City of Annapolis

Signature Copy

O-8-26

Annual Budget and Appropriation and Property Tax Levy - For the purpose of adopting the City Budget, comprising the Annual Operating Budget for the fiscal year ending June 30, 2027, the Capital Budget for the fiscal year ending June 30, 2027, the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032; appropriating funds for all expenditures for the fiscal year beginning July 1, 2026, and ending June 30, 2027; levying and imposing a property tax for the use of the City of Annapolis for the taxable year beginning July 1, 2026 and ending June 30, 2027; and fixing the rate of the City property tax for the taxable year.

CITY COUNCIL OF THE

City of Annapolis

Ordinance 8-26

Introduced by: Mayor Littmann

Referred to
Planning Commission
Finance Committee
Financial Advisory Commission

AN ORDINANCE concerning

Annual Budget and Appropriation and Property Tax Levy

FOR the purpose of adopting the City Budget, comprising the Annual Operating Budget for the fiscal year ending June 30, 2027, the Capital Budget for the fiscal year ending June 30, 2027, the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032; appropriating funds for all expenditures for the fiscal year beginning July 1, 2026 and ending June 30, 2027; levying and imposing a property tax for the use of the City of Annapolis for the taxable year beginning July 1, 2026, and ending June 30, 2027; and fixing the rate of the City property tax for the taxable year.

SECTION 1: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~125,233,400~~ 125,536,950 are appropriated for the General Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix A to this ordinance.

SECTION 2: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $200,000 are appropriated for the Arts in Public Places Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	$	200,000

SECTION 3: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $266,600 are appropriated for the Community Development Block Grant during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	$	266,600

SECTION 4: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $5,170,085 are appropriated for the Grant Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix B to this ordinance.

SECTION 5: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $345,000 are appropriated for the Forfeiture and Asset Seizure Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	$	213,000
b.	Supplies and Other Costs	$	82,000
c.	Capital Outlay	$	50,000

SECTION 6: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $325,000 are appropriated for the Sprinkler Assistance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	$	325,000

SECTION 7: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $333,300 are appropriated for the Sustainable Mobility Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:
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A.	Supplies and Other Costs	$	25,800
B.	Interfund Transfers	$	307,500

SECTION 8: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $450,000 are appropriated for the Reforestation Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	$	450,000

SECTION 9: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $67,000 are appropriated for the Public, Educational, Governmental (PEG) Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Supplies and Other Costs	$	65,600
b.	Interfund Transfers	$	1,400

SECTION 10: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $543,700 are appropriated for the Affordable Housing Assistance Trust Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	$	543,700

SECTION 11: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $152,800 are appropriated for the Opioid Restitution Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	104,700
b.	Contractual Services	$	26,600
c.	Supplies and Other Costs	$	21,500

SECTION 12: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $11,054,000 are appropriated for the Sewer Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	1,778,600
b.	Contractual Services	$	5,812,200
c.	Supplies and Other Costs	$	75,600
d.	Debt Service	$	1,429,000
e.	Interfund Transfers	$	1,958,600

SECTION 13: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $12,217,000 are appropriated for the Water Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	3,355,000
b.	Contractual Services	$	1,215,300
c.	Supplies and Other Costs	$	450,700
d.	Debt Service	$	3,991,000
e.	Interfund Transfers	$	3,205,000

SECTION 14: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~11,013,000~~ 11,113,000 are appropriated for the Off-Street Parking Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	88,200
b.	Contractual Services	$	2,921,600
c.	Supplies and Other Costs	$	32,600
d.	Debt Service	$	2,706,000
e.	Interfund Transfers	$	~~5,264,600~~ 5,364,600

SECTION 15: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~7,108,200~~ 7,293,200 are appropriated for the Transportation Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	4,953,400
b.	Contractual Services	$	~~269,300~~ 396,300
c.	Supplies and Other Costs	$	~~389,700~~ 474,700
d.	Debt Service	$	23,700
e	Interfund Transfers	$	1,472,100

SECTION 16: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~2,830,400~~ 3,098,700 are appropriated for the Watershed Restoration Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	~~1,179,000~~ 1,337,300
b.	Contractual Services	$	~~843,650~~ 953,650
c.	Supplies and Other Costs	$	79,800
d.	Debt Service	$	383,450
e.	Interfund Transfers	$	344,500

Explanation Note: ~~Strikethrough~~ indicates matter stricken from existing law.
Underlining & red indicate a change to the ordinance.

SECTION 17: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $4,691,600 are appropriated for the Refuse Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	512,500
b.	Contractual Services	$	2,560,500
c.	Supplies and Other Costs	$	1,080,100
d.	Debt Service	$	46,900
e.	Interfund Transfers	$	491,600

SECTION 18: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $3,833,000 are appropriated for the Self Insurance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	100,000
b.	Contractual Services	$	167,000
c.	Supplies and Other Costs	$	3,566,000

SECTION 19: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $14,457,100 are appropriated for the Health Insurance Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Contractual Services	$	50,000
b.	Supplies and Other Costs	$	14,407,100

SECTION 20: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $1,681,850 are appropriated for the Fleet Replacement Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Capital Outlay	$	916,450
b.	Debt Service	$	765,400

SECTION 21: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~2,923,400~~ 2,923,400 are appropriated for the Fleet Operations Fund during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the following purposes:

a.	Salaries and Benefits	$	1,071,900
b.	Contractual Services	$	~~840,400~~ 817,900
c.	Supplies and Other Costs	$	~~966,900~~ 989,400

Explanation Note: ~~Strikethrough~~ indicates matter stricken from existing law.
Underlining & red indicate a change to the ordinance.

d. Interfund Transfers $ 44,200

SECTION 22: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the anticipated revenues and appropriated fund balances are shown in Appendix C to satisfy the requirements set forth in 6.16.010 of the Code to include estimates of anticipated revenues in the operating budget adopted by the City Council for the fiscal year beginning July 1, 2026, and ending June 30, 2027.

SECTION 23: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds for expenditures for the Capital Projects hereinafter specified are appropriated for the Capital Budget during the fiscal year beginning July 1, 2026, and ending June 30, 2027.

1	AMOS GARRETT & WEST ST ACTIVATED CROSSWALK	$86,750
2	Annapolis Walk Park Improvements	$210,000
3	APD Restroom Remodel	$840,000
4	Bay Ridge Avenue Bikeways	$3,528
5	BYWATER ROAD RESILIENCE	$50,000
6	Carr's/Elktonia/Moore's Beach Park	$210,000
7	Cedar Park Sidewalks	$105,000
8	Chesapeake Children's Museum Improvements	$210,000
9	City Dock Resilience and Revitalization	$16,099,356
10	City Facility Improvements	$735,000
11	City Facility Roof Replacements	~~$1,050,000~~ 1,050,000
12	City Facility Security Upgrades	$189,000
13	City Harbor Flood Mitigation	$1,443,169
14	City Offices Space Planning	$310,000
15	Downtown Circulation Improvement	$262,500
16	Eastport Choice Neighborhood Initiative	$500,000
17	Eastport Flood Mitigation	$840,000
18	Facility Generators	$630,000
19	Facility HVAC Controls	$1,050,000
20	Farragut Road Sidewalk - Schley Road to Cedar Park Road	$84,000
21	Fire Department Engine Bay Floors	$200,000
22	Fire Station Restrooms - Taylor Ave	$73,500
23	Fire Stations - Complete Remodel/Rebuild of All 3	~~$2,000,000~~ $300,000
24	Fitness Equipment Replacement	$52,500
25	General Roadways	~~$1,417,500~~ $1,617,500
26	General Sidewalks	~~$201,600~~ $351,600
27	General Sidewalks - Brick	~~$378,000~~ $503,000
28	General Striping and Marking	~~$262,500~~ $387,500
29	Howard Dignan Aly	$262,500
30	Moyer Park Sidewalk Enhancements	$5,859
31	Newman Street Playground Replacement	$36,750

32	Northwest Street Park	~~$50,000~~ $50,000
33	POPLAR AVENUE SAFETY & INFRASTRUCTURE	$125,000
34	Public Mooring Replacement	$52,500
35	Robert Eades Park	$52,500
36	S. Southwood Sidewalk and Stormwater Management	$525,000
37	Spa Road Sidewalk - Forest Drive to Hilltop Lane	$6,930
38	Standard Specifications and Construction Details	$210,000
39	Taylor Avenue Traffic Improvements	$105,000
40	TRAFFIC SAFETY IMPROVEMENTS	$150,000
41	Traffic Signal or Circle and Safety Improvements on Hilltop Lane	$25,000
42	Traffic Signal Rehabilitation and Replacement with Circles	$52,500
43	Tucker Street Boat Ramp	$8,932
44	TURNER PARK	$50,000
45	WARD 3 TENNIS COURT	$30,000
46	Waterway Improvement Project - 4th Street	$219,345
47	Waterway Improvement Project - 6th Street	$4,397
48	Waterway Improvement Project - Amos Garrett Blvd	$63,000
49	Waterway Improvement Project - Burnside Street	$78,750
50	Waterway Improvement Project - Cheston Ave	$104,205
51	Waterway Improvement Project - Conduit Street	$157,500
52	Waterway Improvement Project - Shipwright Street	$84,000
53	Waterway Improvement Project - Thompson Street	$84,000
54	Wells Cove	$52,500
55	West East Express Bikeway	$13,792
56	Gotts Garage Improvements	$1,466,588
57	Gorilla Posts for Parking	$157,500
58	Knighton Garage Elevator Replacement	$540,750
59	Knighton Garage Improv	$525,000
60	Parking Access Control Management System	$12,500
61	Parking Garage and Lot Improvements	$105,000
62	Park Place Garage Improvements	$525,000
63	WIFI Garages	$157,500
64	Bus Shelter Rehabilitation	$78,750
65	Sewer Rehabilitation	$2,900,000
66	Water Distribution Rehabilitation	$4,500,000
67	Merryman Stream Restoration	$892,500
68	Stormwater MS4 Permit Compliance	$1,042,833

SECTION 24: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the appropriations approved in the Capital Budgets for all prior fiscal years are amended by reduction of the following appropriations in the projects:

1. Reduce the $732,610 appropriation for Acton Cove Waterfront Park by $360,570.
2. Reduce the $661,053 appropriation for Bay Ridge Avenue Sidewalk by $404,250.
3. Reduce the $330,173 appropriation for Burtis House by $330,173.

Explanation Note: ~~Strikethrough~~ indicates matter stricken from existing law.
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4. Reduce the $571,200 appropriation for Citywide Public Water Access Improvements $413,500.
5. Reduce the $3,572,125 appropriation for College Creek Connector Trail $3,014,175.
6. Reduce the $525,000 appropriation for Complete Streets Supplemental Funding by $525,000.
7. Reduce the $3,859,016 appropriation for Connecting Communities by $1,181,250.
8. Reduce the $112,560 appropriation for Duke of Gloucester Floating Pier by $93,045.
9. Reduce the $2,061,039 appropriation for the Electric Annapolis Mobility Plan by $1,671,282.
10. Reduce the $359,700 appropriation for General Existing Waterfront Access Infrastructure by ~~$109,562~~ $9,562.
11. Reduce the $63,000 appropriation for Gibraltar Avenue by $63,000.
12. Reduce the $2,835,000 appropriation for Griscom, Collison, & Weems Whelan Ballfields by $735,000.
13. Reduce the $4,254,870 appropriation for Hawkins Cove by ~~$2,335,364~~ $2,257,451.
14. Reduce the $770,280 appropriation for Hilltop Lane Hiker/Biker Connection by $70,280.
15. Reduce the $116,550 appropriation for Russell Street by $116,550.
16. Reduce the $1,307,500 appropriation for Spa Road Environmental Remediation (formerly, Weems-Whelan Field) by $150,000.
17. Reduce the $4,453,000 appropriation for Stanton Center Renovations by $2,646,000.
~~18. Reduce the $372,750 appropriation for Traffic Safety Improvements by $125,000.~~
19. Reduce the $678,950 appropriation for Truxtun Park Improvements by $9,390.
20. Reduce the $945,000 appropriation for Truxtun Park Road Parking Improvement by $525,000.
21. Reduce the $460,100 appropriation for Upgrade City Coordinate System by $150,000.
22. Reduce the $283,500 appropriation for Waterworks Buildings and Parking Improvements by $230,580.
23. Reduce the $1,879,500 appropriation for Transportation Charging Infrastructure by $525,000.
24. Reduce the $750,000 appropriation for Hilltop Culvert Replacement by $415,918.

SECTION 25: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Capital Improvement Program for the fiscal years ending June 30, 2028, June 30, 2029, June 30, 2030, June 30, 2031, and June 30, 2032 as described in the Appendix D is approved as constituting the plan of the City to receive and expend funds for capital projects.

SECTION 26: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that funds in the amount of $~~375,000~~ $377,200 are appropriated for operating and/or capital grants to non-profit organizations under the City of Annapolis Community Grant Program in accordance with 6.16.060 of the City Code during the fiscal year beginning July 1, 2026, and ending June 30, 2027, for the purposes listed in Appendix E to this ordinance.

SECTION 27: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the City Council hereby approves the acceptance of gifts, grants, and contributions to support appropriations in this Ordinance and those shown as funding sources in the Capital Budget and Capital Improvement Program approved by this Ordinance; that the Director of Finance has the authority to lower a grant appropriation to match the amount of the grant available; that it recognizes that the City possesses legal authority to apply for the grant; that it authorizes the filing of grant applications, including all understandings and assurances contained therein; that it directs and authorizes the Mayor or the Mayor's designee to act in connection with the application and to provide such additional information as may be required by the application or the grantor. This ordinance re-appropriates or appropriates revenue received from non-City sources for programs funded in whole or in part from those non-City sources, together with matching City funds, if any; and to the extent that the program period approved by the non-City source requires more than one fiscal year to complete the grant program, under the terms of receipt of the non-City revenues.

SECTION 28: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that a City property tax rate for the taxable year beginning July 1, 2026, and ending June 30, 2027, is hereby levied and imposed on all assessments, persons, or property subject to ordinary taxation in the City of Annapolis, and that the rate of taxation for such taxable year is hereby fixed at $0.7380 on each $100 of full assessed value of real property, and $1.94 on each $100 of the full assessed value of personal property located within the corporate limits of the City of Annapolis.

SECTION 29: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that it shall be the duty of the Director of Finance of the City of Annapolis to collect the sums set apart for the several funds, to keep separate receipts and amounts thereof, to deposit the same to the credit of funds as required by the several Acts and Ordinances relating to and providing for the several bonds issued, and to receive on account thereof only current money and legal tender of the United States.

SECTION 30: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that taxes levied by this Ordinance remaining unpaid on October 1, 2026, except for taxpayers who elect to make a partial payment before October 1 with the balance due later as allowed by State law, shall be overdue, and from and after that date shall bear interest, to be collected with said taxes, at the rate of one and one-half percent (1.5%) per month until paid.

SECTION 31: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the City budget for the fiscal year beginning July 1, 2026, and ending June 30, 2027, as adopted by this ordinance, shall take effect on July 1, 2026.

ADOPTED this 8th day of June 2026.

Aye: 9 Mayor Littmann, Alderman Huntley, Alderwoman O'Neill, Alderman Smith-Brown, Alderwoman Allsup-Johnson, Alderman Schandelmeier, Alderwoman Contee, Alderman Savidge and Alderman Thorp

THE ANNAPOLIS CITY COUNCIL____________________ Date: 6/23/2026
Jared Littmann, Mayor

ATTEST____________________ Date: 6/23/26
Regina Watkins-Eldridge, MMC, City Clerk