

**CITY OF BALTIMORE
COUNCIL BILL 09-0163R
(Resolution)**

Introduced by: President Rawlings-Blake, Councilmembers Young, Clarke, Middleton,
D'Adamo, Branch, Holton, Spector, Welch, Conaway, Kraft, Cole, Henry

Introduced and read first time: October 5, 2009

Assigned to: Budget and Appropriations Committee

REFERRED TO THE FOLLOWING AGENCIES: Department of Finance

A RESOLUTION ENTITLED

1 A COUNCIL RESOLUTION concerning

2 **Informational Hearing - The State of the Baltimore City Budget**

3 FOR the purpose of requesting the Director of Finance and the Chief of the Bureau of Budget and
4 Management Research to report to the City Council on the current state of Baltimore City's
5 budget, the state of the City's finances at the close of Fiscal 2009, the fiscal forecast for the
6 first quarter of Fiscal 2010; and the projected impact of State and local budget shortfalls on
7 the fiscal health of the City, the employment security of City personnel, and the delivery of
8 services to Baltimore City residents.

9 **Recitals**

10 In mid September 2009, the State Board of Revenue Estimates reported that Maryland faces
11 a projected budget shortfall of nearly \$2 billion next year. The shortfall, much more than had
12 been anticipated, became clear when updated projections showed a \$920 million drop from
13 previous revenue estimates, on top of the expected shortfall of more than \$1 billion. State
14 officials now predict that Maryland's economy will not begin to rebound until 6 months later
15 than originally predicted – the middle of next year.

16 The latest report exacerbates an already tough fiscal climate. State aid to Baltimore will be
17 reduced by \$35 million. This \$35 million reduction, coupled with an additional \$25 million
18 shortfall in local revenues projections, has left the City facing a revenue gap of some \$60
19 million. As a result furloughs and layoffs have already been announced as well as \$12 million
20 in cuts to City agencies and the use of \$10 million of "undesignated surplus" funds will be used
21 to fill this shortfall.

22 In order to facilitate informed and responsible legislating on behalf of the residents of
23 Baltimore City and the agencies of local government, it is imperative that the Council be given
24 an official account of projected revenues and shortfalls as well as the impact of any future cuts in
25 State aid and be kept fully informed of the state of the Baltimore City budget.

26 **NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF BALTIMORE,** That the
27 Director of Finance and the Chief of the Bureau of Budget and Management Research are
28 requested to report to the City Council on the current state of Baltimore City's budget, the state
29 of the City's finances at the close of Fiscal 2009, the fiscal forecast for the first quarter of Fiscal
30 2010; and the projected impact of State and local budget shortfalls on the fiscal health of the

EXPLANATION: Underlining indicates matter added by amendment.
~~Strike out~~ indicates matter deleted by amendment.

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1 City, the employment security of City personnel, and the delivery of services to Baltimore City
2 residents.

3 **AND BE IT FURTHER RESOLVED**, That a copy of this Resolution be sent to the Mayor, the
4 Director of Finance, the Chief of the Bureau of Budget and Management Research, and the
5 Mayor's Legislative Liaison to the City Council.