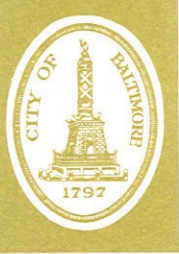


Andrew Klein

FROM	NAME & TITLE	Andrew Kleine, Chief
	AGENCY NAME & ADDRESS	Bureau of the Budget and Management Research Room 432 City Hall (410 396-4941)
	SUBJECT	City Council Bill #08-0049R – A Request for Constructive Change - Budgeting for Outcomes

CITY of
BALTIMORE
MEMO



TO

The Honorable President and
Members of the City Council
Room 400, City Hall

DATE: July 31, 2008

Attention: Ms. Karen Randle

The resolution calls on the Director of Finance to present to the Mayor and City Council a proposal to redefine the budget process in Baltimore City as a system of outcome-based budgeting that accurately reflects the priorities of City residents whose tax dollars pay for City services.

The Finance Department welcomes the City Council's support for outcome-based budgeting. Mayor Dixon has already directed the department to transition to outcome-based budgeting, and the Council will see the initial phase of that transition in the FY 2010 budget presentation. The department would be pleased to brief the Council on the outcome budgeting program and does not see the need for the resolution to include a reporting requirement.

This summer, the Health and Recreation and Parks departments are participating in an outcome budgeting pilot project. Using the City of Dallas budget as a model, these departments are defining their services in a way that citizens can understand and showing the relationship between dollars spent and measurable performance for each service. The remaining large agencies will be asked to do the same during this fall's FY 2010 budget build, and the information will be compiled into a new budget book that is organized by the Mayor's objectives. This book will complement the traditional budget presentation and give taxpayers a better understanding of how their money is used.

In addition to the pilot project, the Administration is developing high-level outcome measures for each of the Mayor's objectives:

- Make Baltimore a safe and healthier City
- Make Baltimore a cleaner and greener City
- Increase educational, cultural and recreational opportunities for children
- Strengthen Baltimore's economy by increasing the tax base, jobs and minority business opportunities
- Create stable and healthy neighborhoods
- Manage City government efficiently and effectively



Comments

The ideal budget process establishes measurable long-term outcome goals and identifies the mix of programs and activities that most cost-effectively achieves those goals. The Finance Department is laying the groundwork for such a process and looks forward to working with the Council on this important endeavor.

cc: Edward J. Gallagher
Angela Gibson

Visit Our Website @ www.baltimorecity.gov