

FISCAL 2026



**PRELIMINARY
BUDGET PLAN**

Revenue Overview
April 2025



General Fund Revenue Summary



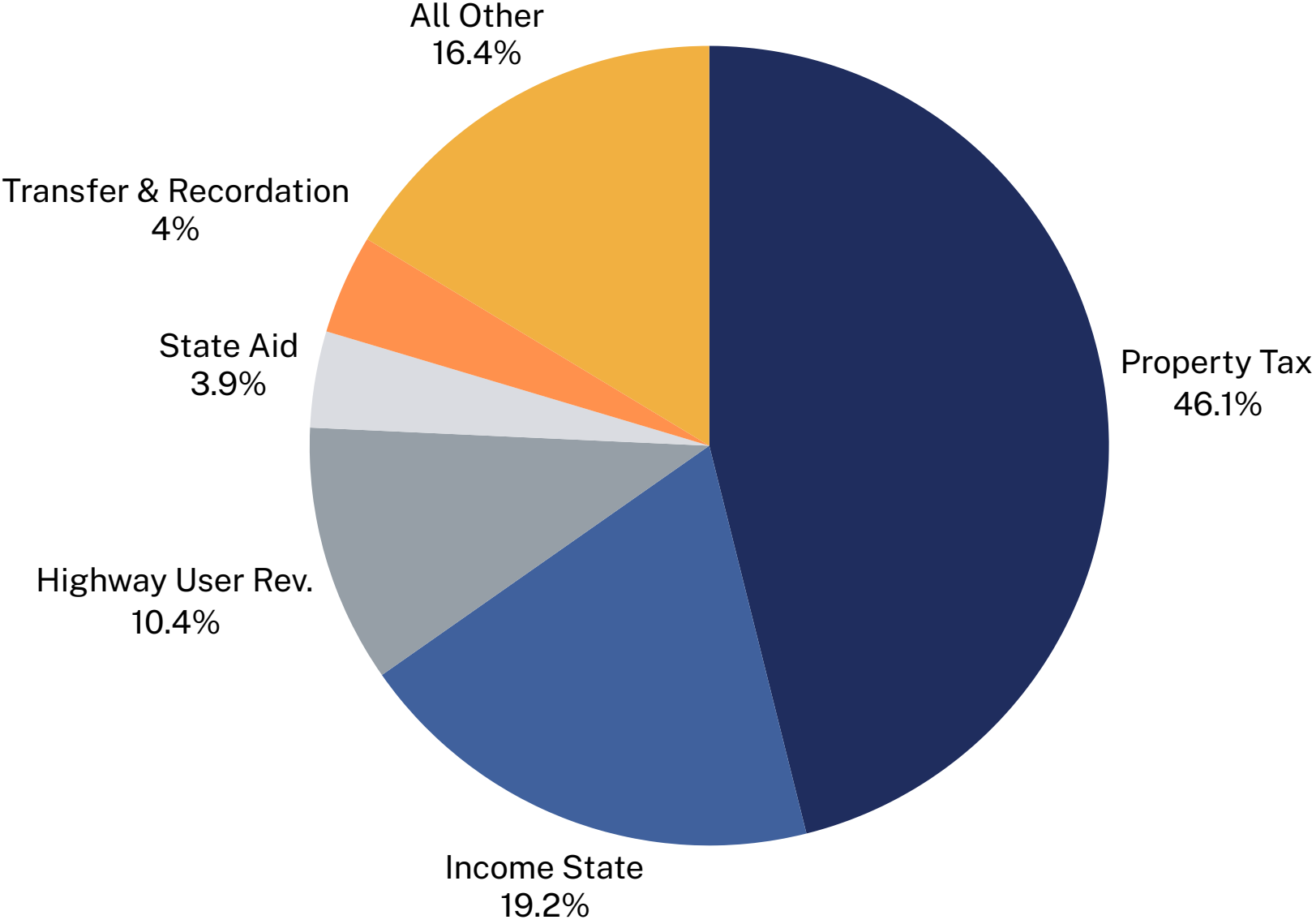
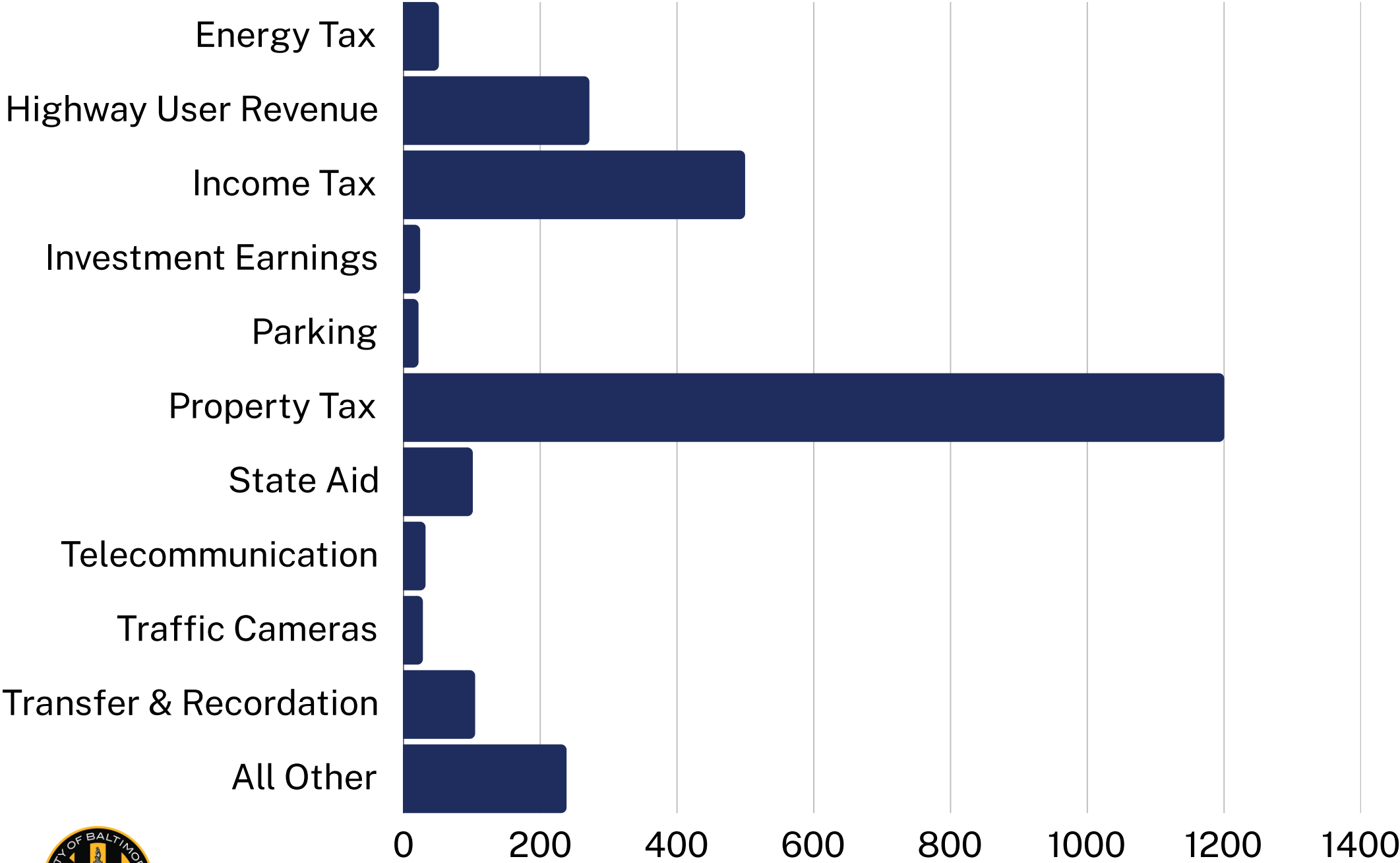
Brandon M. Scott
Mayor

BM  RE BUDGET

Where the Money Comes From

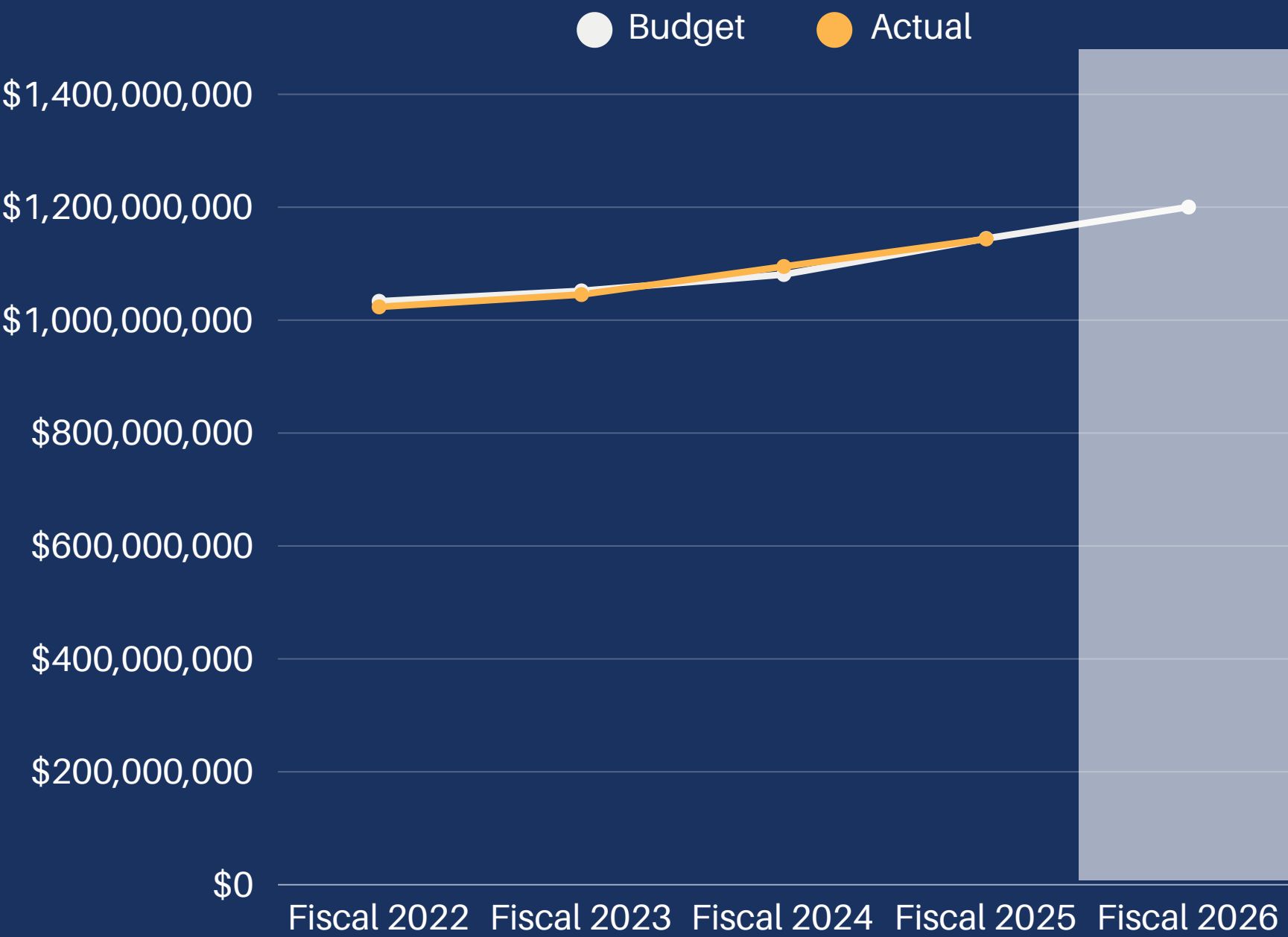
Total General Fund Budget= **\$2.6 Billion**

General Fund Budget by Source



Brandon M. Scott
Mayor

Property Tax



Key Stats

Share of Total General Fund	46.1%
\$ Change from Fiscal 2025	+\$55.8 Million
% Change from Fiscal 2025	+4.9%
Rate (Real Property)	Owner-Occupied: \$2.048 All Other: \$2.248

Summary of Major Changes

- Fiscal 2026 captures reassessments in Group 1. Overall triennial assessment growth=17.4%.
 - Residential: 21.0%
 - Commercial: 11.0%
- Real property tax revenue projected to increase by 6.0% in Fiscal 2026; personal property taxes projected to grow by 2.1%.

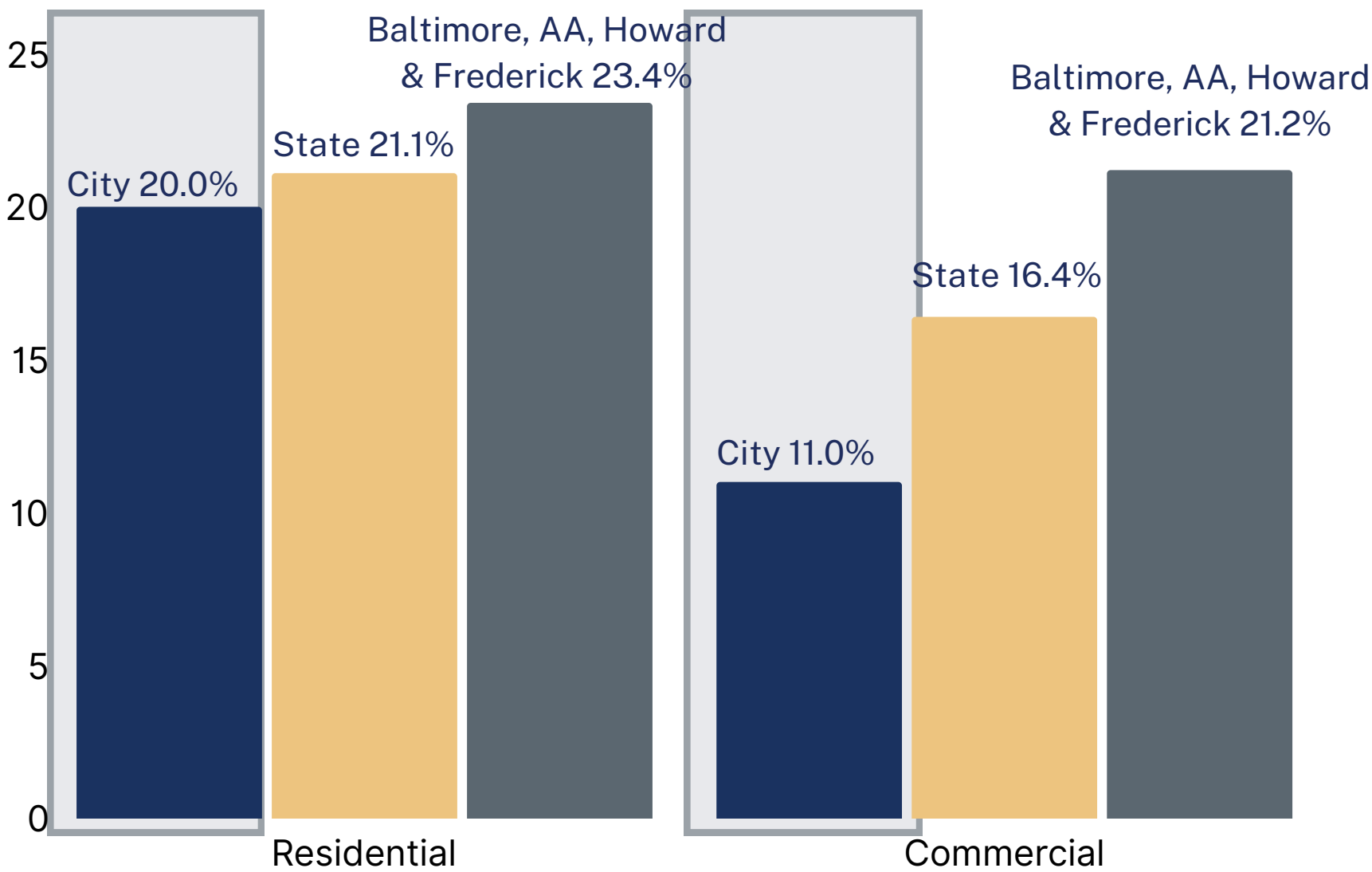


Statewide Assessment Increases

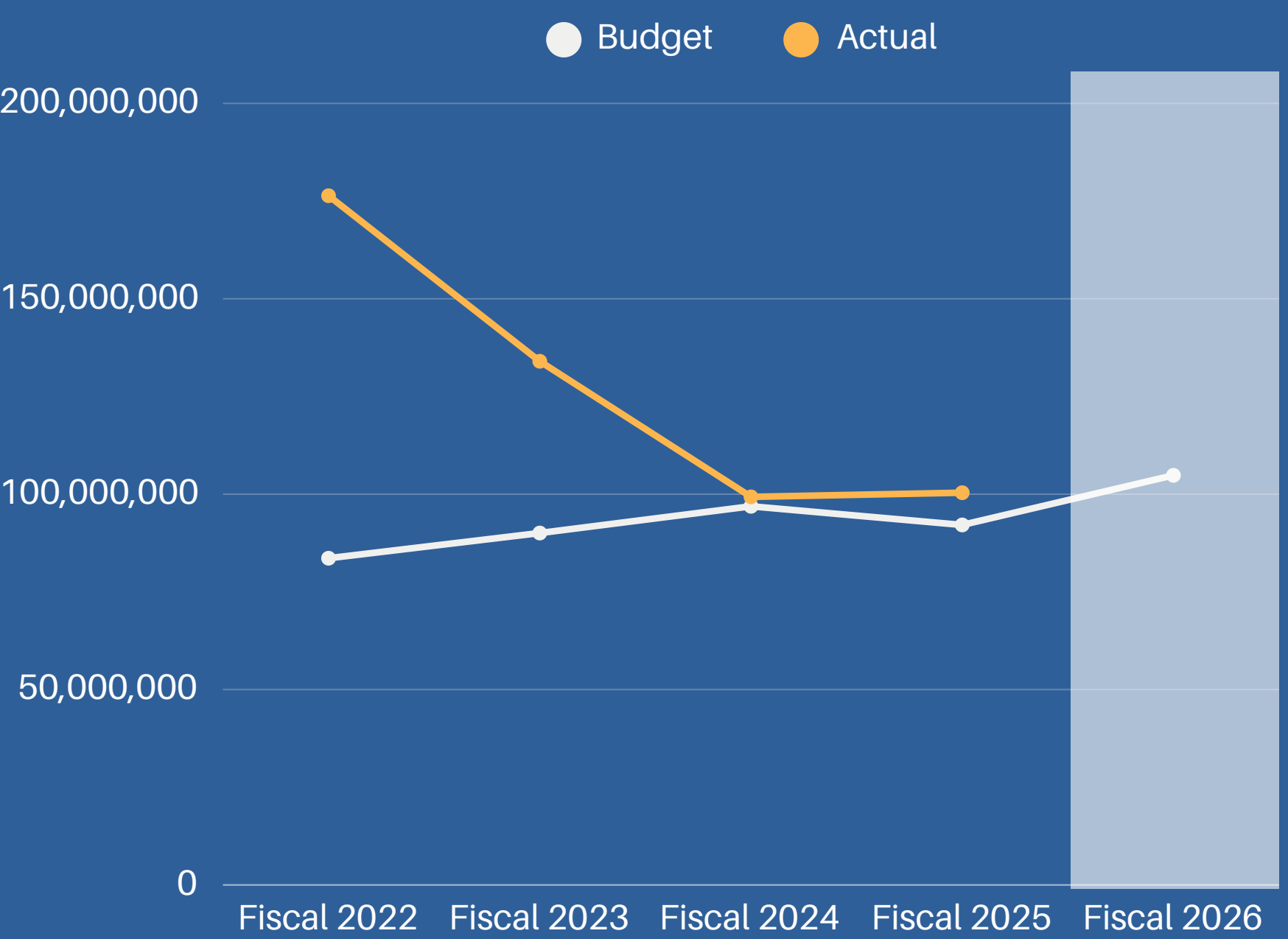
Fiscal Year	Assessment Group	% Increase
Fiscal 2016	Group 3	9.6%
Fiscal 2017	Group 1	10.9%
Fiscal 2018	Group 2	6.2%
Fiscal 2019	Group 3	3.6%
Fiscal 2020	Group 1	8.4%
Fiscal 2021	Group 2	9.1%
Fiscal 2022	Group 3	4.1%
Fiscal 2023	Group 1	6.6%
Fiscal 2024	Group 2	21.6%
Fiscal 2025	Group 3	17.9%
Fiscal 2026	Group 1	17.4%

- Fiscal 2026 is the 12th consecutive year of assessment increases.
- In this round of assessments, Baltimore City had the lowest in the State and below the statewide average increase (+20.1%)

Statewide Assessment Growth



Transfer & Recordation Taxes



Key Stats

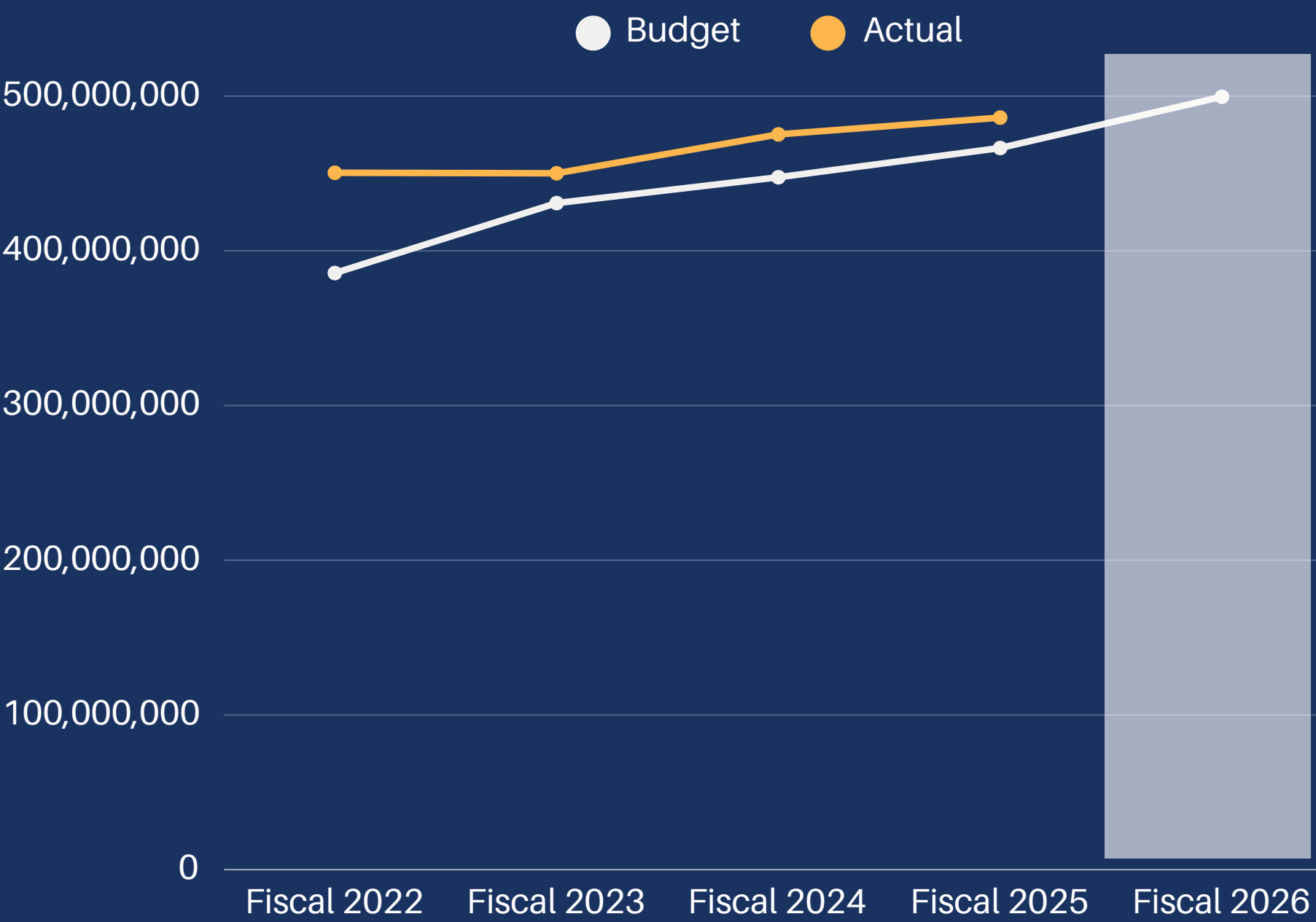
Share of Total General Fund	4.03%
\$ Change from Fiscal 2025	+\$12.7 Million
% Change from Fiscal 2025	+13.8%
Rate	Based on Consideration Value: Transfer: 1.5% Recordation: 1.0%

Summary of Major Changes

- The projection reflects the increase in average prices and activity in 2025, the budget assumes a steady increase in the average consideration value City properties.
 - 2023 Average Home Price: \$253k
 - 2024 Average Home Price: \$265k

Data based on July-Dec

Income Tax



Key Stats

Share of Total General Fund	19.2%
\$ Change from Fiscal 2025	+\$33.1 Million
% Change from Fiscal 2025	+7.1%
Rate	3.2%

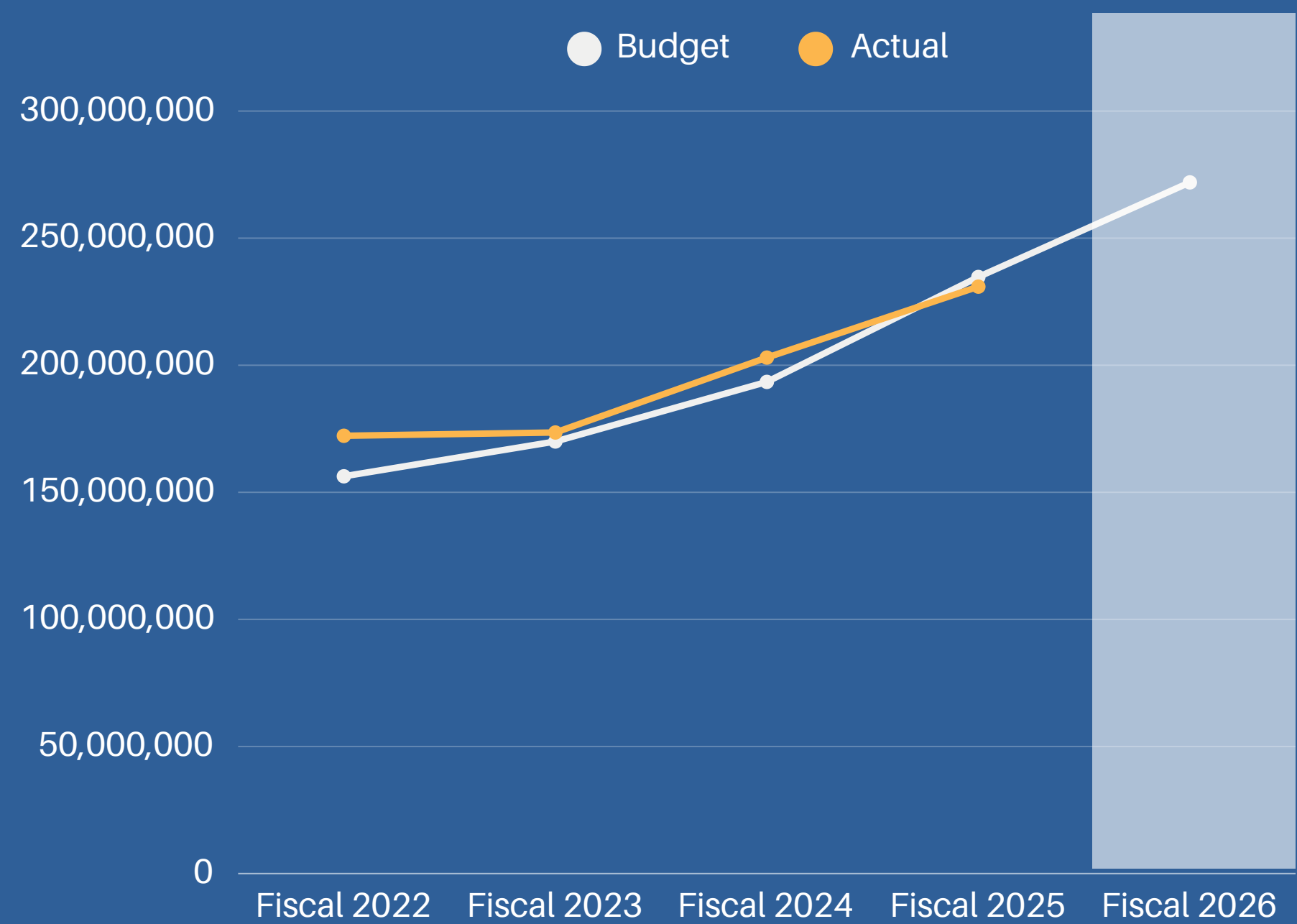
Summary of Major Changes

- In 2023 (most recent tax year) the City saw a decline of 194 in the number of filers; but an overall increase in the average income of City filers.
- The average unemployment rate increased from 2.8% in calendar year 2023 to 4.1% in calendar year 2024.
- Projection does not reflect changes in labor market due to federal layoffs or changes to income tax brackets & deductions (State Budget changes).



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Highway User Revenue



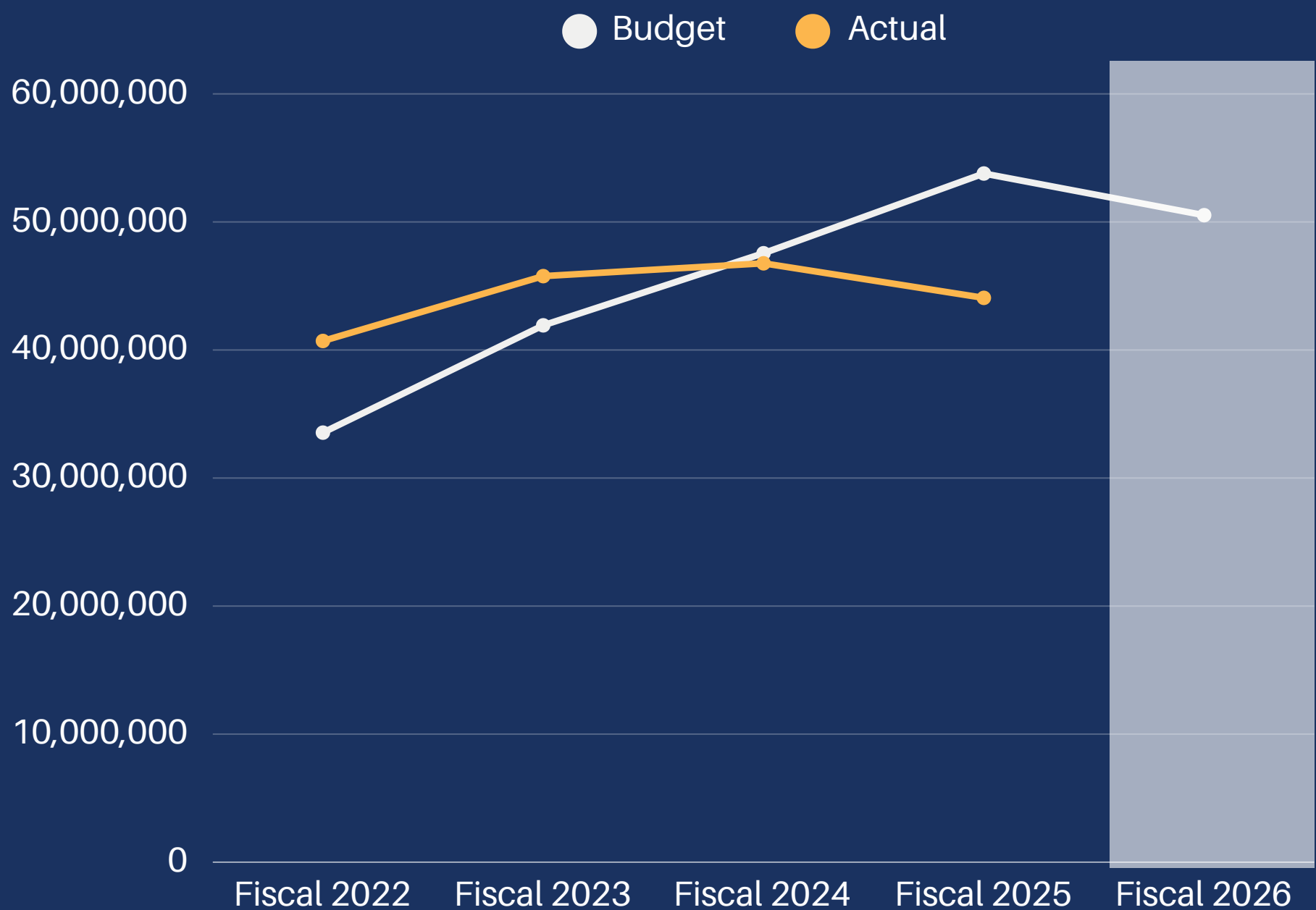
Key Stats

Share of Total General Fund	10.4%
\$ Change from Fiscal 2025	+\$37.2 Million
% Change from Fiscal 2025	+15.9%
Rate	12.2% of Statewide Collections

Summary of Major Changes

- Fiscal 2026 is the 4th year in the 5-year increased HUR allocation to the City; projected revenue increase attributed to higher allocation.
- Current Statewide HUR collections are down based on declines in fuel tax (-10.7%) and vehicle registration fees (-12.1%).
- 35% of HUR revenue will be dedicated to DOT capital projects.

Parking & Tourism Revenue



Key Stats

Share of Total General Fund	1.9%
\$ Change from Fiscal 2025	-\$3.3 Million
% Change from Fiscal 2025	-6.1%

Summary of Major Changes

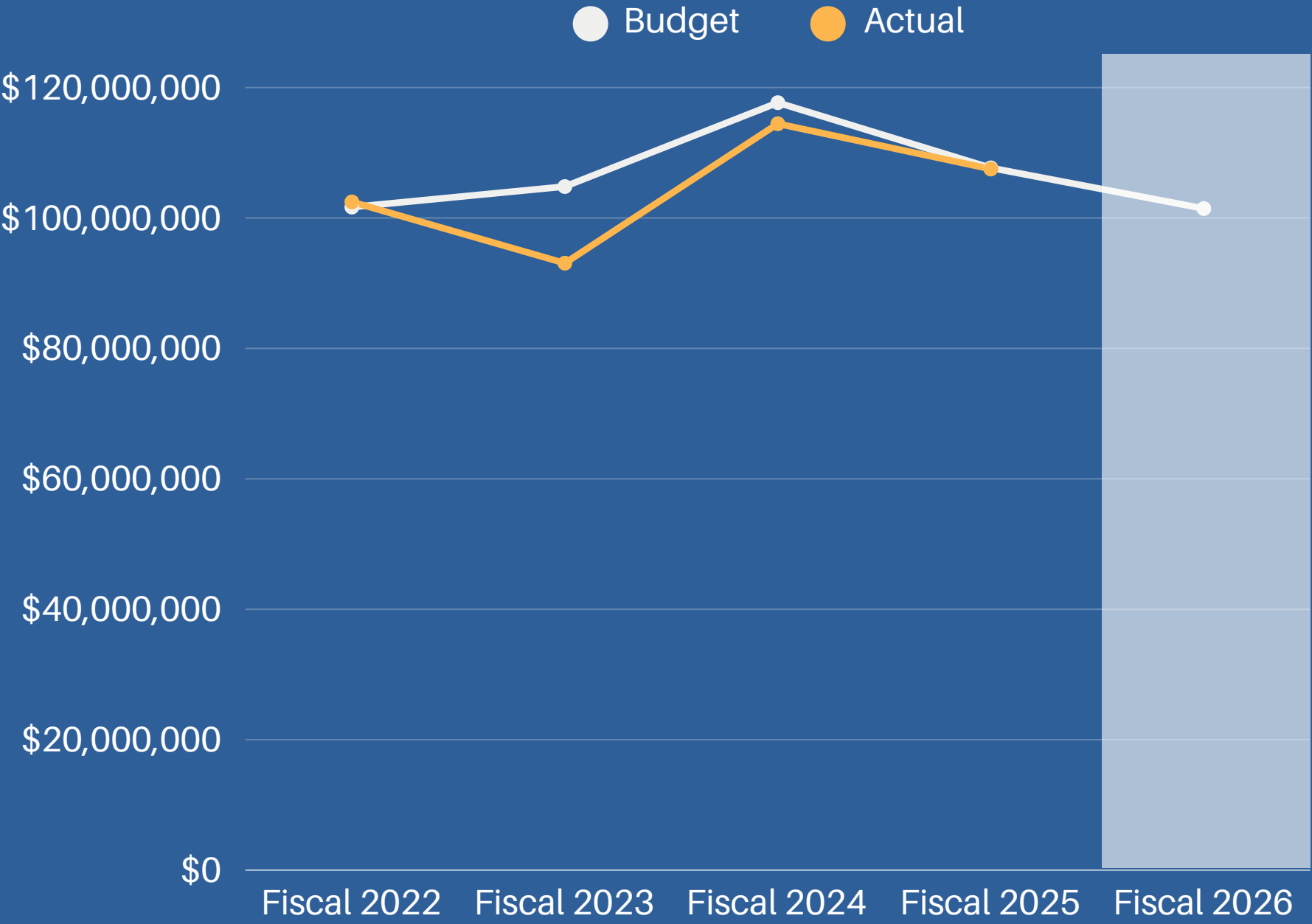
Parking

- The Fiscal 2025 budget assumed \$6.2 million from a series of new initiatives. Actual revenue is estimated to be \$1.7 lower than FY25 budget estimates.
 - Decline in parking and meter citations.
 - Actual revenue from reinstating late fees is lower than budget projections.

Hotel Taxes

- In 2024 demand was up by 5%; average nightly room rates up by 12%.

State Aid



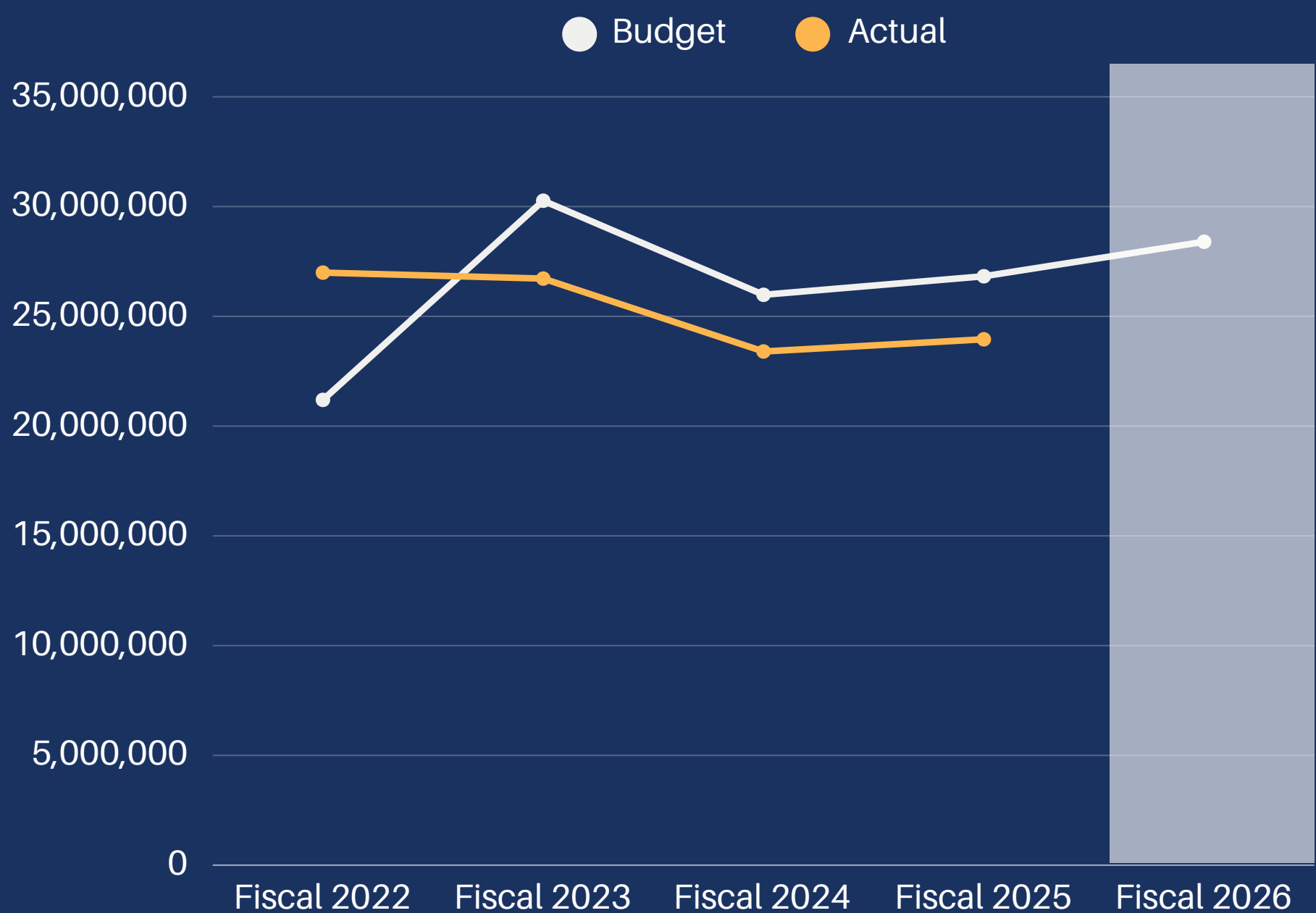
Key Stats

Share of Total General Fund	3.9%
\$ Change from Fiscal 2025	-\$6.2 Million
% Change from Fiscal 2025	-5.8%

Summary of Major Changes

- Income Disparity Grant: No Change
 - Consistent with FY25; max allowed under program
- Teacher Retirement Supplemental Grant: -\$5.0 Million
 - 50% reduction as part of budget actions
- Local Health Operations: +\$1.6 Million
 - The increase is part of the Governor’s proposed budget
- Library Aid: -\$2.8 Million
 - Reduction based on adjusted allocation to the City.
- War Memorial: -\$5,000
 - Consistent with Fiscal 2026

Traffic Cameras



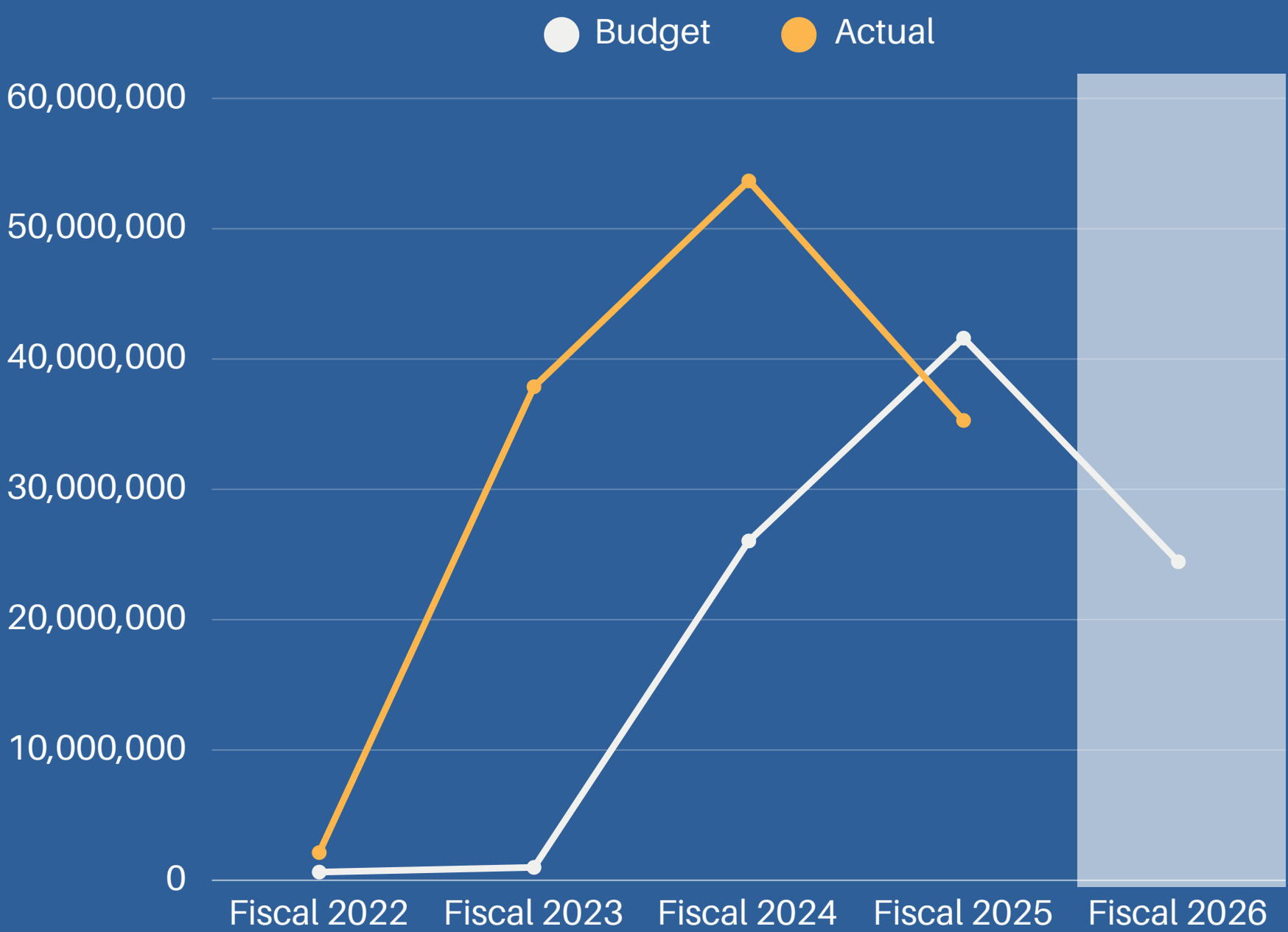
Key Stats

Share of Total General Fund	1.2%
\$ Change from Fiscal 2025	+\$1.6 Million
% Change from Fiscal 2025	+5.9%

Summary of Major Changes

- This revenue includes the City’s network of redlight and speed cameras (not including I-83).
- Budget increase based on:
 - Annualizing revenue from new red-light cameras late deployed in Fiscal 2025
 - Deploying 6 new speed and red-light cameras
 - Relocation of up to 60 speed cameras in Fiscal 2026

Investment Earnings



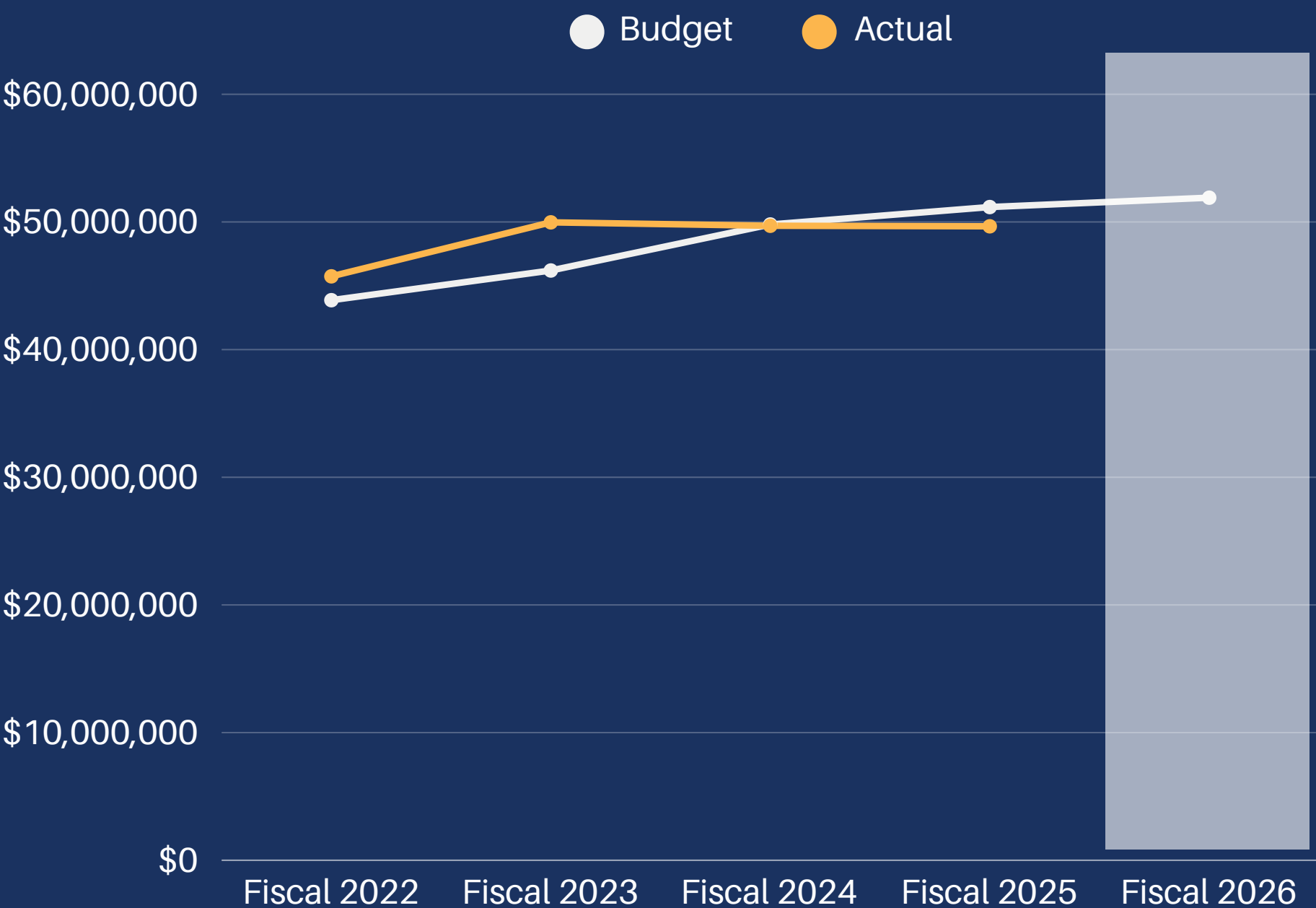
Key Stats

Share of Total General Fund	1.0%
\$ Change from Fiscal 2025	-\$17.2 Million
% Change from Fiscal 2025	-41.3%

Summary of Major Changes

- The projection reflects the anticipated reduction of the average interest rates from 4.4% in Fiscal 2025 to 3.9% in Fiscal 2026.
- The projection reflects a decline in cash on hand balances attributed to the planned ARPA spend down.

Energy Taxes



Key Stats

Share of Total General Fund	1.4%
\$ Change from Fiscal 2025	+\$700K
% Change from Fiscal 2025	+1.9%

Summary of Major Changes

- The budget is relatively flat year over year.
- Projected increase reflects the annual inflationary increase guided by Article 28, Section 25-14 of the City’s Code.
- Projection assumes no major changes to consumption levels.



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Fiscal 2026: New Revenue Proposals

Total Recommended=\$26.6 Million

Action	Description	Est. Revenue
Landfill Tipping Fees	Increase landfill tipping fees to \$135/ton bringing the City’s fees in line with neighboring jurisdictions.	\$8.9 Million
EMS Transport Fee	20% increase to EMS fee for non-Medicaid transports.	\$5.5 Million
Citywide Fine & Fee Increase	Fees: Use recommendations from comprehensive fee study (currently underway) to increase outdated fees to reflect current costs. Fines: Targeted increase to fine amounts for nuisance behaviors impacting quality of life for residents & businesses.	\$6.5 Million
Traffic Cameras	Redeploy traffic cameras and realize revenue from new cameras deployed in Fiscal 2026.	\$3.4 Million
Taxi Tax	Increase taxi tax from \$0.25/ride to \$0.38/ride.	\$1.95 Million
Grocery Bag Tax	Change revenue split from 4 cents/1 cent to 50/50.	\$0.24 Million

Citywide Fines

Share of General Fund=1.5%

Projected Increase=\$4.5 Million

- The City has an inventory of more than 2,000 license fees required upon transaction or annual renewal basis.
- The last time the City pursued a comprehensive fee update was in 2008. Even though many have been subject to adjustments, an update is required to bring charges at, or close to, current service recovery cost levels.
- The proposal is to move forward with targeted license fees by services, prioritizing:
 - Housing Code enforcement
 - Business Licenses
 - Rental Registrations
 - Transportation and parking related charges
 - Boarding and Cleaning Charges
- Work on the citywide fee study is underway; anticipated to be completed this summer.



Citywide Fines

Share of General Fund=1.4%

Projected Increase=\$2.0 Million

- The City has a large inventory fines and penalties that have not been adjusted to reflect current level of service provision.
- Many fines have not been increased in recent history or since the fine was put in place.
- Prioritized Fines:
 - Environmental & sanitation violations
 - Parking enforcement related fines and penalties
 - Transportation related fines and penalties (i.e. towing fines & storage fees)





Discussion