

FY23 RECOMMENDED BUDGET OVERVIEW

*Office of Budget Management
April 25, 2022*



City of Boston
Mayor's Office



City of Boston
Budget

BUDGET ENGAGEMENT



BOSTON, LET'S BUDGET TOGETHER

Want to help inform how Boston's annual budget resources are allocated?

To participate, you can fill out our **survey**, call **311**, attend our **Budget Listening Tour** (below), or visit boston.gov/budget to learn more.

SURVEY:
bit.ly/3myTOLG



MAYOR'S BUDGET LISTENING TOUR

Learn about the budget process and share your thoughts at one of the virtual sessions below. Register at boston.gov/budget.

Tuesday, February 15, 6 - 7 p.m. | Districts 5, 6, 8

Interpretation will be provided in Cantonese, Haitian Creole, Mandarin, and Spanish.

Saturday, February 19, 1 - 2 p.m. | Districts 1, 3, 4

Interpretation will be provided in Cabo Verdean Creole, Haitian Creole, Spanish, and Vietnamese.

Wednesday, February 23, 6 - 7 p.m. | Districts 2, 7, 9

Interpretation will be provided in Cantonese, Cabo Verdean Creole, Haitian Creole, Mandarin, and Spanish.

Friday, February 25, 10 - 11 a.m. | Councilors-At-Large

Translation and/or interpretation services can be requested upon registration. CART will be provided on February 15, 19, and 23.



City of Boston
Mayor Michelle Wu



City Council



Budget



Neighborhood Services

BUDGET ENGAGEMENT PILOT

For the first time, the Mayor, in partnership with the City Council, embarked on a listening tour and survey to gather public input *before* submitting the Recommended Budget.

- Over 1,000 participants gave feedback:
 - 559 participants in the digital multilingual survey in 12 languages
 - Almost 500 participants across four virtual listening sessions organized by Council District, with interpretation available
- We also received feedback from neighborhood and community groups.
- Through the engagement process, we learned that Boston residents:
 - Want to know how the City allocates resources by priority area
 - Want their voices to be heard in the budget process in a variety of ways
 - Prioritize a wide range of areas, from housing, to schools, to transportation, and more

BUDGET ENGAGEMENT DEMOGRAPHICS

- **Survey:** 559 respondents as of March 4th (528 in English)
 - 1 in 5 respondents were from Jamaica Plain, and another 1 in 5 were from Dorchester or West Roxbury.
 - 59.3% of respondents who chose to identify race selected White, 12.4% as Hispanic or Latinx, 11.6% as Black or African American, and 6.2% as Asian.
 - Generally good distribution of ages, but under 18 was underrepresented (6.3%).
- **Listening sessions:** 499 total participants (*demographic data was not collected*)
 - Districts 5, 6, 8 - 145
 - Districts 1, 3, 4 - 66
 - Districts 2, 7, 9 - 106
 - Citywide - 182
- **Future OBM engagement initiatives will begin earlier in the process to allow for greater outreach to historically underrepresented communities, in partnership with ONS.**



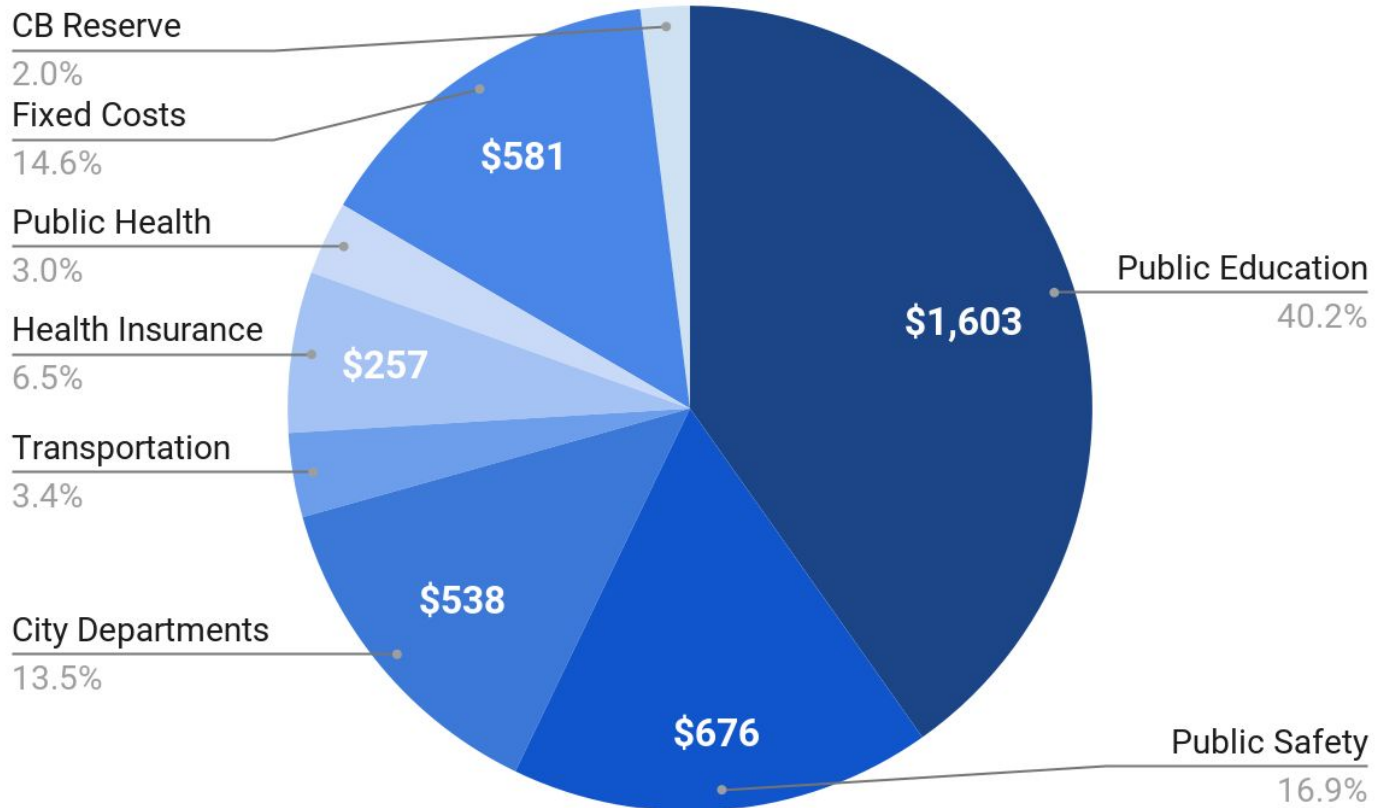
OPERATING BUDGET



RESPONSIBLE BUDGET FRAMEWORK

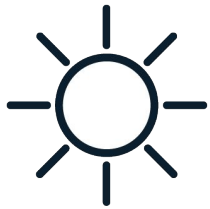
- Weathering the economic effects of the pandemic, the City's finances have remained in a strong position, with **AAA credit ratings** for the 8th straight year
- Resilient local economy, anchored by a **stable revenue source** in property taxes
- Management-based fiscal responsibility and commitment to running an **effective and efficient city government**
- The Fiscal Year 2023 Budget builds on that track record and makes **critical, targeted investments in Boston's future**

FY23 OPERATING BUDGET - \$3.987B TOTAL



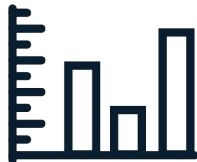
FY23 OPERATING BUDGET GROWTH - \$216M

\$71.0 million to support *fair wages and retention of City employees*



\$44.2 million increase for *transformative departmental investments*

\$40.1 million increase to *support the Boston Public Schools*



\$60.2 million in fixed cost growth to *maintain financial stability and support the City's capital plan*

BUDGETING THROUGH AN EQUITY LENS

- OBM's work is guided by our equity mission statement:
 - **OBM's working definition of equity is for every resident, regardless of background, to be and feel empowered to thrive in Boston.** OBM works to ensure that investments are consistent with the Mayor's equity priorities. We recognize that equitable levels of investment require an iterative process of constant evaluation of citywide needs, the needs of highly vulnerable or historically excluded groups, and resident requests and desires. While we apply the same quality of analysis to every request, OBM strives to address historic uneven levels of investment and aims to bring all services to all neighborhoods to the same high level.
- The Equity & Inclusion Cabinet was closely involved in decision-making throughout the budget process.
- Discussions with departments about budget proposals included how investments support equity goals.

GENERAL FUND REVENUE



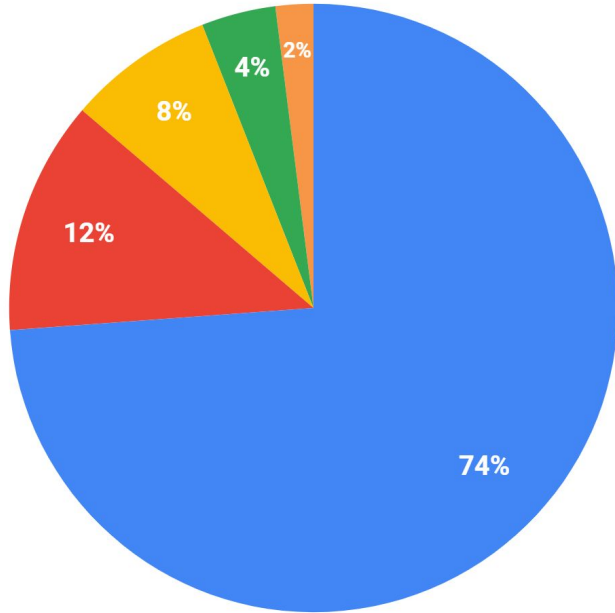
FY23 REVENUE HIGHLIGHTS

- The FY23 General Fund revenue budget totals \$3.99 billion
- The \$216 million, or 5.7%, projected growth in FY23 over the FY22 budget would be the highest since the pre-pandemic period
- This growth is largely driven by property taxes, the City's largest and most stable source of revenue
- State Aid is up in FY23 but Net State Aid is essentially flat
- Local Revenue, the combination of Excises and Departmental Revenue, is expected to grow as the local economy continues to recover
- However, Local Revenue was so deeply impacted by COVID-19 that it will still be well short of pre-pandemic levels in FY23, with federal relief funding helping to bridge the gap

Annual Revenue Growth

FY18	7.2%
FY19	4.9%
FY20	3.8%
FY21	3.2%
FY22	4.4%
FY23	5.7%

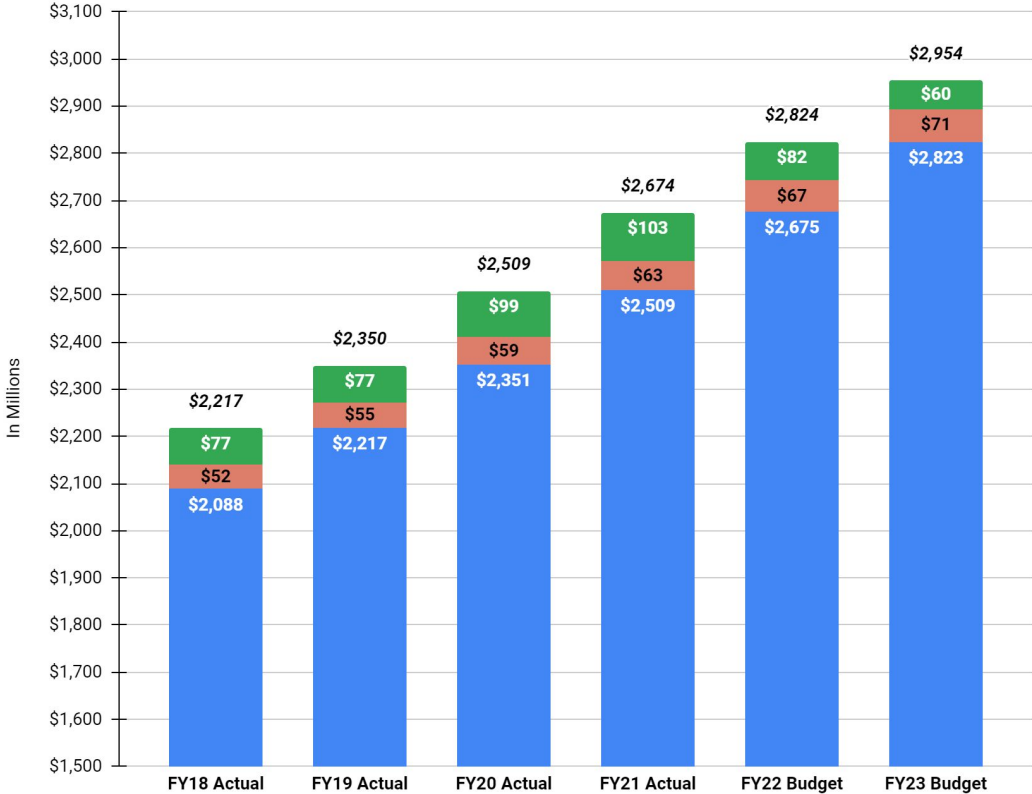
GENERAL FUND REVENUE



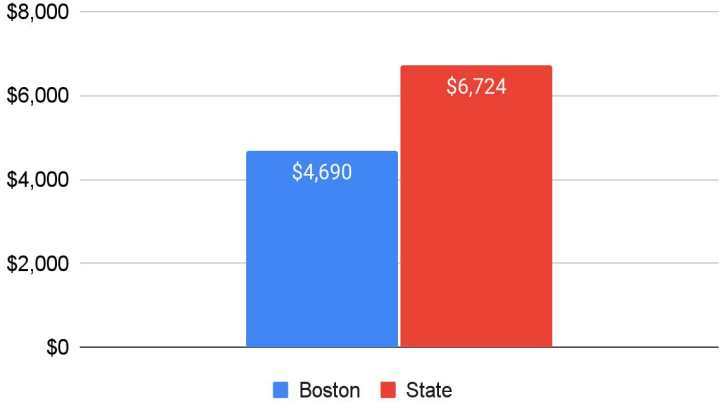
Type	FY22	FY23	Change in FY23	
			\$	%
Property Tax	\$2,790	\$2,944	\$154	5.5%
State Aid	\$479	\$495	\$16	3.4%
Departmental Revenue	\$292	\$310	\$18	6.3%
Excises	\$115	\$157	\$42	36.7%
Non-Recurring Revenue	\$95	\$80	-\$15	-15.8%
Total	\$3,771	\$3,987	\$216	5.7%

PROPERTY TAX LEVY

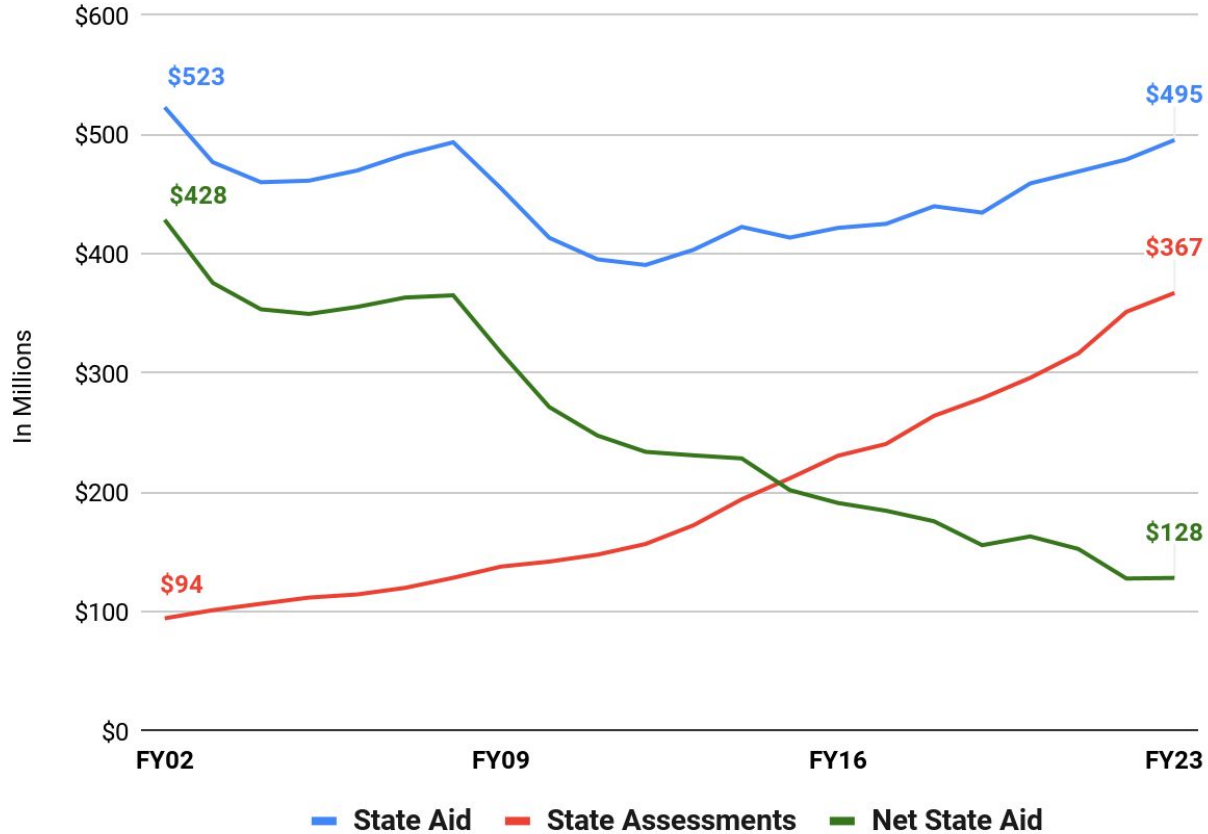
■ New Growth
 ■ 2.5% Increment
 ■ Base (Prior Year Levy)



Average FY22 Owner-Occupied Single Family Tax Bill

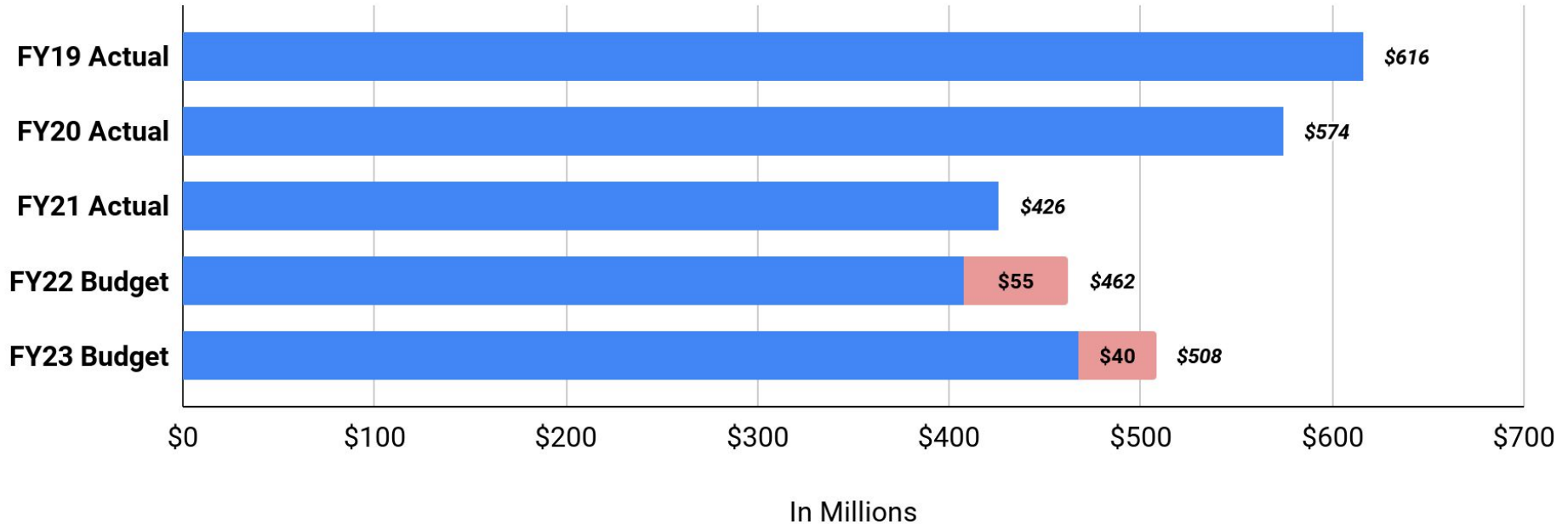


STATE AID



LOCAL REVENUE & REVENUE REPLACEMENT

Local Revenue ARPA Revenue Replacement



INVESTMENTS



TRANSFORMATIVE INVESTMENTS

Amplifying
All Voices



Advancing
**Climate
Resilience
& Open Space**



Improving
Mobility for
All Bostonians



Expanding
**Housing &
Supportive
Services**



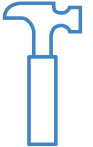
Focusing
on the
Future



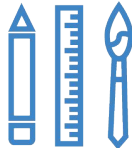
Promoting
**Economic
Opportunity
& Inclusion**



Getting
the **Small
Things
Right**



Strengthening
Arts & Culture



Supporting
**Behavioral &
Mental Health**



Ensuring Thoughtful
**Public Safety &
Emergency Response**



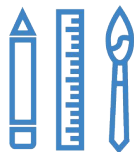
OPERATING INVESTMENT HIGHLIGHTS

Advancing Climate Resilience & Open Space



- \$865,000 in Environment Department investments to seed the **Equitable Emissions Investment Fund** and support **climate resilience, renewable energy**, and **BERDO 2.0** implementation
- \$703,000 to bolster the Urban Forestry Division and support ARPA and capital investments in **Boston's tree canopy**
- \$800,000 for **GrowBoston**, the new Office of Urban Agriculture
- \$620,000 to expand **Zero Waste Boston**, including a curbside compost pilot program

Strengthening Arts & Culture



- \$506,000 to preserve the historic **Strand Theatre**
- \$464,000 to support programming for **City Hall Plaza**, including a Plaza Director
- 2 new Arts & Culture positions focused on **community engagement** and **developer review**

OPERATING INVESTMENT HIGHLIGHTS

Improving
Mobility for
All Bostonians



- 12 new planners and engineers in the Streets Cabinet to focus on **active transportation, street safety, transit, and new mobility**
- Staff architect in the Disabilities Commission and new PWD Highway Inspector to focus on **accessibility**
- Operating capacity supports ARPA and capital investments, such as Walkable Streets and bus lanes

Expanding
**Housing &
Supportive
Services**



- \$2.5 million to expand the **City Voucher program**
- \$1.2 million for **housing and case management services** for individuals experiencing homelessness
- \$644,000 to expand **housing stability services**
- Additional staff to support the **three-year, \$380 million commitment** to housing and supportive services across operating, capital, and ARPA funding

OPERATING INVESTMENT HIGHLIGHTS

Amplifying
All Voices



- New Offices for **Black Male and LGBTQ+ Advancement**
- \$610,000 in additional City **Language Access** funding including in-house translators, as well as \$2.6 million in BPS funding for translation and interpretation
- Over \$1 million in Immigrant Advancement investments, including expanding the **Dreamers Fellowship** initiative
- \$1 million increase for **Participatory Budgeting**

Promoting
Economic
Opportunity
& Inclusion



- \$1 million, coupled with ARPA funding, to reimagine **Boston's Main Streets**
- \$1 million investment to create a new **Legacy Business Fund**
- \$500,000 for additional **youth summer jobs**, to support 6,000 total summer positions and and 1,500 total school year positions

OPERATING INVESTMENT HIGHLIGHTS

Supporting Behavioral & Mental Health



- \$666,000 in Public Health staffing to support ARPA investments in **Behavioral & Mental Health**, including sustained efforts at Mass & Cass and a new Chief of Behavioral Health
- Targeted Age Strong investment of \$600,000 to address **seniors' mental health needs**
- \$250,000 to expand the **Youth Development Fund**

Ensuring Thoughtful Public Safety & Emergency Response



- 24 additional **EMTs**, including 4 for **co-response**
- \$1.3 million for **public health emergency preparedness**
- \$100,000 in OPAT investments for **community mediation** and **Police BIPOC data review**
- The **first Fire cadet class** and an increased Police cadet class, as well as additional Recruit classes to cover attrition and maintain appropriate staffing levels

OPERATING INVESTMENT HIGHLIGHTS

Focusing
on the
Future



- New **Office of Early Childhood** to lead ARPA-funded supports for **childcare centers** and the **early education workforce**
- Expanded K-8 **academic counseling**, high school **guidance counseling**, and school **library access**
- \$3.8 million to implement **Mass Core** at all high schools

Getting the
Small Things
Right



- \$4.8 million to invest in **high quality school facilities**
- **Expanded Public Facilities Department capacity** to accelerate implementation of the Capital Plan
- Additional capacity across departments to support transformation, from **311 call takers** to **small branch librarians**
- New Office of Contract Services to support departments by streamlining procurement processes

THANK YOU!