved during Fiscal 2008 include the abolishment of six Police Officer positions and five Community Service Officer positions to fund Crime Lab position upgrades. Additionally, an Accounting Assistant III and a Community Service Officer were abolished to fund the creation of a Fiscal Technician. All of the abolished positions were vacant.

The budget plan reconstitutes the Mayor's Office of Criminal Justice Program (MOCJ) as a separate agency of City government. Involved is the transfer of \$1.2 million and five positions to MOCJ.

DEPARTMENT OF PUBLIC WORKS – The recommendation for Fiscal 2009 is \$76.0 million, an increase of \$2.7 million or 3.7% above the Fiscal 2008 level of appropriation. The budget plan includes an increase of \$258,600 in salary and benefit increases. Thirteen positions are transferred from Water and Waste Water Funds into the General Fund. The budget plan includes the abolishment of a total of 36 positions; 23 positions from Solid Waste due to the elimination of the Fire Debris Removal activity and the Eviction Chattel Removal activity; 10 positions from General Services in Facilities Management; and two positions from the Director's Office. One position is transferred from the General Fund to the Water and Waste Water Funds. The budget plan includes \$877,400 for maintenance of the Pimlico Middle School building, which is being renovated for a Police and Fire Training Academy.

Director's Office – The recommendation for Fiscal 2009 is \$991,000, a decrease of \$181,000 or 18.3% below Fiscal 2008. Salaries and benefits increased by \$485,200. Nine positions are transferred into the General Fund from Water and Waste Water in the amount of \$414,600. Two vacant positions are abolished and one vacant position is transferred to Water and Waste Water for a total reduction of \$164,100.

Bureau of General Services – The recommendation for Fiscal 2009 is \$26.5 million, an increase of \$1.8 million or 7.3% above Fiscal 2008. Four positions totaling \$128,400 have been transferred from the Water and Waste Water Funds. Also included is the abolishment of 10 vacant positions in Facilities Management, a reduction of \$332,900. Contractual Services increased by \$1.7 million primarily due to increases in facilities maintenance, gas, electric and steam expense, and other professional services. The Fiscal 2009 budget plan also includes \$877,400 for maintenance of the Pimlico Middle School building, which is being renovated for re-use as a Police and Fire Training Academy.

Bureau of Solid Waste – The recommendation for Fiscal 2009 is \$48.5 million, an increase of \$1.1 million or 2.3% above Fiscal 2008. The budget plan includes the abolishment of 23 positions, a reduction of \$686,000 and the transfer of one position to the Motor Vehicle Revenue fund, a reduction of \$91,300. The abolishments are associated with the Fire Debris Removal activity and the Eviction Chattel Removal activity. The Eviction Chattel function was eliminated during Fiscal 2008 as an efficiency initiative and is no longer necessary. Similar elimination of the Fire Debris function is planned for Fiscal 2009. Contractual Services is recommended to increase by a net \$224,100 primarily due to professional services and tipping fees. These reductions are offset by increased direct funding within Solid Waste's budget to support the property management function (i.e., "clean and board"). The budget plan also includes \$600,000 in funding for Project SERVE contractual crews.

DEPARTMENT OF RECREATION AND PARKS – The recommendation for Fiscal 2009 is \$27.2 million, a decrease of \$836,100 or 3.0% below the Fiscal 2008 level of appropriation. The recommendation includes a reduction in part-time staffing from 1.5 to 1.0 part-time equivalent per recreation center (\$440,000); a \$180,000 reduction in the Aquatics division; and a \$100,000 reduction in the Park Ranger program, which will be returned to Fiscal 2005 staffing levels. Expenses of \$185,000 in the Office of Partnerships (including one position) have been transferred to the Special Fund, and the department expects to raise funds through non-City sources to support these expenses. One Recreation Center Director II position (\$55,300) and \$25,200 in expenses have been

transferred to the Commission on Aging and Retirement Education in an effort to consolidate the coordination of services to seniors. Additionally, three vacant laborer positions (\$81,000) have been abolished in the Bureau of Parks. The budget plan includes \$125,000 to host the 2008 National Recreation and Parks Congress and a \$150,000 grant for the Parks and People Foundation. The budget plan includes \$75,000 to staff one BCPSS pool for public use in evenings and weekends and \$73,000 to fund an increase in the hourly wage for lifeguards and water safety staff.

SHERIFF'S OFFICE – The recommendation for Fiscal 2009 is \$14.3 million, an increase of \$1.2 million or 9.1% above the Fiscal 2008 level of appropriation. The budget plan includes \$491,200 for salary and benefit increases and a \$352,000 increase for overtime expenditures. Fleet management charges are recommended to increase by \$281,700.

Motor Vehicle Fund

The Motor Vehicle Fund Budget for Fiscal 2009 is \$241.8 million representing a decrease of approximately \$4.1 million or 1.7% below the Fiscal 2008 adopted budget of \$246.0 million. The operating portion of the Fiscal 2009 budget is recommended at \$194.4 million, an increase of \$9.0 million or 4.8%. The capital budget is recommended at \$47.4 million, a decrease of \$13.1 million or 21.7% compared to Fiscal 2008. The decrease in the Motor Vehicle Fund budget in Fiscal 2009 is due to a reduction in the level of Highway User Revenues from the State. The reductions are the result of actions enacted by the General Assembly during the Special Session of 2007 as well as slowing in State revenue estimates in both Fiscal 2008 and Fiscal 2009.

DEBT SERVICE – The recommendation for Fiscal 2009 is \$14.5 million, an increase of \$3.5 million or 31.8% above the Fiscal 2008 level of appropriation. The increase is primarily related to additional principal and interest payments associated with the City's planned borrowing of an additional \$30.0 million in County Transportation Bonds from the State of Maryland during Fiscal 2009.

EMPLOYEES' RETIREMENT CONTRIBUTION – The recommendation for all funds for Fiscal 2009 is \$118.8 million, an increase of \$553,500 or 0.1% above the Fiscal 2008 level of appropriation. The budget plan includes:

- **Fire and Police Retirement System** – The recommendation for all funds is \$68.9 million, an increase of \$2.5 million or 3.7%. The Motor Vehicle Fund portion is \$1.2 million, an increase of \$30,000 or 0.1% above the Fiscal 2008 level of appropriation.
- **Employees' Retirement System** – The recommendation for all funds is \$37.2 million, a decrease of \$1.2 million or 3.1% below the Fiscal 2008 level of appropriation. The Motor Vehicle Fund portion is \$6.1 million, a decrease of \$273,000 or 4.3 % below the Fiscal 2008 level of appropriation.

POLICE DEPARTMENT – The recommendation for Fiscal 2009 is \$12.9 million, an increase of \$544,300 or 4.4% above the Fiscal 2008 level of appropriation. The increase includes \$335,000 for salary and benefit increases; \$55,000 for crossing guard reimbursement to the Department of Transportation; \$50,000 for overtime; \$43,300 for Central Garage rental fees; \$40,000 for maintenance costs and \$14,400 for Worker's Compensation.

DEPARTMENT OF PUBLIC WORKS – The recommendation for Fiscal 2009 is \$38.5 million, which maintains the Fiscal 2008 level of appropriation. The plan includes an increase of \$1.4 million for salary and benefit increases and for the addition of positions in the newly created Street Cut Section in General Services and the Alley Cleaning Operation in Solid Waste. The plan also includes an increase of \$153,700 in fleet management charges. Contractual Services is recommended to decrease by \$441,100 primarily due to reductions in professional services.

Director's Office – The recommendation for Fiscal 2009 is \$2.8 million, a decrease of \$73,000 or 2.5% below Fiscal 2008. Salary and benefit increases are \$177,300. The plan includes \$83,800 for the net transfer of two positions from the Bureau of Water and Waste Water. These increases are partially offset by increases in the level of support from other funds and agencies.

Bureau of General Services – The recommendation for Fiscal 2009 is \$2.4 million, an increase of \$211,700 or 9.5% above Fiscal 2008. Salary and benefit increases are \$838,400. The plan includes \$359,000 for the creation of the new Street Cut Permit Section approved by the Board of Estimates in December 2007 and \$123,800 for the transfer of five positions from the Bureau of Water and Waste Water. This increase is partially offset by an increase in the level of cost offsets for service provided to other agencies and funds.

Bureau of Solid Waste – The recommendation for Fiscal 2009 is \$28.0 million, a decrease of \$131,300 or 0.5% below Fiscal 2008. Salary and benefit increases are \$208,800 above Fiscal 2008. The plan includes \$91,300 for the transfer of one position from the General Fund. This increase is offset by decreases in expenses for Contractual Services and Equipment.

Storm Water – The recommendation for Fiscal 2009 is \$5.2 million, an increase of \$77,100 or 1.5% above the Fiscal 2008 level of appropriation. The budget plan includes \$222,700 to pay for salary and benefit increases. These increases are offset primarily by decreases in expenses for Materials and Supplies and Equipment. The budget plan includes \$32,600 for the creation of a Heavy Equipment Operator II position for the Waterway Maintenance activity.

DEPARTMENT OF TRANSPORTATION – The recommendation for Fiscal 2009 is \$99.6 million, an increase of \$6.7 million or 7.2% above the Fiscal 2008 level of appropriation. The budget plan includes increases of \$53,300 for the creation of one position by prior action of the Board of Estimates during Fiscal 2008, \$79,200 for the transfer of two positions from the Department of Public Works, and \$3.2 million for salary and benefit increases. Temporary Salaries are recommended to increase by \$53,000.

The budget plan includes an increase of \$833,500 to fund a total of 21 positions: eight positions in Administration, seven positions in the Traffic Management Center, and six positions in the Safety Division. The reasons for the increase in positions include the creation of one additional squad of Special Traffic Enforcement Officers to enhance pedestrian and motor vehicle safety, the creation of a night shift in traffic management (which is projected to result in decreased overtime expenses), and the enhancement of public awareness as it relates to the City's involvement in major projects such as the proposed Red Line Project. Contractual Services is recommended to have a net increase of \$4.8 million, including \$3.4 million for Gas/Electric/Steam and \$269,300 for In-Service Training.

Parking Management Fund

The Parking Management Fund Budget for Fiscal 2009 is \$15.1 million representing growth of approximately \$1.7 million or 12.7% above the Fiscal 2008 adopted budget of \$13.4 million.

DEPARTMENT OF TRANSPORTATION – The recommendation for Fiscal 2009 is \$15.1 million, an increase of \$1.7 million or 12.7% above the Fiscal 2008 level of appropriation. The budget plan includes approximately \$415,800 for salary and benefit increases. The plan also includes an estimated \$1.6 million appropriation to fund expenses related to the City's contract for collection agent services for delinquent parking fines.

Parking Enterprise Fund

The Parking Enterprise Fund Budget for Fiscal 2009 is \$30.9 million, representing growth of approximately \$1.6 million or 5.5% above the Fiscal 2008 adopted budget of \$29.3 million. Providing that debt service obligations and other security requirements of this fund are met, the City is permitted to transfer monies from the Parking Enterprise Fund to the Parking Management Fund. In Fiscal 2009, \$39.8 million in revenues in excess of debt service and operating expense requirements are recommended to be transferred to the Parking Management Fund. This represents an increase of \$2.5 million or 6.8% above the Fiscal 2008 level of appropriation.

DEPARTMENT OF TRANSPORTATION – The recommendation Fiscal 2009 is \$30.9 million, an increase of \$1.6 million or 5.5% above the Fiscal 2008 level of appropriation. The increase consists primarily of an increase of \$831,000 in Debt Service and \$750,000 for expenses related to the Multi Space Meter program.

Waste Water Utility Fund

The Waste Water Utility Fund Budget for Fiscal 2009 is \$187.8 million representing growth of approximately \$25.1 million or 15.4% above the Fiscal 2008 adopted budget of \$162.7 million. The operating portion of the Fiscal 2009 budget is recommended at \$171.1 million, an increase of \$12.4 million or 7.8%. The capital budget is recommended at \$16.7 million, an increase of \$12.7 million compared to Fiscal 2008.

DEPARTMENT OF PUBLIC WORKS – The recommendation for Fiscal 2009 is \$171.1 million, an increase of \$12.4 million or 7.8% above the Fiscal 2008 level of appropriation. Recommended is an increase in the amount of \$10.6 million for Debt Service. Full-time salaries and benefits are increased by \$1.8 million. Contractual Services is recommended to decrease by a net \$431,600. Included is a \$2.0 million decrease for Sludge Heat Drying Process services, which is offset by \$500,000 increase for composting fees; \$458,600 increase in refuse tipping fees; \$264,200 increase in gas and electric costs; and a \$394,600 net increase in other professional services that include energy control projects and a root and grease control contract. The recommendation for Materials and Supplies is increased by a net \$414,300. OPEB contribution is recommended at \$278,000.

The budget plan includes the transfer of 20 positions from the Waste Water Utility Fund to the General Fund and the Motor Vehicle Revenue Fund at a value of \$843,500. A net total of four

additional positions at a value of \$179,100, approved by the Board of Estimates in Fiscal 2008, is included.

Water Utility Fund

The Water Utility Fund Budget for Fiscal 2009 is \$137.9 million representing growth of approximately \$11.2 million or 8.9% above the Fiscal 2008 adopted budget of \$126.7 million. The operating portion of the Fiscal 2009 budget is recommended at \$129.4 million, an increase of \$10.4 million or 8.7%. The capital budget is recommended at \$8.5 million, an increase of \$850,000 compared to Fiscal 2008.

DEPARTMENT OF PUBLIC WORKS – The recommendation for Fiscal 2009 is \$129.4 million, an increase of \$10.4 million or 8.7% above the Fiscal 2008 level of appropriation. Recommended is an increase of \$6.0 million in Debt Service. Full-time salaries and benefits are increased by \$1.2 million, offset by an increase in anticipated savings from vacant positions of \$720,500. Contractual Services are recommended to increase \$1.4 million primarily due to a \$1.2 million increase in Other Professional Services in street cut resurfacing and large meter maintenance. The recommendation for Equipment is increased by a net \$938,100 primarily for replacement of Motor Vehicles. OPEB contribution is recommended at \$240,000.

The budget plan includes the transfer of a total 14 positions from the Water Utility Fund. Eight positions are transferred to the General Fund in the amount of \$349,500 and six positions are transferred to the Motor Vehicle Revenue Fund in the amount of \$238,900. An Administrative Assistant I position is being transferred into the Water Fund at a value of \$35,800.

Federal Grants

The Federal Grants Fund Budget for Fiscal 2009 is \$183.9 million, representing growth of \$2.1 million or 1.2% above the Fiscal 2008 adopted budget of \$181.8 million.

CRIMINAL JUSTICE – The recommendation for Fiscal 2009 is \$9.8 million. The budget plan reconstitutes the Mayor's Office of Criminal Justice Program as a separate agency of City government. Included is the transfer of three positions from the Police Department.

FIRE DEPARTMENT – The recommendation for Fiscal 2009 is \$2.3 million, a decrease of \$412,900 million or 15.1% below the Fiscal 2008 level of appropriation. The appropriation is based upon anticipated level of grant awards. The reduction in appropriation reflects elimination of a \$65,000 one-time grant funding an emergency patient tracking system, elimination of a \$15,000 grant that is now being administered through the Police Department and elimination of a one-time \$336,000 grant, which funded fire prevention activities.

HEALTH DEPARTMENT – The recommendation for Fiscal 2009 is \$65.4 million, a decrease of \$24.4 million or 27.2% below the Fiscal 2008 level of appropriation. The Mayor's Office of Homeless Services (\$22.3 million) has been transferred out of the Health Department to its own agency. Additionally, \$2.3 million of unallocated appropriation has been eliminated.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT– The recommendation for Fiscal 2009 is \$40.2 million, a decrease of \$1.8 million or 4.4% below the Fiscal 2008 level of appropriation. Community Development Block Grant (CDBG) funds in the amount of \$1.9 million are recommended to be transferred to the Affordable Housing Fund. Included in the budget plan is the transfer of 21 positions to the General Fund, which includes 14 positions from Human Service Centers and 8 positions from Construction and Building Inspections’ demolition activity.

MAYOR’S OFFICE OF HOMELESS SERVICES – The recommendation for Fiscal 2009 is \$22.3 million. The Office of Homeless Services has been transferred out of the Health Department. The budget plan includes nine positions (\$366,900). The current level of service will be maintained.

OFFICE OF EMPLOYMENT DEVELOPMENT – The recommendation for Fiscal 2009 is \$21.4 million, an increase of \$5.2 million or 31.7% above the Fiscal 2008 level of appropriation. The budget plan includes the transfer of 17 positions to other funds due to projected decreases in federal funding. The budget plan includes salary and benefit increases of approximately \$1.6 million. Appropriation for contractual services has been reduced by \$158,300 due to projected decreases in funding. Also, transfer credits increased by a net amount of \$3.5 million, which reflects the agency’s anticipation for future grant awards.

DEPARTMENT OF PLANNING – The recommendation for Fiscal 2009 is \$1.3 million, a decrease of \$204,000 or 13.4% below the Fiscal 2008 level of appropriation. The budget plan includes a \$20,000 increase in funding in the Economic Development Administration grant for other professional services. A \$224,000 grant from the Environmental Protection Agency is eliminated.

POLICE DEPARTMENT – The recommendation for Fiscal 2009 is \$10.5 million, a decrease of \$10.0 million or 48.5% below the Fiscal 2008 level of appropriation. The G.R.E.A.T (Gang Resistance Education and Training) grant is reduced by \$190,000 from \$340,000 to \$150,000. The budget plan reconstitutes the Mayor’s Office of Criminal Justice Program (MOCJ) as a separate agency of City government. Involved is the transfer of \$9.8 million and three positions to MOCJ.

DEPARTMENT OF TRANSPORTATION – The recommendation for Fiscal 2009 is \$1.3 million, an increase of \$587,100 or 85.5% above the Fiscal 2008 level of appropriation. The budget plan includes \$555,600 for the Safe Routes to School Grant, \$343,300 for the Traffic Safety Grant and \$375,000 for the Urban Youth Program Grant.

State Grants

The State Grants Fund Budget for Fiscal 2009 is \$73.8 million, representing growth of \$4.5 million or 6.4% above the Fiscal 2008 adopted budget of \$69.3 million.

CIRCUIT COURT – The recommendation for Fiscal 2009 is \$6.4 million, an increase of \$1.9 million or 42.3% above the Fiscal 2008 level of appropriation. The budget plan includes a \$1.0 million increase for medical evaluations in two pre-trial grants. The Family Division grant is

recommended at \$1.5 million, an increase of \$367,000. Two new grants totaling \$380,300 have also been included in the budget plan.

ENOCH PRATT FREE LIBRARY – The recommendation for Fiscal 2009 is \$10.6 million, \$47,100 above the Fiscal 2008 level of appropriation. The budget plan includes an increase of \$99,300 to pay for salary and benefit increases. One vacant position is recommended to be abolished.

HEALTH DEPARTMENT – The recommendation for Fiscal 2009 is \$15.3 million, a decrease of \$4.6 million or 23.3% below the Fiscal 2008 level of appropriation. The Mayor's Office of Homeless Services (\$3.9 million) has been transferred out of the Health Department. A \$1.1 million appropriation for Operation Safe Kids/Safe Streets has been transferred to the Special Fund.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT – The recommendation for Fiscal 2009 is \$11.8 million, an increase of \$626,900 or 5.6% above the Fiscal 2008 level of appropriation. An increase of \$895,000 is recommended for grants to the Energy Assistance program (\$468,000); Extended Child Care program (\$368,000); and Summer Food Services program (\$59,000). A decrease of \$468,000 is included due to a reduction in Weatherization grants.

MAYOR'S OFFICE OF HOMELESS SERVICES – The recommendation for Fiscal 2009 is \$3.9 million. The Office of Homeless Services has been transferred out of the Health Department. The current level of service will be maintained.

OFFICE OF EMPLOYMENT DEVELOPMENT – The recommendation for Fiscal 2009 is \$1.1 million, an increase of \$654,900 or 134.2% above the Fiscal 2008 level of appropriation. The budget plan includes the transfer of one position from Federal Funds. The budget plan also includes funding of \$225,000 for the new Alternative High School Grant from Baltimore City Public School System and a reduction of \$40,000 for the FUTURES Grant. There is a net increase of \$500,000 in unallocated funds and a decrease of \$33,000 for funding of special projects.

DEPARTMENT OF RECREATION AND PARKS – The recommendation for Fiscal 2009 is \$808,900, an increase of \$274,300 or 51.3 % above the Fiscal 2008 level of appropriation. The budget plan includes one-time Program Open Space funding to purchase various vehicles for the Bureau of Parks (\$166,000) and the Forestry division (\$150,000); one contractual stump grinding crew for a year (\$154,000); and one inmate crew for park maintenance (\$105,000). A \$279,900 appropriation for contractual employees has been eliminated.

STATE'S ATTORNEY – The recommendation for Fiscal 2009 is \$4.5 million, an increase of \$555,200 or 14.1% above the Fiscal 2008 level of appropriation. The Board of Estimates approved the creation of four new positions (\$261,500) as a result of an expansion of the Juvenile Immediate Charging Unit grant.

Special Fund

The Special Fund Budget for Fiscal 2009 is \$45.3 million, representing growth of \$1.1 million or 2.6% above the Fiscal 2008 adopted budget of \$44.2 million.

COMMISSION ON AGING AND RETIREMENT EDUCATION – The recommendation for Fiscal 2009 is \$724,700, an increase of \$25,500 or 3.6% above the Fiscal 2008 level of appropriation. The budget plan includes an increase of \$25,000 for food for the elderly.

EMPLOYEES' RETIREMENT SYSTEM – The recommendation for Fiscal 2009 is \$9.5 million, an increase of \$623,500 or 7.0% above the Fiscal 2008 level of appropriation. The budget plan includes approximately \$192,500 for the creation of four positions by prior action of the Board of Estimates during Fiscal 2008 and \$350,500 for salary and benefit increases. The budget plan also includes \$80,000 for office renovations.

FIRE DEPARTMENT – The recommendation for Fiscal 2009 is \$11.0 million, an increase of \$290,000 or 2.7% above the Fiscal 2008 level of appropriation. The increase aligns the budget to the anticipated level of Emergency Medical Services revenue.

HEALTH DEPARTMENT – The recommendation for Fiscal 2009 is \$9.9 million, a decrease of \$1.0 million or 10.2% below the Fiscal 2008 level of appropriation. The Board of Estimates created 50 Grant Service Specialist positions for a limited pilot program to streamline the hiring process for grant-funded employees. These positions are intended to be short-term and will be abolished as grants expire or incumbents are transferred to classified positions. The Board of Estimates also created 55 School Health Aide positions, allowing the temporary, non-benefited incumbents to become full-time benefited employees. Additionally, 13 positions in the Homeless Services program have been transferred to the new Mayor's Office of Homeless Services.

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT – The recommendation for Fiscal 2009 is \$436,000, a decrease of \$1.3 million or 74.4% below the Fiscal 2008 level of appropriation. Urban Development Action Grants (UDAG) Repayment funds are decreased by \$1.2 million. These funds are recommended to be transferred to the Affordable Housing Program.

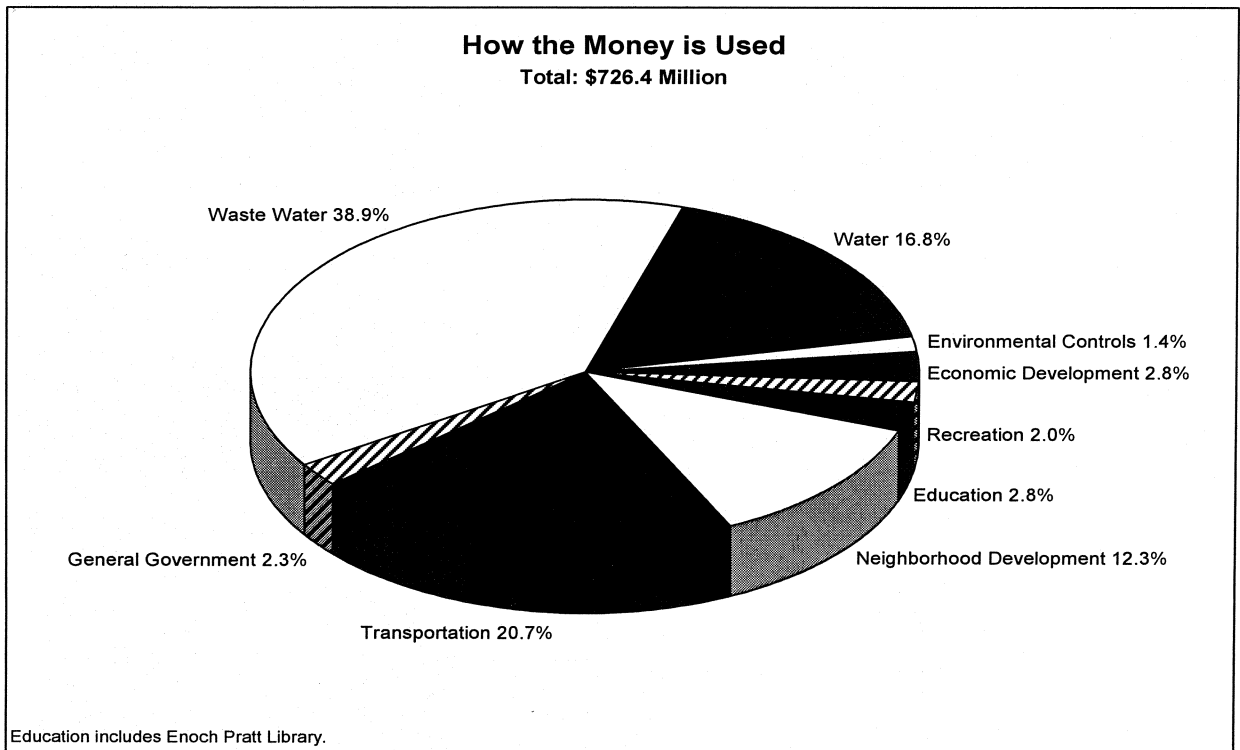
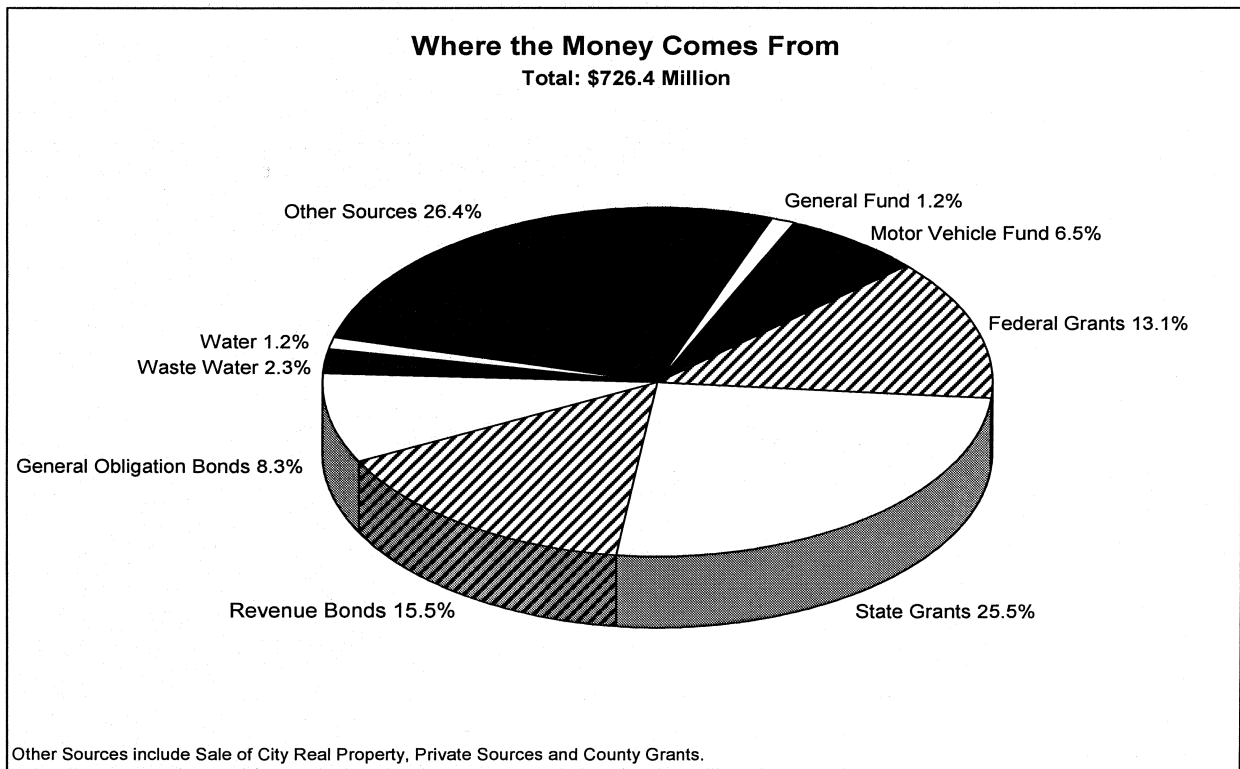
POLICE DEPARTMENT – The recommendation for Fiscal 2009 is \$9.4 million, an increase of \$402,500 or 4.5% above the Fiscal 2008 level of appropriation. The 911 Emergency Call services activity is recommended to increase by \$177,500 based upon anticipated revenue. This recommended increase includes an additional \$111,000 for salary and benefits and an additional \$66,400 for Worker's Compensation costs. An increase of \$500,000 is recommended in the Asset Sharing Fund due to the anticipation of additional revenue through seized assets. This increase will be used for in-service training.

The budget plan reconstitutes the Mayor's Office of Criminal Justice Program (MOCJ) as a separate agency of City government. Involved is the transfer of \$275,000 to MOCJ.

DEPARTMENT OF TRANSPORTATION – The recommendation for Fiscal 2009 is \$858,500. There was no appropriation for this fund in Fiscal 2008. The budget plan includes \$568,000 for Traffic Impact Study Grants funded through fees charged to developers and \$290,500 for the Unified Planning Work Program Grant funded through the Baltimore Region Unified Planning Work Program.

FISCAL 2009

CAPITAL BUDGET RECOMMENDATIONS



FISCAL 2009

SUMMARY OF RECOMMENDATIONS Capital Budget Plan

The recommendation for the Fiscal 2009 capital program is \$726.4 million, an increase of \$172.3 million or 31.1% above the Fiscal 2008 level of appropriation.

General Fund Pay-As-You-Go (PAYGO) appropriations are recommended at \$8.6 million, an increase of \$600,000 or 7.5% above the Fiscal 2008 level of appropriation. The recommendation includes funding for information technology initiatives, various senior center improvements, parkland expansion and improvements, solid waste facility renovations, charter school program, housing services, repair of City owned buildings and general Citywide community projects.

General Obligation Bond appropriations are recommended at \$60.0 million, same as the Fiscal 2008 level of appropriation. The recommendation includes \$18.0 million for renovation and modernization at City schools, \$4.5 million for park improvements and \$32.3 million for community and economic development projects.

Motor Vehicle PAYGO appropriations are recommended at \$47.4 million, a decrease of \$13.1 million or 21.7% below the Fiscal 2008 level of appropriation. The recommendation includes \$25.3 million for local highways, \$3.4 million for alley and footway reconstruction, \$1.9 million for traffic systems and \$6.4 million for storm water and erosion control.

Federal and State grant appropriations are recommended at \$280.9 million, an increase of \$49.0 million or 21.1% above the Fiscal 2008 level of appropriation. Federal grants include \$29.8 million for local highways and \$41.6 million for community development projects. State grants include \$8.2 million for local highways, \$15.9 million for community development projects and \$152.0 million for waste water projects.

Revenue Bond fund appropriations are recommended at \$112.9 million, an increase of \$16.1 million or 16.6% above the Fiscal 2008 level of appropriation. The recommendation includes \$65.2 million for water and \$47.7 million for waste water system improvements. Significant projects include: Back River Digester Renovations - \$25.0 million, Towson and Fullerton Finished Water Reservoir Improvements - \$23.8 million and Deer Creek Pumping Station Improvements - \$20.0 million.

In summary, the recommended fund allocations for Fiscal 2009 are:

<i>(Dollars in Millions)</i>	
General Fund (PAYGO)	\$8.6
Motor Vehicle Fund (PAYGO)	47.4
Utility Funds (PAYGO)	25.2
General Obligation Bonds	60.0
Federal and State Grants	280.9
Revenue Bonds	112.9
All Other	191.4
Total	\$726.4

Fiscal 2009
Preliminary Budget Plan

Summary Tables



FISCAL 2009

OPERATING AND CAPITAL BUDGET FUND DISTRIBUTION

Finance Recommendations

	Operating Budget	Capital Budget	Total
Funds			
General	\$1,335,436,000	\$8,611,000	\$1,344,047,000
Motor Vehicle	194,427,000	47,400,000	241,827,000
Parking Management	15,067,000	0	15,067,000
Convention Center Bond	4,616,000	0	4,616,000
Water and Waste Water Utilities	300,545,000	25,187,000	325,732,000
Parking Enterprise	30,923,000	0	30,923,000
Conduit Enterprise	7,538,000	0	7,538,000
Loan and Guarantee Enterprise	3,810,000	0	3,810,000
Federal Grants	183,904,524	95,541,000	279,445,524
State Grants	73,774,539	185,349,000	259,123,539
General Obligation Bonds	0	60,000,000	60,000,000
Mayor and City Council Real Property	0	6,345,000	6,345,000
Revenue Bonds	0	112,862,000	112,862,000
Counties	0	116,140,000	116,140,000
Special	45,311,556	2,550,000	47,861,556
Other	0	66,385,000	66,385,000
Total - All Funds	\$2,195,352,619	\$726,370,000	\$2,921,722,619

FINANCE RECOMMENDATIONS BY FUND

	Fiscal 2008 Budget	Fiscal 2009 Budget	Dollar Change	Percent Change
Operating Funds				
Local and State-shared Funds				
General	\$1,274,963,000	\$1,335,436,000	\$60,473,000	4.7%
Motor Vehicle	185,465,000	194,427,000	8,962,000	4.8
Parking Management	13,448,000	15,067,000	1,619,000	12.0
Convention Center Bond	4,613,000	4,616,000	3,000	0.1
Total	1,478,489,000	1,549,546,000	71,057,000	4.8
Enterprise Funds				
Waste Water Utility	158,699,000	171,124,000	12,425,000	7.8
Water Utility	119,048,000	129,421,000	10,373,000	8.7
Parking Enterprise	29,273,000	30,923,000	1,650,000	5.6
Conduit Enterprise	7,538,000	7,538,000	0	0.0
Loan and Guarantee Enterprise	3,798,000	3,810,000	12,000	0.3
Total	318,356,000	342,816,000	24,460,000	7.7
Grant Funds				
Federal	181,791,164	183,904,524	2,113,360	1.2
State	69,313,213	73,774,539	4,461,326	6.4
Special	44,181,321	45,311,556	1,130,235	2.6
Total	295,285,698	302,990,619	7,704,921	2.6
Total Operating - All Funds	\$2,092,130,698	\$2,195,352,619	\$103,221,921	4.9%
Capital Funds				
Pay-As-You-Go				
General	\$8,010,000	\$8,611,000	\$601,000	7.5%
Motor Vehicle	60,500,000	47,400,000	(13,100,000)	(21.7)
Parking Enterprise	3,500,000	0	(3,500,000)	NA
Loan and Guarantee Enterprise	2,500,000	0	(2,500,000)	NA
Waste Water Utility	4,000,000	16,687,000	12,687,000	317.2
Water Utility	7,650,000	8,500,000	850,000	11.1
Total	86,160,000	81,198,000	(4,962,000)	(5.8)
Grants				
Federal	54,427,000	95,541,000	41,114,000	75.5
State	177,500,000	185,349,000	7,849,000	4.4
Special	0	2,550,000	2,550,000	NA
Total	231,927,000	283,440,000	51,513,000	22.2
Loans and Bonds				
Revenue Bonds	96,764,000	112,862,000	16,098,000	16.6
General Obligation Bonds	60,000,000	60,000,000	0	0.0
Total	156,764,000	172,862,000	16,098,000	10.3
Mayor and City Council Real Property	4,635,000	6,345,000	1,710,000	36.9
All Other	74,564,000	182,525,000	107,961,000	144.8
Total Capital - All Funds	\$554,050,000	\$726,370,000	\$172,320,000	31.1%

FISCAL 2009

FINANCE RECOMMENDATIONS BY FUND

	Fiscal 2008 Budget	Fiscal 2009 Budget	Dollar Change	Percent Change
Total Funds				
Local and State-shared Funds				
General	\$1,282,973,000	\$1,344,047,000	\$61,074,000	4.8%
Motor Vehicle	245,965,000	241,827,000	(4,138,000)	(1.7)
Parking Management	13,448,000	15,067,000	1,619,000	12.0
Convention Center Bond	4,613,000	4,616,000	3,000	0.1
Total	1,546,999,000	1,605,557,000	58,558,000	3.8
Enterprise Funds				
Waste Water Utility	162,699,000	187,811,000	25,112,000	15.4
Water Utility	126,698,000	137,921,000	11,223,000	8.9
Parking Enterprise	32,773,000	30,923,000	(1,850,000)	(5.6)
Conduit Enterprise	7,538,000	7,538,000	0	0.0
Loan and Guarantee Enterprise	6,298,000	3,810,000	(2,488,000)	(39.5)
Total	336,006,000	368,003,000	31,997,000	9.5
Grant Funds				
Federal	236,218,164	279,445,524	43,227,360	18.3
State	246,813,213	259,123,539	12,310,326	5.0
Special	44,181,321	47,861,556	3,680,235	8.3
Total	527,212,698	586,430,619	59,217,921	11.2
Loans and Bonds				
Revenue Bonds	96,764,000	112,862,000	16,098,000	16.6
General Obligation Bonds	60,000,000	60,000,000	0	0.0
Total	156,764,000	172,862,000	16,098,000	10.3
Mayor and City Council Real Property	4,635,000	6,345,000	1,710,000	36.9
All Other	74,564,000	182,525,000	107,961,000	144.8
Total - All Funds	\$2,646,180,698	\$2,921,722,619	\$275,541,921	10.4%

FISCAL 2009

OPERATING BUDGET COMPARED WITH AGENCY REQUESTS AND PRIOR YEAR BUDGET

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	FISCAL 2009 REQUEST	FISCAL 2009 BUDGET	CHANGE IN BUDGET
Board of Elections	7,052,989	5,081,219	5,082,000	(1,970,989)
General	7,052,989	5,081,219	5,082,000	(1,970,989)
City Council	4,472,791	4,902,771	4,852,000	379,209
General	4,472,791	4,902,771	4,852,000	379,209
Community Relations Commission	1,124,306	1,402,289	1,120,962	(3,344)
General	1,059,676	1,335,327	1,054,000	(5,676)
Federal	64,630	66,962	66,962	2,332
Comptroller	21,265,922	21,088,091	17,694,545	(3,571,377)
General	4,568,046	5,276,840	4,363,000	(205,046)
Special	137,004	143,188	141,857	4,853
Internal Service	16,560,872	15,668,063	13,189,688	(3,371,184)
Council Services	569,000	692,767	544,000	(25,000)
General	569,000	692,767	544,000	(25,000)
Courts: Circuit Court	14,432,768	17,220,200	16,538,392	2,105,624
General	8,528,323	9,311,808	8,630,000	101,677
Federal	1,388,997	1,484,278	1,484,278	95,281
State	4,515,448	6,424,114	6,424,114	1,908,666
Courts: Orphans' Court	464,119	469,159	469,159	5,040
General	464,119	469,159	469,159	5,040
Employees' Retirement Systems	8,900,794	9,489,382	9,524,276	623,482
Special	8,900,794	9,489,382	9,524,276	623,482
Enoch Pratt Free Library	34,844,215	36,819,984	35,017,431	173,216
General	23,760,888	25,626,363	23,867,000	106,112
State	10,520,238	10,602,248	10,567,382	47,144
Special	563,089	591,373	583,049	19,960
Finance	27,328,982	29,957,279	28,867,118	1,538,136
General	13,455,788	15,913,374	14,842,357	1,386,569
Loan and Guarantee Enterprise	3,208,000	3,218,662	3,229,000	21,000
Internal Service	10,665,194	10,825,243	10,795,761	130,567
Fire	147,829,346	199,322,341	156,652,941	8,823,595
General	133,350,091	185,125,577	142,161,756	8,811,665
Federal	2,727,321	2,314,455	2,314,455	(412,866)
State	1,041,934	1,182,309	1,176,730	134,796
Special	10,710,000	10,700,000	11,000,000	290,000
Health	146,409,743	144,566,450	115,637,598	(30,772,145)
General	26,570,249	29,518,959	25,912,000	(658,249)
Federal	89,800,712	86,920,565	65,355,726	(24,444,986)
State	19,952,493	20,178,857	15,308,575	(4,643,918)
Special	10,086,289	7,948,069	9,061,297	(1,024,992)
Housing and Community Development	81,507,268	88,577,573	83,165,678	1,658,410
General	26,537,040	36,284,314	30,701,368	4,164,328
Federal	42,055,784	40,106,570	40,212,609	(1,843,175)
State	11,188,787	11,768,291	11,815,663	626,876
Special	1,725,657	418,398	436,038	(1,289,619)
Human Resources	7,443,702	6,153,658	7,467,909	24,207
General	4,611,977	3,311,849	4,626,100	14,123
Internal Service	2,831,725	2,841,809	2,841,809	10,084

OPERATING BUDGET COMPARED WITH AGENCY REQUESTS AND PRIOR YEAR BUDGET

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	FISCAL 2009 REQUEST	FISCAL 2009 BUDGET	CHANGE IN BUDGET
Law	8,763,207	9,339,566	8,965,537	202,330
General	4,065,854	4,449,864	4,153,000	87,146
Special	23,800	62,408	397	(23,403)
Internal Service	4,673,553	4,827,294	4,812,140	138,587
Legislative Reference	797,400	1,111,447	784,400	(13,000)
General	786,000	1,100,047	773,000	(13,000)
Special	11,400	11,400	11,400	0
Liquor License Board	1,865,134	1,936,663	1,936,663	71,529
General	1,865,134	1,936,663	1,936,663	71,529
Mayoralty	4,206,182	4,893,041	5,140,950	934,768
General	3,936,182	4,623,041	4,712,672	776,490
State	0	0	328,278	328,278
Special	270,000	270,000	100,000	(170,000)
M-R: Art and Culture	7,091,669	9,376,728	8,424,158	1,332,489
General	7,091,669	9,376,728	8,424,158	1,332,489
M-R: Baltimore City Public Schools	208,122,708	208,313,716	208,313,716	191,008
General	204,468,708	204,659,716	204,659,716	191,008
Motor Vehicle	3,654,000	3,654,000	3,654,000	0
M-R: Baltimore Homeless Services	0	0	27,562,534	27,562,534
General	0	0	1,345,000	1,345,000
Federal	0	0	22,296,983	22,296,983
State	0	0	3,883,193	3,883,193
Special	0	0	37,358	37,358
M-R: Cable and Communications	2,260,490	2,327,684	2,313,000	52,510
General	1,188,144	1,250,338	1,236,000	47,856
Special	1,072,346	1,077,346	1,077,000	4,654
M-R: Civic Promotion	12,686,169	14,932,135	12,627,156	(59,013)
General	12,386,169	14,632,135	12,327,156	(59,013)
Motor Vehicle	300,000	300,000	300,000	0
M-R: Commission for Women	150,000	152,969	140,000	(10,000)
General	150,000	152,969	140,000	(10,000)
M-R: Commission on Aging/Retire. Educ.	11,931,550	13,606,488	12,992,718	1,061,168
General	1,168,534	1,937,907	1,158,530	(10,004)
Motor Vehicle	325,000	325,000	325,000	0
Federal	4,847,381	5,495,183	5,781,308	933,927
State	4,891,478	5,149,241	5,003,212	111,734
Special	699,157	699,157	724,668	25,511
M-R: Conditional Purchase Agreements	21,346,000	23,189,000	23,189,000	1,843,000
General	20,746,000	22,598,000	22,598,000	1,852,000
Loan and Guarantee Enterprise	590,000	581,000	581,000	(9,000)
Internal Service	10,000	10,000	10,000	0
M-R: Contingent Fund	750,000	750,000	750,000	0
General	750,000	750,000	750,000	0
M-R: Convention Center Hotel	478,000	4,199,000	4,199,000	3,721,000
General	478,000	4,199,000	4,199,000	3,721,000

OPERATING BUDGET COMPARED WITH AGENCY REQUESTS AND PRIOR YEAR BUDGET

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	FISCAL 2009 REQUEST	FISCAL 2009 BUDGET	CHANGE IN BUDGET
M-R: Convention Complex	23,424,758	23,905,608	23,638,252	213,494
General	14,385,559	14,915,767	15,083,852	698,293
Convention Center Bond	4,613,000	4,616,000	4,616,000	3,000
State	4,426,199	4,373,841	3,938,400	(487,799)
M-R: Debt Service	83,844,500	86,733,999	86,203,999	2,359,499
General	72,802,499	72,221,999	71,691,999	(1,110,500)
Motor Vehicle	11,042,001	14,512,000	14,512,000	3,469,999
M-R: Educational Grants	1,376,556	1,376,556	1,376,556	0
General	1,376,556	1,376,556	1,376,556	0
M-R: Employees' Retirement Contribution	99,793,017	100,932,660	100,932,660	1,139,643
General	89,801,017	93,203,660	93,203,660	3,402,643
Motor Vehicle	9,992,000	7,729,000	7,729,000	(2,263,000)
M-R: Environmental Control Board	451,486	478,210	473,000	21,514
General	451,486	478,210	473,000	21,514
M-R: Health and Welfare Grants	346,372	368,972	346,372	0
General	346,372	368,972	346,372	0
M-R: Hispanic Commission	0	0	140,000	140,000
General	0	0	140,000	140,000
M-R: Miscellaneous General Expenses	15,090,299	17,489,289	20,498,894	5,408,595
General	13,853,449	16,030,439	19,040,044	5,186,595
Motor Vehicle	1,236,850	1,458,850	1,458,850	222,000
M-R: Office of Children, Youth and Families	1,479,700	1,515,178	1,416,965	(62,735)
General	935,213	960,213	862,000	(73,213)
Federal	300,000	310,478	310,478	10,478
State	244,487	244,487	244,487	0
M-R: Office of CitiStat Operations	585,534	663,496	661,996	76,462
General	585,534	663,496	661,996	76,462
M-R: Office of Criminal Justice	0	11,593,269	12,377,383	12,377,383
General	0	1,524,149	1,240,000	1,240,000
Federal	0	9,791,466	9,791,466	9,791,466
State	0	2,654	1,070,917	1,070,917
Special	0	275,000	275,000	275,000
M-R: Office of Employment Development	24,013,167	31,083,663	31,233,061	7,219,894
General	7,311,880	7,625,115	7,725,543	413,663
Federal	16,213,283	21,304,116	21,364,588	5,151,305
State	488,004	1,161,913	1,142,930	654,926
Special	0	992,519	1,000,000	1,000,000
M-R: Office of Information Technology	14,576,879	20,124,451	14,741,485	164,606
General	11,513,603	15,714,031	11,688,000	174,397
Internal Service	3,063,276	4,410,420	3,053,485	(9,791)
M-R: Office of Neighborhoods	756,371	798,752	667,172	(89,199)
General	756,371	798,752	667,172	(89,199)
M-R: Office of the Inspector General	633,598	663,029	563,000	(70,598)
General	633,598	663,029	563,000	(70,598)
M-R: Office of the Labor Commissioner	492,331	502,837	521,000	28,669
General	492,331	502,837	521,000	28,669

FISCAL 2009

OPERATING BUDGET COMPARED WITH AGENCY REQUESTS AND PRIOR YEAR BUDGET

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	FISCAL 2009 REQUEST	FISCAL 2009 BUDGET	CHANGE IN BUDGET
M-R: Retirees' Benefits	94,499,094	101,956,299	101,956,119	7,457,025
General	87,284,094	94,687,119	94,687,119	7,403,025
Motor Vehicle	7,215,000	7,269,180	7,269,000	54,000
M-R: Self-Insurance Fund	14,119,636	14,119,636	14,119,636	0
General	11,225,082	11,225,082	11,225,082	0
Motor Vehicle	2,894,554	2,894,554	2,894,554	0
M-R: TIF Debt Service	4,821,000	8,854,000	8,854,000	4,033,000
General	4,821,000	8,854,000	8,854,000	4,033,000
M-R: Veterans' Commission	150,000	152,969	140,000	(10,000)
General	150,000	152,969	140,000	(10,000)
Municipal and Zoning Appeals	410,000	445,766	446,000	36,000
General	410,000	445,766	446,000	36,000
Planning	4,027,757	4,250,530	3,855,483	(172,274)
General	1,616,901	1,962,384	1,612,000	(4,901)
Motor Vehicle	747,373	785,723	786,000	38,627
Federal	1,523,483	1,326,423	1,319,483	(204,000)
State	140,000	176,000	138,000	(2,000)
Police	346,792,872	386,518,455	351,218,282	4,425,410
General	297,613,951	345,846,082	311,044,000	13,430,049
Motor Vehicle	12,349,677	13,058,075	12,894,000	544,323
Federal	20,499,988	10,738,578	10,548,578	(9,951,410)
State	7,318,000	7,462,016	7,318,000	0
Special	9,011,256	9,413,704	9,413,704	402,448
Public Works	438,514,601	471,801,114	465,850,732	27,336,131
General	73,299,699	81,487,344	76,032,500	2,732,801
Motor Vehicle	38,369,129	42,184,354	38,453,596	84,467
Waste Water Utility	158,699,000	168,428,466	171,124,000	12,425,000
Water Utility	119,048,000	129,418,747	129,421,000	10,373,000
Internal Service	49,098,773	50,282,203	50,819,636	1,720,863
Recreation and Parks	33,931,134	41,029,136	33,707,343	(223,791)
General	28,005,567	33,717,384	27,169,470	(836,097)
Motor Vehicle	4,470,458	5,873,013	4,592,000	121,542
Federal	0	246,664	120,000	120,000
State	534,580	535,325	808,861	274,281
Special	920,529	656,750	1,017,012	96,483
Sheriff	13,103,949	15,652,090	14,297,500	1,193,551
General	13,079,449	15,627,590	14,273,000	1,193,551
Federal	24,500	24,500	24,500	0
Social Services	230,000	230,000	230,000	0
General	230,000	230,000	230,000	0
State's Attorney	31,356,983	34,876,243	33,027,024	1,670,041
General	25,709,157	29,007,875	26,843,000	1,133,843
Federal	1,658,258	1,585,032	1,639,227	(19,031)
State	3,939,568	4,233,336	4,494,797	555,229
Special	50,000	50,000	50,000	0

FISCAL 2009

OPERATING BUDGET COMPARED WITH AGENCY REQUESTS AND PRIOR YEAR BUDGET

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	FISCAL 2009 REQUEST	FISCAL 2009 BUDGET	CHANGE IN BUDGET
Transportation	145,251,083	167,318,442	156,540,383	9,697,300
General	1,324,301	1,668,609	1,210,000	(114,301)
Motor Vehicle	92,868,958	108,304,791	99,559,000	6,690,042
Parking Management	13,448,000	15,649,459	15,067,000	1,619,000
Parking Enterprise	29,273,000	31,726,510	30,923,000	1,650,000
Federal	686,827	1,242,427	1,273,883	587,056
State	111,997	110,981	111,000	(997)
Special	0	250,000	858,500	858,500
Others	7,538,000	8,365,665	7,538,000	0
Wage Commission	486,475	666,972	451,000	(35,475)
General	486,475	666,972	451,000	(35,475)
War Memorial Commission	380,485	418,187	417,000	36,515
General	380,485	418,187	417,000	36,515
TOTAL OPERATING RECOMMENDATIONS	2,179,034,091	2,406,391,408	2,280,875,138	101,841,047
LESS INTERNAL SERVICE FUND	86,903,393	88,865,032	85,522,519	(1,380,874)
NET OPERATING RECOMMENDATIONS	2,092,130,698	2,317,526,376	2,195,352,619	103,221,921
SUMMARY BY FUND				
General	1,274,963,000	1,447,561,323	1,335,436,000	60,473,000
Motor Vehicle	185,465,000	208,348,540	194,427,000	8,962,000
Parking Management	13,448,000	15,649,459	15,067,000	1,619,000
Convention Center Bond	4,613,000	4,616,000	4,616,000	3,000
Waste Water Utility	158,699,000	168,428,466	171,124,000	12,425,000
Water Utility	119,048,000	129,418,747	129,421,000	10,373,000
Parking Enterprise	29,273,000	31,726,510	30,923,000	1,650,000
Loan and Guarantee Enterprise	3,798,000	3,799,662	3,810,000	12,000
Conduit Enterprise	7,538,000	8,365,665	7,538,000	0
Federal	181,791,164	182,957,697	183,904,524	2,113,360
State	69,313,213	73,605,613	73,774,539	4,461,326
Special	44,181,321	43,048,694	45,311,556	1,130,235
Internal Service	86,903,393	88,865,032	85,522,519	(1,380,874)
TOTAL OPERATING APPROPRIATIONS	2,179,034,091	2,406,391,408	2,280,875,138	101,841,047
INTERNAL SERVICE FUND BY AGENCY				
Comptroller	16,560,872	15,668,063	13,189,688	(3,371,184)
Finance	10,665,194	10,825,243	10,795,761	130,567
Human Resources	2,831,725	2,841,809	2,841,809	10,084
Law	4,673,553	4,827,294	4,812,140	138,587
M-R: Conditional Purchase Agreements	10,000	10,000	10,000	0
M-R: Office of Information Technology	3,063,276	4,410,420	3,053,485	(9,791)
Public Works	49,098,773	50,282,203	50,819,636	1,720,863
TOTAL INTERNAL SERVICE FUND	86,903,393	88,865,032	85,522,519	(1,380,874)

FISCAL 2009

CHANGES TO PERMANENT FULL-TIME POSITIONS

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	B OF E CHANGES	ABOLISHMENTS	OTHER CHANGES	FISCAL 2009 BUDGET
Board of Elections	3	0	0	0	3
General	3	0	0	0	3
City Council	64	0	0	0	64
General	64	0	0	0	64
Community Relations Commission	14	0	0	0	14
General	13	0	0	0	13
Federal	1	0	0	0	1
Comptroller	105	2	0	0	107
General	68	2	0	0	70
Special	2	0	0	0	2
Internal Service	35	0	0	0	35
Council Services	7	0	0	0	7
General	7	0	0	0	7
Courts: Circuit Court	129	9	0	0	138
General	86	6	0	0	92
Federal	19	0	0	0	19
State	24	3	0	0	27
Courts: Orphans' Court	5	0	0	0	5
General	5	0	0	0	5
Employees' Retirement Systems	88	3	0	0	91
Special	88	3	0	0	91
Enoch Pratt Free Library	437	0	(7)	0	430
General	365	0	(6)	0	359
State	63	0	(1)	0	62
Special	9	0	0	0	9
Finance	326	6	0	1	333
General	276	5	0	1	282
Loan and Guarantee Enterprise	2	0	0	0	2
Internal Service	48	1	0	0	49
Fire	1,796	5	(1)	0	1,800
General	1,796	5	(1)	0	1,800
Health	761	161	(15)	(26)	881
General	200	16	(10)	(1)	205
Federal	308	31	(2)	(8)	329
State	69	3	(1)	0	71
Special	184	111	(2)	(17)	276
Housing and Community Development	518	55	0	0	573
General	328	54	0	21	403
Federal	107	1	0	(20)	88
State	61	0	0	(1)	60
Special	22	0	0	0	22
Human Resources	58	0	(1)	3	60
General	52	0	(1)	3	54
Internal Service	6	0	0	0	6

FISCAL 2009

CHANGES TO PERMANENT FULL-TIME POSITIONS

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	B OF E CHANGES	ABOLISHMENTS	OTHER CHANGES	FISCAL 2009 BUDGET
Law	103	2	(1)	0	104
General	62	2	(1)	(1)	62
Special	13	0	0	1	14
Internal Service	28	0	0	0	28
Legislative Reference	8	0	0	0	8
General	8	0	0	0	8
Liquor License Board	33	0	0	0	33
General	33	0	0	0	33
Mayoralty	52	0	0	0	52
General	52	0	0	0	52
M-R: Baltimore Homeless Services	0	0	0	26	26
General	0	0	0	5	5
Federal	0	0	0	9	9
Special	0	0	0	12	12
M-R: Cable and Communications	12	0	0	0	12
General	12	0	0	0	12
M-R: Commission for Women	2	0	0	0	2
General	2	0	0	0	2
M-R: Commission on Aging/Retire. Educ.	83	0	(1)	1	83
General	6	0	0	1	7
Federal	36	(1)	0	2	37
State	41	1	(1)	(2)	39
M-R: Convention Complex	178	0	0	0	178
General	178	0	0	0	178
M-R: Environmental Control Board	6	0	0	0	6
General	6	0	0	0	6
M-R: Hispanic Commission	0	0	0	2	2
General	0	0	0	2	2
M-R: Office of Children, Youth and Families	12	0	0	0	12
General	9	0	0	0	9
Federal	3	0	0	0	3
M-R: Office of CitiStat Operations	9	0	0	0	9
General	9	0	0	0	9
M-R: Office of Criminal Justice	0	0	0	9	9
General	0	0	0	5	5
Federal	0	0	0	3	3
State	0	0	0	1	1
M-R: Office of Employment Development	298	2	(1)	0	299
General	45	2	0	7	54
Federal	245	0	(1)	(17)	227
State	8	0	0	1	9
Special	0	0	0	9	9
M-R: Office of Information Technology	169	1	(10)	0	160
General	169	1	(10)	0	160
M-R: Office of Neighborhoods	12	0	0	0	12
General	12	0	0	0	12

FISCAL 2009

CHANGES TO PERMANENT FULL-TIME POSITIONS

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	B OF E CHANGES	ABOLISHMENTS	OTHER CHANGES	FISCAL 2009 BUDGET
M-R: Office of the Inspector General	5	1	0	0	6
General	5	1	0	0	6
M-R: Office of the Labor Commissioner	5	0	0	0	5
General	5	0	0	0	5
M-R: Veterans' Commission	2	0	0	0	2
General	2	0	0	0	2
Municipal and Zoning Appeals	10	0	0	0	10
General	10	0	0	0	10
Planning	54	0	0	0	54
General	31	0	0	0	31
Motor Vehicle	9	0	0	0	9
Federal	14	0	0	0	14
Police	3,930	(12)	0	(9)	3,909
General	3,727	(12)	0	(5)	3,710
Motor Vehicle	86	0	0	0	86
Federal	6	0	0	(3)	3
State	60	0	0	(1)	59
Special	51	0	0	0	51
Public Works	3,438	13	(35)	(6)	3,410
General	635	3	(35)	11	614
Motor Vehicle	610	6	0	12	628
Waste Water Utility	1,031	3	0	(20)	1,014
Water Utility	901	1	0	(9)	893
Internal Service	261	0	0	0	261
Recreation and Parks	369	39	(3)	(1)	404
General	318	32	(3)	(2)	345
Motor Vehicle	40	3	0	0	43
Federal	5	0	0	0	5
State	1	4	0	0	5
Special	5	0	0	1	6
Sheriff	213	0	0	0	213
General	213	0	0	0	213
State's Attorney	419	4	0	0	423
General	338	0	0	3	341
Federal	22	2	0	(3)	21
State	59	2	0	0	61
Transportation	1,579	3	(22)	2	1,562
General	396	0	0	0	396
Motor Vehicle	1,025	1	(22)	2	1,006
Parking Management	101	0	0	0	101
Conduit Enterprise	56	0	0	0	56
Federal	0	2	0	0	2
State	1	0	0	0	1
Wage Commission	8	0	0	0	8
General	8	0	0	0	8

FISCAL 2009

CHANGES TO PERMANENT FULL-TIME POSITIONS

Finance Recommendations

AGENCY AND FUND	FISCAL 2008 BUDGET	B OF E CHANGES	ABOLISHMENTS	OTHER CHANGES	FISCAL 2009 BUDGET
War Memorial Commission	6	0	0	0	6
General	6	0	0	0	6
GRAND TOTAL	15,326	294	(97)	2	15,525
SUMMARY BY FUND					
General	9,560	117	(67)	50	9,660
Motor Vehicle	1,770	10	(22)	14	1,772
Parking Management	101	0	0	0	101
Waste Water Utility	1,031	3	0	(20)	1,014
Water Utility	901	1	0	(9)	893
Loan and Guarantee Enterprise	2	0	0	0	2
Conduit Enterprise	56	0	0	0	56
Federal	766	35	(3)	(37)	761
State	387	13	(3)	(2)	395
Special	374	114	(2)	6	492
Internal Service	378	1	0	0	379
GRAND TOTAL	15,326	294	(97)	2	15,525

FISCAL 2009

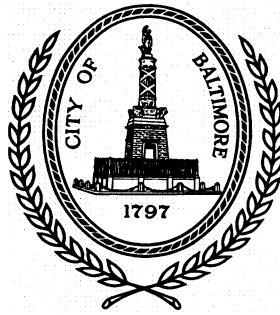
TOTAL CAPITAL RECOMMENDATIONS

	Fiscal 2008 Budget	Fiscal 2009 Budget	Dollar Change	Percent Change
Capital Funds				
Pay-As-You-Go				
General	\$8,010,000	\$8,611,000	\$601,000	7.5%
Motor Vehicle	60,500,000	47,400,000	(13,100,000)	(21.7)
Parking Enterprise	3,500,000	0	(3,500,000)	NA
Loan and Guarantee Enterprise	2,500,000	0	(2,500,000)	NA
Waste Water Utility	4,000,000	16,687,000	12,687,000	317.2
Water Utility	7,650,000	8,500,000	850,000	11.1
Total	86,160,000	81,198,000	(4,962,000)	(5.8)
Grants				
Federal	54,427,000	95,541,000	41,114,000	75.5
State	177,500,000	185,349,000	7,849,000	4.4
Total	231,927,000	280,890,000	48,963,000	21.1
Loans and Bonds				
Revenue Bonds	96,764,000	112,862,000	16,098,000	16.6
General Obligation Bonds	60,000,000	60,000,000	0	0.0
Total	156,764,000	172,862,000	16,098,000	10.3
Mayor and City Council Real Property	4,635,000	6,345,000	1,710,000	36.9
All Other	74,564,000	185,075,000	110,511,000	148.2
Total Capital - All Funds	\$554,050,000	726,370,000	\$172,320,000	31.1%

FISCAL 2009

CAPITAL BUDGET DISTRIBUTION BY AGENCY DETAIL
(Dollars in Thousands)

Agency	General Funds	General Obligation Bonds	Revenue Loans	Motor Vehicle Funds	Utility Funds	Federal Funds	State Funds	Other Funds	TOTAL
Baltimore City Public Schools	0	18,000	0	0	0	0	0	0	18,000
Enoch Pratt Free Library	0	1,500	0	0	0	0	600	0	2,100
Health	350	0	0	0	0	0	0	(502)	(152)
Housing & Community Development									
Community Development	3,111	22,250	0	0	0	41,631	15,944	5,227	88,163
Economic Development	0	10,000	0	0	0	0	5,000	4,100	19,100
Mayoralty-Related									
Baltimore City Heritage Area Projects	200	0	0	0	0	0	0	0	200
B&O Railroad Museum	0	200	0	0	0	0	0	0	200
Great Blacks in Wax Museum	0	400	0	0	0	0	0	0	400
Information Technology Initiatives	100	0	0	0	0	0	0	0	100
Reginald F. Lewis Museum	0	200	0	0	0	0	0	0	200
Sankofa Cultural Center	0	200	0	0	0	0	0	0	200
Senior Centers	400	0	0	0	0	0	0	0	400
The Patterson Creative Alliance	0	200	0	0	0	0	0	0	200
Upton Cultural Center	0	400	0	0	0	0	0	0	400
USS Constellation Museum	0	200	0	0	0	0	0	0	200
Planning	0	950	0	0	0	0	0	0	950
Public Works									
Erosion/ Pollution Control	0	0	0	3,000	0	0	0	3,400	6,400
General Services	2,777	1,000	0	843	0	0	0	0	4,620
Solid Waste	750	0	0	200	0	250		10,000	11,200
Storm Water	0	0	0	3,400	0	0	0	0	3,400
Waste Water	0	0	47,698	0	16,687	0	152,000	66,045	282,430
Water	0	0	65,164	0	8,500	0	0	48,595	122,259
Recreation and Parks	923	4,500		3,500		2,100	3,605	100	14,728
Transportation									
Alleys and Sidewalks	0	0	0	3,350	0	0	0	4,250	7,600
Federal Highways	0	0	0	5,000	0	16,000	0	0	21,000
Local Highways	0	0	0	25,314	0	29,720	8,200	48,430	111,664
Street Lighting	0	0	0	918	0	4,000	0	0	4,918
Traffic	0	0	0	1,875	0	1,840	0	1,775	5,490
TOTAL BY FUND	\$8,611	\$60,000	\$112,862	\$47,400	\$25,187	\$95,541	\$185,349	\$191,420	\$726,370



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