



COMMUNITY GUIDE

to the Fiscal Year 2026
Adopted Budget

The City of Baltimore
Bureau of the Budget and Management Research

BMORE
BUDGET



Brandon M. Scott
Mayor



FISCAL 2026 ADOPTED BUDGET
BREAKDOWN

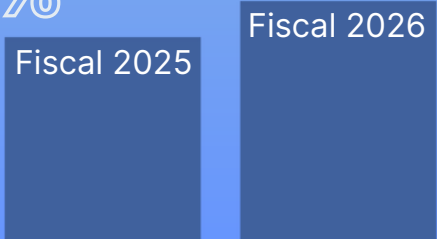
Operating Budget

\$3.69
billion

The Operating Budget funds the daily business of the City, specifically covering programs, services, staff, and supplies.

The FY2026 adopted Budget is \$219.5 million, or 6.3% higher than the FY2025 adopted budget.

+6.31%



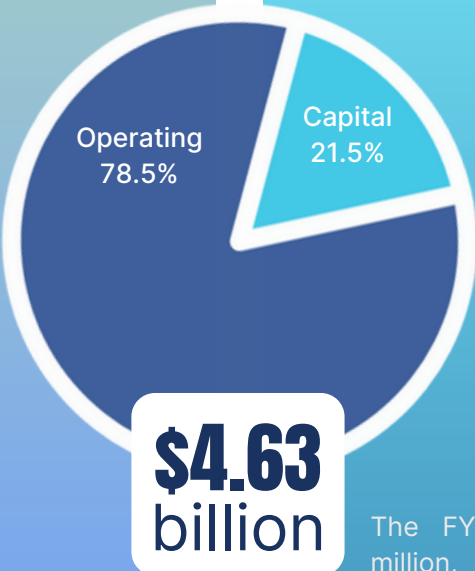
Capital Budget

\$933
million

The Capital Budget funds physical infrastructure projects for the City, specifically major renovations and replacements that are long-term investments.

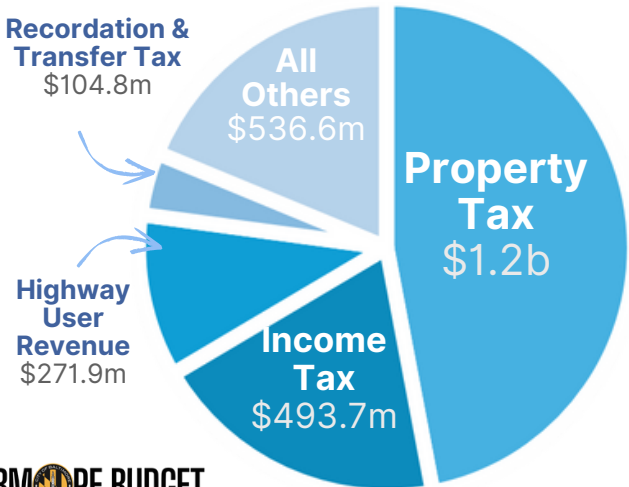
The FY2026 adopted budget is \$200.6 million, or 27.4% higher than the FY2025 adopted budget.

+27.4%



\$4.63
billion

FY26 REVENUE SOURCES



REVENUE CHANGES

Between FY25 and FY26

Property Taxes

- Growth captures reassessments for Group 1 (northern part of City and downtown). Overall assessments growing by 17.4% in Fiscal 2026.
- No change in property tax rate.

4.9%

Income Taxes

- Increase based on local and statewide labor market. Does not reflect changes in labor market since January 2025.

5.8%

Highway User Revenue (HUR)

- Growth based on 4th of 5th year increase for City allocation. In Fiscal 2025 the City will receive 12.2% of statewide highway user revenue.

15.9%

Recordation & Transfer Taxes

- Growth based on increase in home value prices.

13.8%



BALANCING THE BUDGET

The Fiscal 2026 budget balances an \$85.0 million shortfall that was driven by expenditure growth that outpaced revenue growth.

Budget Balancing Actions

REVENUE GENERATION

Targeted increases to General Fund revenue to avoid broad base tax increases

\$26.6m

OPTIMIZE CITY COSTS

To achieve savings citywide by right-sizing personnel, contractual, and equipment budgets across all city agencies

\$43.7m

AGENCY SAVINGS

To achieve savings through targeted actions to remove legacy & miscellaneous funding, eliminating long-time vacant positions, and transferring certain eligible expenses to be covered by grants

\$14.7m

\$85.0 MILLION

CITY COUNCIL AMENDMENTS

The City Council considered 3 amendments to the budget. Two amendments were adopted. these actions decreased the General Fund budget by \$240,000.

Amendment 1:

Multiple actions to transfer funds to address Council priorities.

Passed

Amendment 2:

Transfer \$112k from State’s Attorney Office to Office of Inspector General for new OIG agent.

Passed

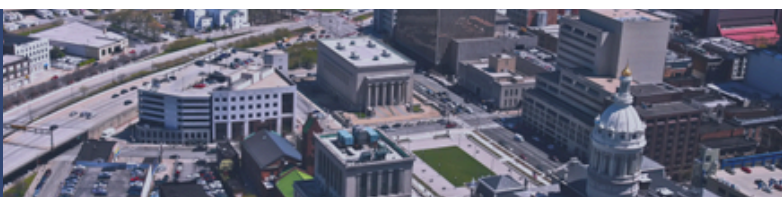
Amendment 3:

Transfer funds to Employment Dev. & eliminate use of Children & Youth fund for YouthWorks.

Did not Pass

Amendment 1 Highlights

- \$2.0m for immigrant support services
- \$750k for Zero Waste pilot
- \$2.9m for City Council grants to community-based organizations
- \$250k for new Dept. of Consumer Protection & Business Licensing



KEY FISCAL 2026 INVESTMENTS HIGHLIGHTS

Prioritizing Our Youth
\$634.4 million

- Continue the City’s increased **investment in City Schools** under the Blueprint for Maryland framework. In Fiscal 2026 the City’s overall investment in City Schools is \$504 million, 5% higher than Fiscal 2025.
- Through a partnership with the Children and Youth Fund, provide **funding for 8,500 YouthWorks slots** for summer 2025.

Building Public Safety
\$1.189 billion

- Provide recurring funding to maintain investments in the Mayor’s Office of Neighborhood Safety and Engagement **to offer Group Violence Reduction Strategy (GVRS) services citywide.**
- **Expand Emergency Medical Services (EMS)** by allocating funds for additional EMS contracted units and invest in a 911 Nurse Triage to help resolve non-acute 911 calls.

Clean & Healthy Communities
\$1.086 billion

- Invest \$5.0 million to continue **enhancing staffing levels in the Bureau of Solid Waste.** This funding will allow for shorter routes for weekly trash and recycling.
- Allocating \$36.7 million from the Opioid Restitution Fund to further **invest in the City’s response to the Opioid Epidemic.**

Equitable Neighborhood Development
\$349.6 million

- Invest in the B’more Fast initiative **to improve the City’s permit process.** The investment includes funding the newly created Permit Czar and increasing Fire Department staffing for permit review.
- Invest \$1.0 million for additional staffing **to continue scaling up the Mayor’s Vacants Initiative.**

Responsible Stewardship of City Resources
\$221.7 million

- Invest \$250,000 in the Department of Public Works and General Services **to focus on maintenance and improvements at the City’s Solid Waste Facilities.**
- Invest funding to create permanent positions **to reduce the use of external contracts** to support administrative services. This action is estimated to save \$1.5 million annually.

Capital Budget
\$933 million

- Invest \$275.6 million from General Fund sources for capital projects.
 - \$18.0 million for **homeless facilities**
 - \$94.1 million for **transportation projects** including ADA repairs, traffic signal upgrades, and road resurfacing
 - \$21.0 million **to improve the Eastside Transfer Station**

*Numbers represent the Total amount of dollars per outcome



WHERE ARE WE IN THE FY2026 BUDGET PROCESS?



HOW TO READ BUDGET PUBLICATIONS?

Preliminary Budget

- Published in April when the Mayor releases the initial budget recommendations.
- Outlines revenue estimates, budget balancing actions, and agency budget summaries.

Executive Summary

- Published in mid-May to reflect the Board of Estimates budget recommendations.
- Includes all revenue detail, economic outlook, and agency budget summaries.

Agency Detail

- Published in mid-May to reflect the Board of Estimates budget recommendations.
- Outlines detailed budget information for each agency, highlighting performance, positions, and budgetary changes on the service level.

Summary of the Adopted Budget

- Published in the summer following the final budget based on City Council actions.
- Includes revenue and agency budget summaries for the Adopted Budget.
- Includes additional community information and financial background that impacts the City's budget.

STAY ENGAGED

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Baltimore Budget



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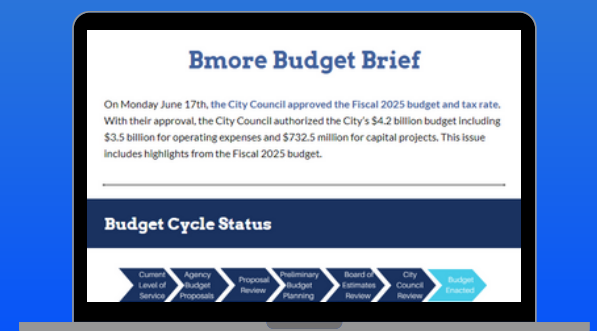


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Mayor