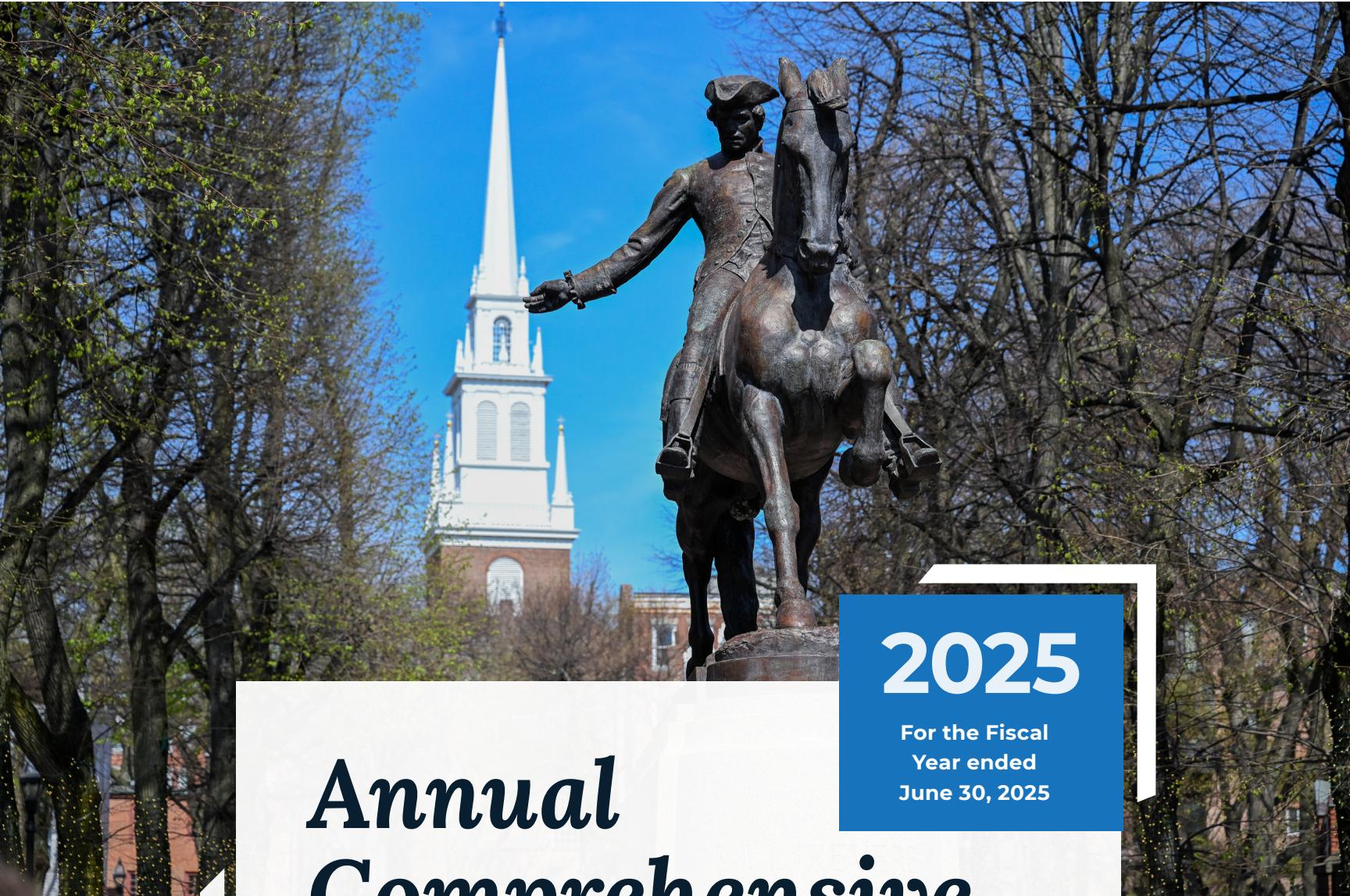


**CITY of BOSTON**  
Massachusetts



**2025**

For the Fiscal  
Year ended  
June 30, 2025

# Annual Comprehensive Financial Report

**MICHELLE WU**  
Mayor

**ASHLEY GROFFENBERGER**  
Chief Financial Officer  
& Collector Treasurer

**SCOTT FINN**  
City Auditor

*Prepared by the City of Boston Auditing Department*



*City of Boston*  
Massachusetts



*Annual Comprehensive  
Financial Report*

**Fiscal Year Ended June 30, 2025**

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*Michelle Wu, Mayor*

*Ashley Groffenberger, Chief Financial Officer & Collector Treasurer*

*Scott Finn, City Auditor*

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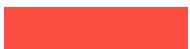
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# B



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# Introductory Section

Annual Comprehensive Financial Report 2025

# B



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## Auditing Department

Michelle Wu, Mayor

January 21, 2026

**The Honorable Mayor,  
Members of the City Council,  
and Citizens of Boston:**

We are pleased to submit to you the Annual Comprehensive Financial Report (ACFR) of the City of Boston (City) for the fiscal year ended June 30, 2025. The Annual Report is prepared by the City's Auditing Department, and is intended to provide information regarding the financial position of the City. This report is prepared in accordance with U.S. generally accepted accounting principles (GAAP), as established by the Governmental Accounting Standards Board (GASB), and meets all requirements of state finance law of the Commonwealth of Massachusetts, as well as the City Charter.

The responsibility for the accuracy, completeness, and fairness of the data presented, including disclosures, rests with the City. City management believes this report is accurate in all material respects and is presented in a manner which fairly sets forth the financial position and results of operations of the City. Management is also responsible for establishing and maintaining internal accounting controls designed to provide reasonable, but not absolute, assurance that these financial statements are complete and accurate in their presentation.

The Auditing Department uses an integrated financial and human resources management system referred to as the Boston Administrative Information System (BAIS). The system is designed to track and control daily activities and report the financial position of the City. This software allows management to directly evaluate the financial status of individual programs as well as the entire department, and also supports the rigorous monitoring and reporting requirements enforced by the City.

The Commonwealth of Massachusetts, through Chapter 190 of the Acts of 1982, requires that the City undergo an annual audit performed by a firm of independent public accountants. The City has selected CliftonLarsonAllen LLP (CLA LLP) to perform the June 30, 2025 audit. This audit is conducted in accordance with generally accepted government auditing standards (GAGAS) issued by the Comptroller General of the United States. The audit provides an independent review to help assure a fair presentation of the City's financial position and results of operations.

The City also undergoes an annual audit of its federal grant funds as required by *Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance)*. CLA LLP issues separate reports on the City's internal control systems and compliance with applicable laws and regulations that meet the requirements of the Uniform Guidance. A substantial focus of the Single Audit is to evaluate the City's internal control structure. The evaluation includes testing a significant number of the major federal program transactions that occurred during the fiscal year. The Single Audit also requires that the auditors determine whether the City has complied with laws and regulations that may have a material effect on each of its major federal financial assistance programs. All of the City's major federal programs are evaluated for the adequacy of internal controls and compliance with laws and regulations. The report is publicly issued under a separate cover.

Management's Discussion and Analysis (MD&A) follows the independent auditors' report and provides a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is intended to complement the MD&A and should be read in conjunction with it.

## Profile of the Government

The City of Boston, incorporated as a town in 1630 and as a City in 1822, is located on the Shawmut Peninsula at the confluence of the Charles and Mystic Rivers. The City lies adjacent to Boston Harbor, which is a part of Massachusetts Bay and leads ultimately to the North Atlantic Ocean. The Charles River separates Boston from Cambridge and Watertown, while the Mystic River determines the boundaries between Chelsea and Everett. The Neponset River separates the southern neighborhoods of Boston from the Town of Milton and City of Quincy.

The City of Boston exists under Chapter 486 of the Acts of 1909 and Chapter 452 of the Acts of 1948 of the Commonwealth of Massachusetts, which, as amended, constitute the City's Charter. The Mayor is elected to a four-year term and serves as chief executive officer of the City. The Mayor has general supervision of and control over the City's boards, commissions, officers and departments. The legislative body of the City is the City Council, which consists of 13 elected members serving two-year terms.

Boston Mayor Michelle Wu was sworn into office in November 2021 and re-elected in November 2025. She is a daughter of immigrants, a Boston Public Schools mom, an MBTA commuter, and the first woman and first person of color elected to serve in this role.

In her first term, Mayor Wu focused on making housing more affordable, schools stronger, and streets safer. Her first administration doubled the amount of contracts awarded to businesses owned by women and people of color, reformed zoning to revitalize downtown and attract more businesses to Boston, and created the most affordable housing in a generation. Through public safety reforms, an expanded youth summer jobs program, and investment in opportunities for youth across all neighborhoods year-round, Boston is now the safest major city in America.

Mayor Wu is working across every level of government, with businesses, and in the community to make Boston the best city to raise a family and the talent capital of the world. She is improving public infrastructure—transportation, housing, health, and education—to ensure that Boston continues to lead for generations to come.

The City budgets and maintains its books and records on a statutory basis of accounting prescribed by the Massachusetts Division of Local Services, Bureau of Accounts. This basis of accounting differs from Generally Accepted Accounting Principles (GAAP). The accounts of the City are organized on a fund basis. Each fund is considered to be a separate accounting entity. The operations of each fund are accounted for by providing a separate set of self-balancing accounts, which comprise each fund's assets, liabilities, fund balance, revenues, and expenses.

The General Fund is the only fund for which a budget is legally adopted. The budgets for all departments included in the General Fund of the City, except the School Department, are prepared under the direction of the Mayor and City Council. Departmental budgets are established at the account level and so voted by the City Council. The School Department budget is prepared under the direction of the School Committee. Original and supplemental appropriations are submitted by the Mayor, approved by the City Council, and lapse at year end unless encumbered. The legal level of control over appropriations is at the department level. Amendments to the original budget must be approved by the City Council, except for a reallocation of appropriations of up to \$3 million, which the Mayor may approve. Further, the City Auditor, with the approval of the Mayor, may make transfers from any appropriation to any other appropriation for purposes of eliminating deficits before closing the books for the fiscal year.

Included in the basic financial statements, which are prepared on the GAAP basis of accounting, are governmental activities, each major fund, the aggregate discretely presented component units, and aggregate remaining fund information. Discretely presented component units are reported in a separate column to emphasize their operational and/or financial relationship with the City. The Boston Retirement System (BRS) has been presented as a blended component unit because it provides services almost exclusively to the City. The Dudley Square Realty Corporation (DSRC) and the Ferdinand Building Development Corporation (FBDC) are presented as blended component units as part of the nonmajor governmental funds. The Notes to the Financial Statements further discuss the City's financial reporting entity.

## Local Economy

Boston is the twenty-fourth largest City, in terms of population, in the United States and is the economic hub of the Commonwealth of Massachusetts (the “Commonwealth”). It is a center for professional services, business, finance, technology, research and development, higher education and health care, as well as for transportation, exports, communications, culture and entertainment.

The City is the capital of the Commonwealth and is host to several other governmental agencies. Using the employment data from Bureau of Economic Analysis (BEA) and Massachusetts Executive Office of Labor and Workforce Development (EOLWD), the Planning Department Research Division estimated that government employment in the City of Boston is 72,270 in 2024. Large state government offices, federal regional offices, U.S. Postal Service facilities, state-chartered authorities and commissions such as the Massachusetts Port Authority and the Boston Water and Sewer Commission, and the City’s local government agencies and departments are all located within the City.

Higher education, health care, and financial services play a major role in Boston’s economy. By 2024, Boston employment surpassed pre-pandemic levels. Jobs in health care and education, and professional and financial services drove post-pandemic growth; however, in-person and support services employment has not recovered. Jobs in healthcare and social assistance, scientific and technical services, and government represent nearly half (47.4%) of the total jobs in Boston. Combined, the concentration of professional, scientific, and technical services jobs in Boston is 1.8 times the national average, comparable to San Francisco and Austin. Boston hosts more than two dozen universities, colleges, and community colleges, with a combined 2024 enrollment of approximately 163,000 students. Included among the City’s colleges and universities are some of the finest educational institutions in the country, including Boston College, Boston University, Northeastern University and Harvard University. These institutions have a significant impact on Boston’s economy. Because many of these students remain in Boston after graduation, the City’s educational institutions are a major source of highly-skilled professionals for Boston’s workforce.

Many of the nation’s finest research and teaching hospitals are located in Boston, including Massachusetts General Hospital Brigham, Beth Israel Lahey Hospital, Boston Medical Center, Tufts Medical Center, and Boston Children’s Hospital. In total, there are 23 general medical and surgical hospitals and 5 psychiatric hospitals in the City. Furthermore, Boston is home to the medical and dental schools of Harvard University, Tufts University, and Boston University. The Boston metropolitan area remains the nation’s foremost region for the life sciences industry. Boston’s life science industry benefits from skilled labor force availability, leading universities in basic academic science fields, innovative research and development districts, proximity to major research hospitals, and strategic presence of venture capital resources. Commercial real estate firm CBRE states that the Boston-Cambridge area hosts the largest life sciences cluster in the nation, as defined by size, growth and concentration of employment, laboratory inventory, National Institute of Health (NIH) awards, and venture capital funding.

Many of the country’s leading financial services firms are located in Boston, including Fidelity Investments, John Hancock/ Manulife Financial, State Street Corporation, and Wellington Management. In 2024, there were over 82,410 people employed in the finance, insurance and real estate industries in Boston.

Despite a 15.3% drop in payroll employment as a result of the COVID-19 pandemic, Boston demonstrated remarkable resiliency, rebounding to pre-pandemic employment levels by late 2022 and continuing to expand through 2024. Payroll employment peaked at 688,405 in July 2024, far exceeding pre-pandemic levels.

## Financial Overview

The City is required to maintain a balanced budget under Massachusetts General Laws (M.G.L.) Chapter 59, Section 23. In addition, City management must operate within the appropriations adopted by the Boston City Council and approved by the Mayor, as required by the Tregor Legislation, Chapter 190, Section 17 of the Acts of 1982. The Act provides that “No official of said city or county except in the case of extreme emergency involving the health and safety of the people or their property, shall expend intentionally in any fiscal year any sum in excess of the appropriations duly made in accordance with law, nor involve the city in any contract for the future payment of money in excess of such appropriations.”

As part of the Massachusetts Department of Revenue's tax rate certification process, the City must balance all appropriations, fixed costs, and prior year deficits with the approved property tax levy, estimated local revenues, and available prior year surpluses in order to obtain authorization to issue property tax bills. Nearly three-quarters of the City's general fund revenues come from the property tax levy; however, the increase in the levy from year to year is limited by state law. In FY25, the net property tax levy (levy less a reserve for abatements) totals \$3.3 billion, providing 72.4% of recurring revenue. In FY26, the net property tax levy is estimated to total \$3.30 billion and account for 71.1% of budgeted revenues.

State aid from the Commonwealth represents the City's second largest single source of General Fund revenue after the Property Tax, although in the past two decades this has been declining as a share of total City revenues. Distributions through state aid include Chapter 70 education aid, unrestricted general government aid (UGGA), charter school tuition reimbursement, along with relatively small programs such as library aid. The City received \$516.8 million in State aid in FY25 and has budgeted \$520.9 million for FY26. Please see the Management's Discussion and Analysis Section for additional information on financial trends.

The FY26 Budget totals \$4.8 billion and represents an increase of \$96 million or 2% over FY25. This budget reflects stability and constraint, while continuing to honor prior financial commitments, protect City-owned assets, and provide excellent city services.

Fixed costs represent an increasing portion of the City's budget. The City of Boston participates in a contributory defined benefit retirement system administered by the Boston Retirement System (BRS). The City's pension schedule is based on an actuarial asset valuation as of January 1, 2025. The FY26 budget includes \$467.7 million for pension contributions, up \$45.2 million, or 10.7% over FY25. The current pension schedule assumes a long term rate of return of 6.90%. The BRS is currently 89.4% funded and is projected to eliminate its unfunded liabilities by 2028, twelve years prior to 2040 when State law requires all public pension systems be fully funded. More details can be found in Note 12 to the Financial Statements.

While the City is required by law to make an annual contribution toward reducing its unfunded pension liability, there is no such requirement for retiree health and life insurance benefits. The City's OPEB financing plan balances the duty to deliver valuable public services while acknowledging the cost of providing health benefits for our employees, both now and when they retire. In FY25, in order to partially fund the annual contribution for other postemployment benefits (OPEB) liability, the City appropriated \$40.0 million from the General Fund into the OPEB Liability Trust Fund. More details and information on the OPEB liability can be found in Note 13 to the Financial Statements.

Health insurance costs comprise a significant portion of the City budget and are a critical benefit for City employees and retirees. The City's Public Employee Committee (PEC) agreement provides over 30,000 active and retired employees with quality healthcare coverage. In 2020, the City of Boston conducted a request for proposal (RFP) for its non-Medicare health insurance plans. At the start of FY21, the City transitioned from two health maintenance organization (HMO) plans to one standard HMO plan and one value HMO plan, with the standard HMO plan under a new provider. This plan structure with lowered administrative fees and costs associated with medical claims and prescription drugs will be in place through the end of FY27 per the current PEC agreement.

Because the vast majority of the City's workforce is represented by one of 41 different unions, the City dedicates significant funding toward collective bargaining reserves for estimated wage increases for union employees whose agreements are not settled. Most City non-public safety unions and the Boston Teachers Union have settled contracts through at least June of 2027. The FY26 budget includes \$102.7 million towards collective bargaining reserves. As contracts are settled, the funding, with the approval of the Boston City Council and the Mayor, will be moved from the reserve to the individual departmental budgets where the wages will be paid.

In FY25, the GAAP General Fund balance decreased to \$1.78 billion, allowing the City to preserve its policy of maintaining a GAAP unassigned fund balance in the General Fund that is a minimum of 15% of General Fund operating expenditures. The unassigned fund balance at the end of FY25 was \$1.2 billion and \$560.16 million was assigned. The unassigned fund balance represents approximately 24.3% of GAAP General Fund operating expenditures.

## Long Term Financial Planning

The \$4.7 billion FY26-30 Capital Plan makes critical investments in the City's infrastructure in every Boston neighborhood, guided by commitments to making Boston a place for every resident. This drives historic investments in Boston Public Schools, as well as care for parks, playgrounds, roadways, civic facilities like libraries, community centers, and City Hall, and public safety buildings. Altogether, these investments ensure City assets are kept in a state of good repair, while delivering on the Mayor's agenda of delivering world-class educational facilities for BPS. The FY26-30 Capital Plan contains 392 projects and invests in every neighborhood.

All projects in the Capital Plan are grouped in one of five categories: New Construction, Major Renovation, State of Good Repair, Equipment/Technology, or Planning. These categories track the type of project, the type of affected asset, the locations of the projects, the type of funding supporting the project, and when expenditures of the project are expected.. The Capital Planning team within the Office of Budget Management (OBM) tracks the overall distribution of these categories to maintain a balance between the upkeep of existing assets and the expansion or introduction of new ones. By number of projects, the FY26-30 Capital Plan allocations are: 41% for Major Renovations, 28% for State of Good Repair, 14% for Planning, 11% for New Construction, and 5% for Equipment/Technology.

Funding for the FY26-FY29 Capital Plan comes primarily from the sale of General Obligation (G.O.) bonds, which comprise 76% of the total capital financing. The Capital Plan assumes issuances totaling \$1.8 billion over the next five years, building on the City's historic \$464 million offering in May 2025. This planned issuances balance the City's need for capital funding while sustainably remaining within debt management policies, which include rapid principal repayment, a 7% ceiling on debt service, among other provisions. In total, the City's goal is to rapidly repay debt, maintain a conservative level of outstanding debt, and ensure the City's continued positive financial standing with the bond market. The Treasury Department manages all City borrowings according to these policies. More details and information on the Long-Term Obligations can be found in Note 10 to the Financial Statements.

The remaining Capital Plan funding is a mixture of other city sources, such as the Parking Meter Fund, and state and federal grants, which make up \$300 million and \$416 million, respectively.

Two key state programs are the School Building Assistance (SBA) program and the Massachusetts Department of Transportation's Highway Division's Chapter 90 funds. Administered by the Massachusetts School Building Authority (MSBA), SBA funds provide an important revenue source for school renovation and construction. The MSBA operates two major programs – the Core Program and the Accelerated Repair Program (ARP). On a regular basis, the MSBA accepts new project requests from cities, towns, and school districts, and if a project is ultimately approved, the MSBA will pay 40% to 80% of eligible project costs. The City has recently completed three major schools as part of the Core program: Boston Arts Academy, Josiah Quincy Upper School, and the Carter School. The City has also been invited into the first phases for three more schools: The Shaw/Taylor School, the Ruth Batson Academy, and Madison Park Technical Vocational High School.

Administered by the Massachusetts Highway Department, Chapter 90 funds are allocated by formula through State bond authorizations and through the State budget to all cities and towns in the Commonwealth. The City primarily uses Chapter 90 funds to support its roadway resurfacing and reconstruction programs, sidewalk reconstruction programs, and other major construction projects such as the Cummins Highway reconstruction. The City anticipates an allocation of approximately \$14.8 million in FY26.

The City also receives a share of the Transportation Infrastructure Enhancement Fund from the State, which is funded through annual per-ride assessment fees imposed on Transportation Network Companies (TNC) such as Lyft and Uber. The state distributes half of the assessments proportionately to cities and towns based on the number of rides that originated within the city or town with funding to be used to address the impact of the transportation network services on municipal roads, bridges and other transportation infrastructure. The FY26-30 Capital Plan includes \$3.5 million in new revenue from this source, for a total distribution of over \$24 million since 2019. This funding will be discontinued as of January 1, 2027.

The City continues to aggressively pursue grant funds, maximize the use of Chapter 90 funds, and actively manage its projects to ensure that spending does not exceed projections and that priority projects move forward. Together, these strategies will enable the City to maintain a reasonable level of capital spending and borrowing and prudently manage its outstanding debt.

## Awards

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of Boston for its Annual Report for the fiscal year ended June 30, 2024. In order to be awarded a Certificate of Achievement, a governmental unit must publish an easily readable and efficiently organized Annual Report. This report must satisfy both GAAP and applicable state and local legal requirements. A Certificate of Achievement is valid for a period of only one year. We believe that our current report meets the Certificate of Achievement program requirements, and we are submitting it to the GFOA to determine its eligibility for a certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its Annual Budget document for the fiscal year beginning July 1, 2024. The City's budget document was judged to be proficient in several categories including policy documentation and financial planning.

## Acknowledgements

We would like to express our appreciation to the Accounting staff and all the members of the Auditing Department whose professionalism and dedication made the timely preparation of the Annual Report possible. We also wish to thank the professional staff of CliftonLarsonAllen LLP for their counsel, technical assistance, and support in the preparation of this Annual Report. Several other City departments and agencies provided additional information and assisted in the Annual Report preparation. We gratefully acknowledge their efforts and contributions to this report. Finally, we wish to thank you for your continued interest in the financial operations of the City.

The Annual Report for fiscal year 2013 through fiscal year 2025 are featured on the City's web page [www.boston.gov/departments/auditing](http://www.boston.gov/departments/auditing).

Respectfully submitted,



Scott Finn  
City Auditor



Ashley Groffenberger  
Chief Financial Officer & Collector Treasurer



Government Finance Officers Association

**Certificate of  
Achievement  
for Excellence  
in Financial  
Reporting**

Presented to

**City of Boston  
Massachusetts**

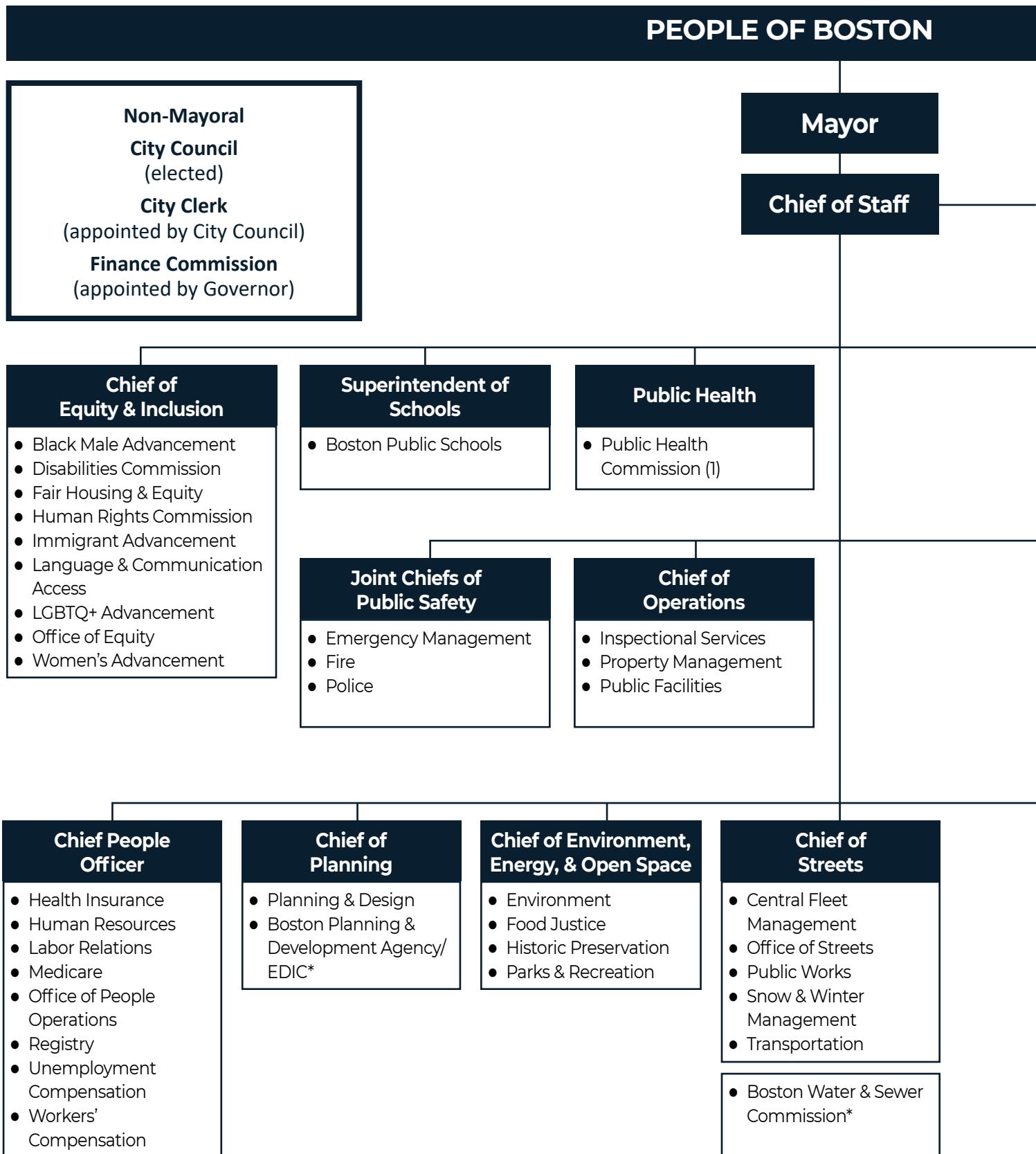
For its Annual Comprehensive  
Financial Report  
For the Fiscal Year Ended

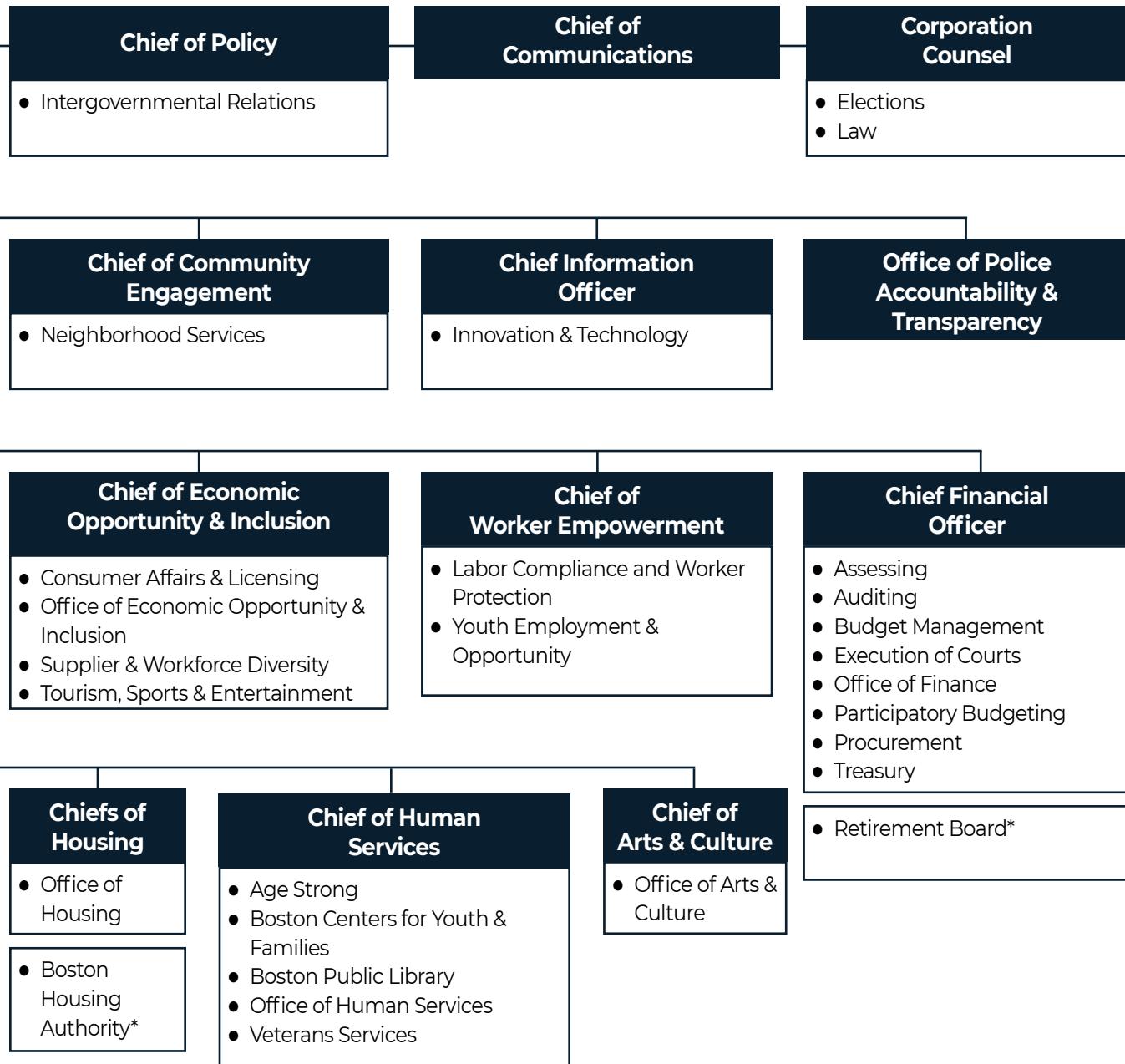
June 30, 2024

*Christopher P. Morill*

Executive Director/CEO

## ORGANIZATION OF A CITY GOVERNMENT





\* Not in Operating Budget  
 (1) The Public Health Commission is an independent authority created in June 1996

**LIST OF ELECTED and APPOINTED OFFICIALS***(as of June 30, 2025)*

**Mayor**  
**Michelle Wu**

**City Council Members**

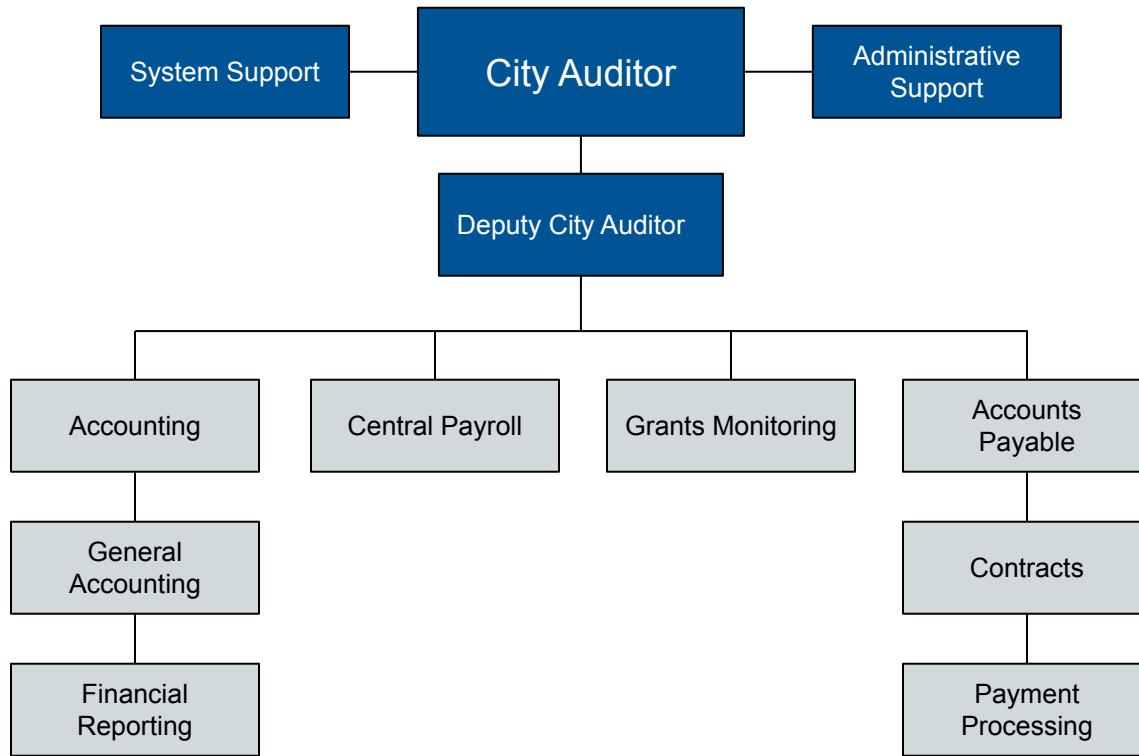
Ruthzee Louijeune	At-Large
Henry Santana	At-Large
Julia Mejia	At-Large
Erin Murphy	At-Large
Gabriela Coletta	District 1
Edward Flynn	District 2
John FitzGerald	District 3
Brian Worrell	District 4
Enrique J. Pepén	District 5
Benjamin Weber	District 6
Tania Fernandes Anderson	District 7
Sharon Durkan	District 8
Liz Breadon	District 9

**Appointed City Executive Branch Members**

Tiffany Chu	Chief of Staff
Kairos Shen	Chief of Policy and Planning
Dion Irish	Chief of Operations
Adam Cederbaum	Corporation Counselor
Jessicah Pierre	Chief Communication Officer
Santiago Garces	Chief Information Officer
Ashley Groffenberger	Chief Financial Officer & Collector Treasurer
Segun Idowu	Chief of Economic Opportunity and Inclusion
Mary Skipper	Superintendent of Boston Public Schools
Michael Cox	Chief of Public Safety and Police Commissioner
Paul F. Burke	Chief of Public Safety and Fire Commissioner
Adrian Jordan	Chief of the Office of Emergency Management
Brian Swett	Chief of Environment and Open Space
Sheila Dillon	Chief of Housing and Neighborhood Development
Jose Masso	Chief of Human Services
Kenzie Bok	Administrator, Housing Authority
James Hooley	Chief of Medical Services
Kenny Mascary	Interim Chief of Arts & Culture
Jascha Franklin-Hodge	Chief of Streets
James Arthur Jemison	Chief of Planning and Director Boston Planning & Development Agency
Mariangely Solis Cervera	Chief of Equity and Inclusion
Alex Lawrence	Chief of People Operations
David Leonard	President of Boston Public Library
Brianna Millor	Chief of Community Engagement

## Auditing Department

### Organizational Chart



## Auditing Department Personnel

*Scott Finn, City Auditor*

*Tim Mathis, Deputy City Auditor*

*Colin Musto, Assistant City Auditor*

*James Kelley, Director of IT*

*Marie Murray, Assistant City Auditor*

*Michael Imbaro, ARPA Compliance Officer*

*Michelle Castillo-Reid, Director of Payroll*

*Sinthia Johnson, Executive Assistant*

*Veronica Imbaro, Director of Accounting*

**Allen Hurley**

**Arlix Maldonado Rivera**

**Barbara Watner**

**Brandon Stone**

**Bruna Costa**

**Carrie He**

**Erica Pleitez**

**George Dallta**

**Jake Rosato**

**Joel Diaz**

**John Hamilton**

**Lisa Raines**

**Lisa Stone**

**Magnolia Rojas**

**Matthew Haugh**

**Matthew Lindmark**

**Mattie Crouse**

**Maxwell Larkin-Dunphy**

**Medina Lucien**

**Michael O'Keefe**

**Natoya Castillo**

**Paul Thaing**

**Prema Andrew**

**Robert Sweeney**

**Sheila Fay**

**Sheila Reardon**

**Titus Morrison**

**Xiomara Pleitez Pineda**



# Financial Section

Annual Comprehensive Financial Report 2025

# B



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CliftonLarsonAllen LLP  
CLAconnect.com

## INDEPENDENT AUDITORS' REPORT

To the Honorable Mayor and City Council  
City of Boston, Massachusetts

### Report on the Audit of the Financial Statements

#### *Opinions*

We have audited the financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Boston, Massachusetts (the City), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, based on our audit and the reports of other auditors, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City, as of June 30, 2025, and the respective changes in financial position, and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

We did not audit the financial statements of the following entities and funds:

- *Governmental Activities*

Dudley Square Realty Corporation, Ferdinand Development Corporation, and the Permanent Funds, which are non-major governmental funds that collectively represent 3.0% and 0.5%, respectively, of the total assets and revenues of the governmental activities as of June 30, 2025 and for the year then ended.

- *Aggregate Remaining Fund Information*

Boston Retirement System, the OPEB Trust Fund, the Private-Purpose Trust Funds, Dudley Square Realty Corporation, Ferdinand Development Corporation, and the Permanent Funds that collectively represent 99.3% and 86.3%, respectively, of total assets and revenues of the aggregate remaining fund information as of June 30, 2025 and for the year then ended.

- *Aggregate Discretely Presented Component Units*

Boston Planning & Development Agency, Trustees of the Public Library of the City of Boston, and the Economic Development and Industrial Corporation of Boston that collectively represent 90.2% and 37.6%, respectively, of total assets and revenues of the aggregate discretely presented component units as of June 30, 2025 and for the year then ended.

## City of Boston, Massachusetts

Those statements were audited by other auditors whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for those entities, are based solely on the report of the other auditors.

### ***Basis for Opinions***

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

### ***Responsibilities of Management for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

### ***Auditors' Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.

## City of Boston, Massachusetts

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

### ***Required Supplementary Information***

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, and certain pension and other postemployment benefits schedules be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

### ***Supplementary Information***

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with GAAS. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

City of Boston, Massachusetts

#### ***Other Information***

Management is responsible for the other information included in the annual report. The other information comprises the introductory and statistical sections but does not include the basic financial statements and our auditors' report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

#### **Report on Summarized Partial Comparative Information**

Other auditors have previously audited the City's 2024 financial statements, and they expressed unmodified audit opinions on the respective financial statements of the governmental activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information in their report dated December 31, 2024. In our opinion, the summarized partial comparative information presented herein for the budgetary comparison of the General Fund for the year ended June 30, 2024, is consistent, in all material respects, with the audited financial statements from which it has been derived.

#### ***Other Reporting Required by Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated January 21, 2026, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.



#### **CliftonLarsonAllen LLP**

Boston, Massachusetts  
January 21, 2026

**MANAGEMENT'S DISCUSSION AND ANALYSIS****MANAGEMENT'S DISCUSSION AND ANALYSIS***(Unaudited)*

The City of Boston (the City) provides this Management's Discussion and Analysis to present additional information to the readers of the City's basic financial statements. This narrative overview and analysis of the financial activities of the City is for the fiscal year ended June 30, 2025. Readers are encouraged to consider this information in conjunction with the additional information that is furnished in the City's Annual Comprehensive Financial Report (Annual Report).

**OVERVIEW OF THE FINANCIAL STATEMENTS**

This discussion and analysis is intended to serve as an introduction to the City's financial statements. The City's basic financial statements include three components: 1) Government-wide Financial Statements, 2) Fund Financial Statements, and 3) Notes to the Financial Statements. This report also contains required supplementary information regarding historical pension information and other postemployment benefit (OPEB) plan information. The components of the financial statements are described in the following sections.

**Basic Financial Statements**

The basic financial statements include two types of financial statements that present different views of the City – the *Government-wide Financial Statements* and the *Fund Financial Statements*. The *Notes to the Basic Financial Statements* supplement the financial statement information and clarify line items that are part of the financial statements.

**Government-wide Financial Statements**

The *Government-wide Financial Statements* provide a broad view of the City's operations in a manner similar to a private sector business. The statements provide both short-term and long-term information about the City's financial position, which assists in assessing the City's economic condition at the end of the fiscal year. These are prepared using the economic resources measurement focus and the accrual basis of accounting. This means they follow methods that are similar to those used by most businesses. They take into account all revenues and expenses connected with the fiscal year even if cash involved has not been received or paid. The Government-wide Financial Statements include two statements:

- The *Statement of Net Position* presents all of the government's assets and deferred outflows of resources and liabilities and deferred inflows of resources, with the difference between them reported as net position. Over time, increases or decreases in the City's net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating.
- The *Statement of Activities* presents information showing how the government's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will not result in cash flows until future fiscal periods (such as uncollected taxes and earned but unused vacation leave). This statement also presents a comparison between direct expenses and program revenues for each function of the City.

Both of the above financial statements present two separate sections as described below.

- *Governmental Activities* – The activities in this section are mostly supported by taxes and intergovernmental revenues (federal and state grants). Most services normally associated with city government fall into this category, including general government, human services, public safety, public works, property and development, parks and recreation, library, schools, public health programs, state and district assessments, and debt service.
- *Discretely Presented Component Units* – These are legally separate entities for which the City has financial accountability but function independent of the City. For the most part, these entities operate similar to private sector businesses. The City's four discretely presented component units are the Boston Public Health Commission, the Boston Planning & Development Agency, the Economic Development Industrial Corporation, and the Trustees of the Boston Public Library.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

Complete financial statements of the individual component units can be obtained from their respective administrative offices. Additional information about the City's component units is presented in the Notes to the Financial Statements.

The Government-wide Financial Statements can be found immediately following this discussion and analysis.

### Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

The *Fund Financial Statements* focus on individual parts of the City government, reporting the City's operations in more detail than the Government-wide Financial Statements. All of the funds of the City can be divided into three categories. It is important to note that these fund categories use different accounting approaches and should be interpreted differently. The three categories of funds are:

**Governmental Funds** – Most of the basic services provided by the City are financed through governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the Government-wide Financial Statements. However, unlike the Government-wide Financial Statements, the Governmental Fund Financial Statements focus on near term inflows and outflows of spendable resources. They also focus on the balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the government's near term financing requirements. This approach is known as using the current financial resources measurement focus and the modified accrual basis of accounting. Under this approach, revenues are recorded when cash is received or when susceptible to accrual (i.e., measurable and available to liquidate liabilities of the current period). Expenditures are generally recorded when liabilities are incurred, except for those related to long-term liabilities, which are recorded when due and payable. These statements provide a detailed short term view of the City's finances to assist in determining whether there will be adequate financial resources available to meet the current needs of the City.

Because the focus of governmental funds is narrower than that of the Government-wide Financial Statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the Government-wide Financial Statements. By doing so, readers may better understand the long term impact of the government's near term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and the governmental activities. These reconciliations are presented on the page immediately following each governmental fund financial statement.

The City presents four columns in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures, and changes in fund balances. The City's three major governmental funds are the General Fund, the Special Revenue Fund, and the Capital Projects Fund. All non-major governmental funds are combined in the "Other Governmental Funds" column on these statements. The Governmental Fund Financial Statements can be found immediately following the Government-wide Financial Statements.

Of the City's governmental funds, the General Fund is the only fund for which a budget is legally adopted. The *Statement of Revenues and Expenditures – Budgetary Basis* is presented after the governmental fund financial statements. This statement provides a comparison of the General Fund original and final budget and the actual expenditures for the current and prior year on a budgetary basis.

In accordance with state law and regulations, the City's legally adopted General Fund budget is prepared on a "budgetary" basis instead of U.S. generally accepted accounting principles (GAAP). Among the key differences between these two sets of accounting principles are that "budgetary" records property tax as it is levied, while GAAP records it as it becomes susceptible to accrual, "budgetary" records certain activities and transactions in the General Fund that GAAP records in separate funds, and "budgetary" records any amount raised to cover a prior year deficit as an expenditure and any available funds raised from prior year surpluses as a revenue, while GAAP ignores these impacts from prior years. The difference in accounting principles inevitably leads to varying results in excess or deficiency of revenues over expenditures. Additional information and a reconciliation of "budgetary" to GAAP statements is provided in note 4 to the Financial Statements.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

**Proprietary Funds** – These funds are used to show activities that operate more like those of commercial enterprises. Like the Government-wide Financial Statements, Proprietary Fund Financial Statements use the economic resources measurement focus and accrual basis of accounting. There are two types of proprietary funds – enterprise funds and internal service funds. Enterprise funds charge fees for services provided to outside customers including local governments. Enterprise Funds provide the same type of information as the business-type activities of the Government-wide Financial Statements within governmental activities, only in more detail. Currently, the City does not have any enterprise funds. The City's Internal Service Fund provides health insurance services predominantly to other funds, departments or agencies of the City. Therefore, its activities are included in the Government-wide financial statements within governmental activities.

The Proprietary Funds Financial Statements can be found immediately following the Governmental Fund Financial Statements.

**Fiduciary Funds** – These funds are used to account for resources held for the benefit of parties outside the City government. Fiduciary funds are not reflected in the Government-wide Financial Statements because the resources of these funds are not available to support the City's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds. They use the economic resources measurement focus and accrual basis of accounting.

The City's fiduciary funds are the Employee Retirement Fund (the Boston Retirement System), which accounts for the transactions, assets, liabilities, and net position of the City employees' pension plan; the Other Postemployment Benefits (OPEB) Trust Fund, which is an irrevocable trust established for the accumulation of assets to reduce the liability associated with the City's obligation for other postemployment benefits; and the Private Purpose Trust and Custodial Funds, which include money held and administered by the City on behalf of third parties.

The Fiduciary Funds Financial Statements can be found immediately following the Proprietary Fund Financial Statements.

### Notes to the Financial Statements

The notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and the Fund Financial Statements. The Notes to the Financial Statements can be found immediately following the Fiduciary Funds Financial Statements.

### Required Supplementary Information

The basic financial statements are followed by a section of required supplementary information, which includes a schedule of employer contributions for the OPEB Trust Fund, a schedule of changes in net OPEB liability and related ratios, a schedule of the City's proportionate share of the net pension liability of the Boston Retirement System, and a schedule of the City's contributions to the Boston Retirement System.

### CURRENT YEAR FINANCIAL IMPACTS

- The City of Boston's OPEB liability significantly impacts the Government-wide financial results. The most recent valuation of the City's OPEB liability as of June 30, 2025, estimated that the total net OPEB liability of the City increased by \$159.5 million to \$2.8 billion. This increase was largely due to an increase in costs and changes in assumptions.
- In fiscal year 2025, the City's contribution to the OPEB Trust Fund (\$195.6) million for retiree health benefits includes \$40 million in advance funding toward reducing the OPEB liability. In 2025 and 2024, the OPEB Trust Fund earned investment income/loss, net of fees in the amount of \$115.1 million and \$150.6 million, respectively. This decrease is attributed to interest rate increases negatively affecting fixed-income securities market values..
- The City of Boston's net pension liability significantly impacts the Government-wide financial results. The City is required to report its proportionate share of the collective net pension liability, deferred outflows of resources, deferred inflows of resources, and pension expense. Based on the measurement of the Boston Retirement System's net pension liability as of December 31, 2024, the City's proportionate share of that net pension liability decreased by \$303.2 million and the net pension liability for the City's Special Legislation plan as of June 30, 2025 decreased by \$34.3 million resulting in a total net pension liability of \$1.17 billion.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### GOVERNMENT-WIDE FINANCIAL ANALYSIS

This analysis is based on the Statement of Net Position and the Statement of Activities found directly after Management's Discussion and Analysis.

#### Government-wide Highlights

*Net Position – Primary Government* – The total liabilities and deferred inflows of resources of the City exceeded its assets and deferred outflows of resources at fiscal year ended June 30, 2025 in a net deficit of (\$110.5) million (presented as net position). At year end, the City had a surplus in governmental activities unrestricted net position in the amount of \$2.2 billion.

*Changes in Net Position – Primary Government* – The City's total net position increased by \$107.0 million from the amount reported in fiscal year 2024.

#### Net Position

As noted earlier, net position may serve over time as a useful indicator of a government's financial position. The City's net deficit totaled (\$110.5) million at the end of 2025, compared to a net deficit of (\$217.5) million reported at the end of the previous year.

The components of net position comprise the following: the investment in capital assets such as land, buildings, equipment, and infrastructure (road, bridges, and other immovable assets), less any related debt used to acquire those assets that are still outstanding – this amount is \$1.43 billion indicating that the net book value of the City's capital assets exceeds the amount of related capital debt outstanding. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's governmental activities net position, \$674.2 million, represents restricted net position, or resources that are subject to external restrictions on how they may be used. Internally imposed designations of resources are not presented as restricted net assets. The unrestricted net position (deficit) increased by \$377.6 million from the 2024 amount.

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## MANAGEMENT'S DISCUSSION AND ANALYSIS

## Net Position – Primary Government

(In thousands)

		Governmental Activities	
		Total Primary Government	
		2025	2024
<b>ASSETS:</b>			
Current assets	\$ 3,376,284	\$ 3,487,314	
Capital assets	3,794,222	3,384,958	
Other assets	20,501	23,021	
<b>Total assets</b>	<b>7,191,007</b>	<b>6,895,293</b>	
<b>DEFERRED OUTFLOWS OF RESOURCES:</b>			
<b>Total deferred outflows of resources</b>	<b>763,014</b>	<b>1,004,738</b>	
<b>LIABILITIES:</b>			
Current liabilities	1,155,114	1,323,721	
Noncurrent liabilities	6,595,269	6,430,628	
<b>Total liabilities</b>	<b>7,750,383</b>	<b>7,754,349</b>	
<b>DEFERRED INFLOWS OF RESOURCES:</b>			
<b>Total deferred inflows of resources</b>	<b>314,143</b>	<b>363,163</b>	
<b>NET POSITION:</b>			
Net investment in capital assets	1,431,788	1,362,313	
Restricted	674,152	259,018	
Unrestricted	(2,216,445)	(1,838,812)	
<b>Total net position</b>	<b>\$ (110,505)</b>	<b>\$ (217,481)</b>	

## MANAGEMENT'S DISCUSSION AND ANALYSIS

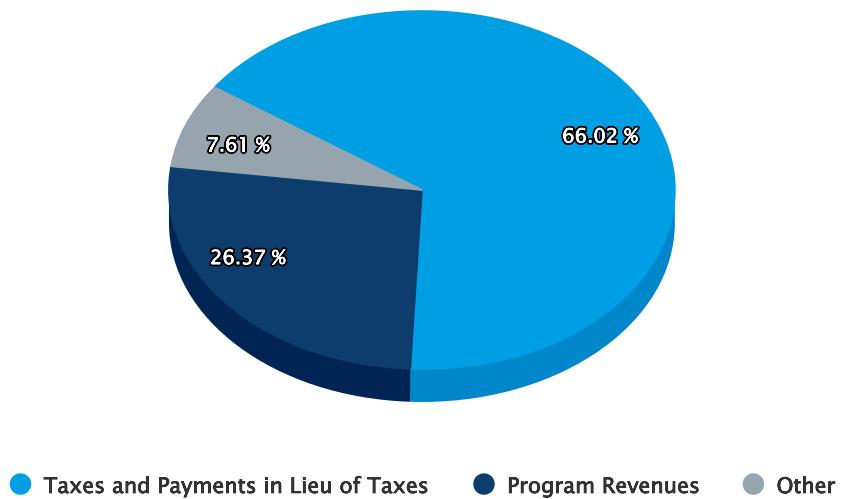
**Changes in Net Position – Primary Government**  
(*In thousands*)

		<b>Governmental Activities</b>	
		<b>Total Primary Government</b>	
		<b>2025</b>	<b>2024</b>
<b>Revenues:</b>			
Program revenues:			
Charges for services	\$ 285,023	\$ 276,463	
Operating grants and contributions	1,092,807	1,201,443	
Capital grants and contributions	108,440	57,678	
General revenues:			
Taxes	3,720,686	3,576,330	
Grants and contributions not restricted	273,914	268,947	
Investment income	146,887	194,527	
Miscellaneous	7,947	-	
<b>Total revenues</b>	<b>5,635,704</b>	<b>5,575,388</b>	
<b>Program expenses:</b>			
General government	344,667	313,301	
Human services	83,905	74,625	
Public safety	1,411,105	1,352,812	
Public works	222,494	188,081	
Property and development	437,723	311,713	
Parks and recreation	76,751	71,805	
Library	76,707	70,882	
Schools	2,712,719	2,584,364	
Public health programs	160,543	159,213	
Interest on long-term debt	2,114	52,049	
<b>Total program expenses</b>	<b>5,528,728</b>	<b>5,178,845</b>	
<b>Change in net position</b>	<b>106,976</b>	<b>396,543</b>	
<b>Net position - beginning of year</b>	<b>(217,481)</b>	<b>(614,024)</b>	
<b>Net position - end of year</b>	<b>\$ (110,505)</b>	<b>\$ (217,481)</b>	

## MANAGEMENT'S DISCUSSION AND ANALYSIS

## Revenues – Governmental Activities

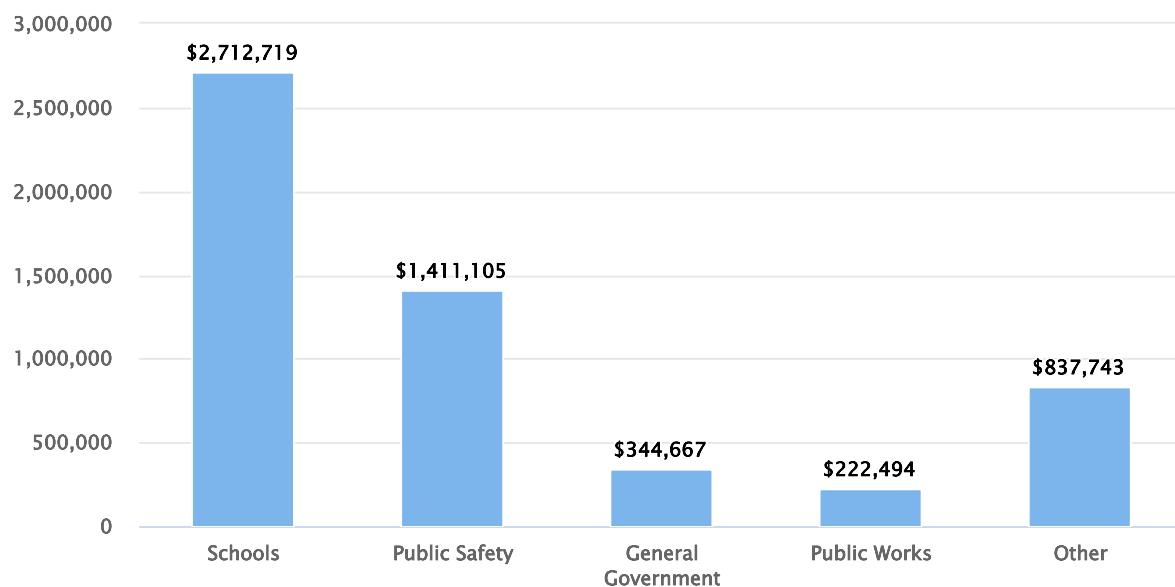
Fiscal Year 2025



● Taxes and Payments in Lieu of Taxes      ● Program Revenues      ● Other

## Expenses – Governmental Activities FY 2025

(in thousands)



## MANAGEMENT'S DISCUSSION AND ANALYSIS

## Governmental Activities

The City's governmental activities net position increased by \$107.0 million over the prior fiscal year. The following net changes occurred during the course of operations in fiscal year 2025. In the assets accounts, cash and investments decreased by \$105.1 million, receivables decreased by \$9.5 million, and capital assets increased by \$409.3 million. In the liability accounts, there was a decrease in warrants and accounts payable of \$53.4 million and an increase in accrued liabilities of \$88.8 million. Additionally, an increase of \$159.5 million was recorded relative to the City's other postemployment benefit obligation and a decrease of \$303.2 million was recorded relative to the City's net pension liability in 2025.

During fiscal year 2025, the City's revenues increased by 1.1%. The City's largest sources of revenues were property taxes, excise taxes, and payment in lieu of taxes of \$3.72 billion (66.0% of total revenues) and \$1.49 billion of program revenues (26.4% of total revenues). Taxes increased by \$144.4 million from the previous year, primarily driven by property tax revenues that continued to grow through a combination of the allowable 2.5% increase and property value growth, and excise tax revenues that continued to grow beyond pre-pandemic levels. Program revenues decreased by \$49.3 million for fiscal year 2025. This is largely due to increases in operating grants and contributions. The City's expenses cover a range of services. Overall expenses grew by 8.1%, driven by investments in critical city services, such as police, fire, and public works, as well as set-aside funding for collective bargaining reserves. The largest expenses were for schools (\$2.71 billion), public safety (\$1.4 billion), general government (\$344.7 million), public works (\$222.5 million), and property and development (\$437.7 million). In 2025, governmental activities expenses exceeded program revenues (i.e., user charges, operating grants, and capital grants) by \$4.04 billion. This shortfall was covered primarily through taxes (\$3.72 billion) and unrestricted grants and contributions (\$273.9 million).

Comparative data on these revenues and expenses is itemized in the reporting of the Changes in Net Position – Primary Government earlier in this Management Discussion and Analysis.

## FINANCIAL ANALYSIS OF THE CITY'S FUND STATEMENTS

This analysis is based on the Governmental and Proprietary Fund Financial Statements. As noted earlier, the City uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

### Fund Highlights

Governmental Funds – Fund Balances – as of the close of fiscal year 2025, the City's governmental funds reported a combined ending fund balance of \$2.59 billion, an increase of \$74.0 million from the prior year. Of this total amount, \$1.2 billion represents the unassigned fund balance.

### Governmental Funds

The focus of the City's governmental funds is to provide information on near term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financial requirements. In particular, unassigned fund balance may serve as a useful measure of a government's financial position at the end of the fiscal year.

**General Fund – Fund Balance** – The General Fund is the chief operating fund of the City. The City's General Fund – Fund Balance Policy states in part to maintain a GAAP unassigned fund balance in the General Fund that is 15%, or higher, of GAAP General Fund operating expenditures for the fiscal year. The GAAP unassigned fund balance at the end of fiscal year 2025 was \$1.2 billion, which represents approximately 24.3% of GAAP General Fund operating expenditures. The General Fund - fund balance decreased due to an increase in expenses related to General Government, Public Safety, Public Works, Property and Development and Retirement costs.

However, because the City is required to follow the statutory basis of accounting rather than GAAP for determining the amount of unassigned fund balance that can be appropriated, it is the statutory (not the GAAP) fund balance that is used to calculate "free cash". Free cash is the amount of statutory fund balance in the General Fund, as certified by the Commonwealth of Massachusetts' Department of Revenue, which is available for appropriation and is generated when actual revenues, on a cash basis, exceed budgeted amounts and encumbrances are less than appropriations, or both.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The City has established the General Fund-Fund Balance Policy to ensure that the City maintains adequate levels of fund balance to mitigate current and future risks (i.e., revenue shortfalls and unanticipated expenditures). The policy in full states that the City shall maintain a GAAP Unassigned Fund Balance in the General Fund that is 15% or higher than the current fiscal year's GAAP General Fund Operating Expenditures. The City shall only consider the certification of Free Cash (as defined by the Commonwealth of Massachusetts' Department of Revenue) in years where the appropriation of Free Cash shall not cause the fiscal year's GAAP Unassigned Fund Balance to go below 15% of the fiscal year's GAAP General Fund Operating Expenditures, while maintaining a Budgetary Unassigned Fund Balance at 10% or higher of Budgetary Operating Expenditures. The City shall only consider the appropriation of Certified Free Cash to offset: (1) certain fixed costs such as pension contributions and related post-retirement health benefits; and/or (2) to fund extraordinary and non-recurring events as determined and certified by the City Auditor.

**Special Revenue Fund – Fund Balance** – The Special Revenue Fund accounts for the proceeds of specific revenue sources that are restricted or committed to expenditures for predefined purposes. The fiscal year 2025 Special Revenue Fund balance is reported at \$486.6 million, a \$36.2 million increase from fiscal year 2024, driven by the CPA community based neighborhood projects.

**Capital Projects Fund – Fund Balance** – The Capital Projects Fund accounts for financial resources to be used for the acquisition or construction of major capital facilities, other than those financed by proprietary funds and pooled funds. The fiscal year 2025 Capital Projects Fund balance is \$181.8 million, a \$94.8 million increase from fiscal year 2024. This increase is due the timing differences between capital outlay and the issuance of bonds.

**Other Governmental Funds – Fund Balance** – Other Governmental Funds account for assets held by the City in permanent funds, as well as the activities related to DSRC and FBDC. The fiscal year 2025 Other Governmental Funds fund balance is \$136.0 million, a \$9.5 million decrease from fiscal year 2024.

### Internal Service Fund

The City's Internal Service Fund accounts for the City's self-insurance program for health benefits provided by Blue Cross Blue Shield and Mass General Brigham Health Plan, for City employees and their dependents. The Internal Service Fund is included as part of the governmental activities in the government-wide financial statements.

### Budgetary Highlights

General Fund budgetary highlights include ending fiscal year 2025 with a \$22.3 million surplus. There were no material variances between the original budget and final budget amounts. Variances from the final budget to actual results occurred in public safety and judgments and claims.

Surplus results were reported for General Fund revenue sources, including \$14.1 million in payments in lieu of taxes, \$5.8 million of licenses and permits, \$19.9 million in departmental and other revenue, \$0.4 million of property tax and \$32.3 million in investment income. Other available funds show a revenue didn't change of \$71.0 million, however, this is primarily a result of not transferring other available funds such as \$30.0 million of parking meter funds, \$1.0 million of cemetery funds and \$40 million in appropriated funds from the general fund.

## CAPITAL ASSETS AND LONG-TERM OBLIGATIONS

### Capital Assets

The City's investment in capital assets for its governmental activities, as of June 30, 2025, has a net book value of \$3.79 billion, made up of costs totaling \$6.71 billion less accumulated depreciation of \$3.04 billion. This investment in capital assets includes land, buildings, improvements, equipment, infrastructure, and construction in progress. Infrastructure assets are items that are normally immovable and have value only to the City, such as roads, bridges, streets, sidewalks, drainage systems, lighting systems, and similar items.

## MANAGEMENT'S DISCUSSION AND ANALYSIS

The total increase in the City's investment in capital assets for the current fiscal year was approximately \$409.3 million in terms of net book value. However, actual expenditures to purchase or construct capital assets and contributions of capital assets were \$494.3 million for the fiscal year. Most of this amount was used for the purpose of constructing or reconstructing buildings and building improvements and infrastructure. Depreciation charges for the year totaled \$176.3 million. Additional information on the City's capital assets can be found in note 8 to the Financial Statements.

### Long Term Obligations

**Debt Administration** – The authority of the City to incur debt is governed by federal and state laws that restrict the amounts and purposes for which a municipality can incur debt. At year end, the City had \$2.03 billion in General Obligations Bonds principal outstanding – an increase of \$271.4 million over last year.

On January 25th, 2024, the City issued \$250 million through a private placement with TD Bank for various municipal capital projects. In conjunction with the City's annual bond offering, the rating service bureau Moody's Investors Service reaffirmed the City's bond ratings at Aaa and the rating service bureau Standard & Poor's reaffirmed the bond rating to Aaa. General Obligation Bonds are backed by the full faith and credit of the City, including the City's power to levy additional taxes to ensure repayment of debt. Accordingly, all general obligation debt currently outstanding has been approved by a vote of the City Council.

**Notes and Equipment Financing Payable and Other Long Term Obligations** – The City's general long term notes and equipment financing payable and other long term obligations decreased by \$127.5 million, or (-2.7%), during the current fiscal year. Key factors for this decrease are a decrease in the net pension liability of \$337.5 million.

Additional information on the City's long term debt obligations can be found in note 10 to the Financial Statements.

### NEW ACCOUNTING STANDARDS

During the fiscal year ended June 30, 2025, the City adopted GASB Statement No. 101, *Compensated Absences*, Statement No. 102, *Certain Risk Disclosures*.

Additional information regarding the effects of adopting these new accounting standards can be found in Note 2(t) of the financial statements.

### FUTURE PRONOUNCEMENTS

The GASB has issued Statement No. 103 *Financial Reporting Model Improvements*, and Statement No. 104 *Disclosure of Certain Capital Assets*.

The City is currently evaluating the impact of these standards on future periods.

### REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all of the City's citizens, taxpayers, customers, investors, and creditors. Questions concerning any of the information provided in this report or requests for additional information should be addressed to: City of Boston, Auditing Department, Boston City Hall, Room M 4, Boston, MA 02201. Alternatively, these requests may also be made through email, by contacting the Auditing Department at [CityAuditor@boston.gov](mailto:CityAuditor@boston.gov).

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

## Statement of Net Position

June 30, 2025

(Amounts in thousands)

	Primary Government	Aggregate Discretely Presented
	Governmental Activities	Discretely Presented Component Units
<b>ASSETS:</b>		
Current Assets:		
Cash and investments	\$ 2,806,367	\$ 227,529
Cash and investments held by trustees	196,239	37,506
Receivables, net		
Property and other taxes	39,330	-
Intergovernmental	297,929	-
Leases receivable, current	2,641	9,056
Other	30,728	62,231
Other assets	-	9,839
Due from primary government	-	691
Due from component units	3,050	-
Total current assets	3,376,284	346,852
Noncurrent Assets:		
Cash and investments held by trustee	-	70,734
Notes and other receivables	20,501	2,162,013
Other	-	2,607
Capital assets:		
Nondepreciable assets	666,573	39,332
Depreciable, net	2,997,361	81,245
Right of use lease assets, net	106,090	8,919
Subscription IT assets, net	24,198	142
Total noncurrent assets	3,814,723	2,364,992
<b>Total assets</b>	<b>7,191,007</b>	<b>2,711,844</b>
<b>DEFERRED OUTFLOWS OF RESOURCES</b>		
Deferred amount for pension costs	258,931	25,823
Deferred amount from OPEB	503,968	21,930
Deferred amount from debt refunding	115	-
<b>Total deferred outflows of resources</b>	<b>\$ 763,014</b>	<b>\$ 47,753</b>

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

**Statement of Net Position**  
**June 30, 2025**  
*(Amounts in thousands)*

	Primary Government	Aggregate Discretely Presented
	Governmental Activities	Discretely Presented Component Units
<b>LIABILITIES:</b>		
Current Liabilities:		
Warrants and accounts payable	\$ 242,893	\$ 28,084
Accrued liabilities - current:		
Compensated absences	80,760	8,383
Judgments and claims	137,326	-
Payroll and related costs	132,852	-
Deposits and other	125,269	1,552
Unearned revenue	180,278	13,029
Current portion of long-term bonds, notes and equipment financing payable	237,081	1,291
Due to component units	691	-
Due to primary government	-	3,050
Subscription agreement liability	9,943	608
Leases obligations/payables	8,021	1,066
Total current liabilities	<u>1,155,114</u>	<u>57,063</u>
Noncurrent Liabilities:		
Bonds due in more than one year	1,997,398	9,828
Other noncurrent liabilities	596,971	136,454
Notes and equipment financing payable due in more than one year	65,866	-
Net OPEB Liability	2,757,019	87,244
Subscription agreement liability LT	7,903	238
Unearned revenue	-	76,181
Net pension liability	1,170,112	88,832
Total noncurrent liabilities	<u>6,595,269</u>	<u>398,777</u>
<b>Total liabilities</b>	<b><u>7,750,383</u></b>	<b><u>455,840</u></b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>		
Deferred amount for pension costs	49,802	14,299
Deferred amount for OPEB	250,213	46,526
Deferred amount for leases	4,811	1,827,415
Deferred amount from debt refunding	5,764	-
Deferred tax revenue	3,553	-
<b>Total deferred inflows of resources</b>	<b><u>314,143</u></b>	<b><u>1,888,240</u></b>
<b>NET POSITION:</b>		
Net investments in capital assets	1,431,788	118,064
Restricted for:		
Non Expendable Trust	21,504	95,915
Expendable Trust	114,516	-
Capital Projects	51,565	-
Public Safety	99,725	-
Property & Development	160,280	-
Schools	89,124	-
Other Purposes	137,438	-
Unrestricted surplus (deficit)	(2,216,445)	201,538
<b>Total net position</b>	<b><u>\$ (110,505)</u></b>	<b><u>\$ 415,517</u></b>

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

## Statement of Activities

Year Ended June 30, 2025

(Amounts in thousands)

Functions/Programs	Expenses	Program Revenues		
		Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions
<b>Primary Government:</b>				
Governmental activities:				
General government	\$ 344,667	\$ 101,746	\$ 133,743	\$ 17,225
Human services	83,905	130	17,444	2,045
Public safety	1,411,105	146,752	82,659	6,943
Public works	222,494	18,953	13,441	36,797
Property and development	437,723	6,222	114,614	6,343
Parks and recreation	76,751	638	6,904	1,815
Library	76,707	5	5,358	-
Schools	2,712,719	10,577	718,644	37,272
Public health programs	160,543	-	-	-
Interest on long-term debt	2,114	-	-	-
<b>Total primary government</b>	<b>\$ 5,528,728</b>	<b>\$ 285,023</b>	<b>\$ 1,092,807</b>	<b>\$ 108,440</b>
<b>Aggregate Discretely Presented Component Units:</b>				
Boston Public Health Commission	\$ 251,475	\$ 57,733	\$ 89,069	\$ -
Boston Planning & Development Agency	28,556	23,784	-	-
Trustees of the Public Library of the City of Boston	23,951	3,341	16,794	-
Economic Development and Industrial Corporation of Boston	59,767	47,834	21,320	-
<b>Total component units</b>	<b>\$ 363,749</b>	<b>\$ 132,692</b>	<b>\$ 127,183</b>	<b>\$ -</b>

## General Revenues:

## Taxes:

Property taxes, levied for general purposes

Excises

Payments in lieu of taxes

Grants and contributions not restricted

Investment income

Investment income from leases

City appropriation

Miscellaneous

Special item - gain on sale of property

## Total general revenues

## Change in net position

## Net position - beginning of year

## Net position - end of year

## GOVERNMENT-WIDE FINANCIAL STATEMENTS

Net (Expense) Revenue and Changes  
in Net Position

Governmental Activities	Component Units
\$ (91,953)	\$ -
(64,286)	-
(1,174,751)	-
(153,303)	-
(310,544)	-
(67,394)	-
(71,344)	-
(1,946,226)	-
(160,543)	-
(2,114)	-
<b>\$ (4,042,458)</b>	<b>\$ -</b>
\$ -	\$ (104,673)
-	(4,772)
-	(3,816)
-	9,387
<b>\$ -</b>	<b>\$ (103,874)</b>
\$ 3,308,765	\$ -
318,184	-
93,737	-
273,914	-
146,887	18,146
-	44,304
-	140,079
7,947	3,766
-	6,809
<b>4,149,434</b>	<b>213,104</b>
<b>106,976</b>	<b>109,230</b>
<b>(217,481)</b>	<b>306,287</b>
<b>\$ (110,505)</b>	<b>\$ 415,517</b>

## FUND FINANCIAL STATEMENTS

## Balance Sheet

## Governmental Funds

June 30, 2025

(Amounts in thousands)

	General	Special Revenue Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>ASSETS:</b>					
Cash and investments	\$ 1,977,093	\$ 545,205	\$ 215,040	\$ -	\$ 2,737,338
Cash and investments held by trustees	-	-	58,741	137,498	196,239
Receivables:					
Property taxes	29,959	-	-	-	29,959
Motor vehicle / boat excise	37,340	-	-	-	37,340
Intergovernmental	1,412	244,951	51,566	-	297,929
Departmental and other	32,933	20,754	-	183	53,870
Tax title and possession	71,852	249	-	-	72,101
Total receivables	173,496	265,954	51,566	183	491,199
Allowance:					
Motor vehicle / boat excise	(27,969)	-	-	-	(27,969)
Tax title and possession	(71,853)	(248)	-	-	(72,101)
Total allowance	(99,822)	(248)	-	-	(100,070)
Net receivables	73,674	265,706	51,566	183	391,129
Due from other funds	291	1,631	-	72	1,994
Due from component units	3,050	-	-	-	3,050
<b>Total assets</b>	<b>\$ 2,054,108</b>	<b>\$ 812,542</b>	<b>\$ 325,347</b>	<b>\$ 137,753</b>	<b>\$ 3,329,750</b>
<b>LIABILITIES:</b>					
Warrants and accounts payable	\$ 64,490	\$ 64,552	\$ 100,801	\$ 1,528	\$ 231,371
Accrued liabilities:					
Payroll and related costs	132,096	719	5	32	132,852
Deposits and other	32,249	78,661	71	26	111,007
Unearned revenue	-	180,278	-	-	180,278
Total accrued liabilities	164,345	259,658	76	58	424,137
Due to other funds	1,053	794	-	147	1,994
Due to component units	691	-	-	-	691
<b>Total liabilities</b>	<b>230,579</b>	<b>325,004</b>	<b>100,877</b>	<b>1,733</b>	<b>658,193</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>					
Unavailable Revenue	34,907	14	42,677	-	77,598
Leases	3,854	957	-	-	4,811
<b>Total deferred inflows of resources</b>	<b>38,761</b>	<b>971</b>	<b>42,677</b>	<b>-</b>	<b>82,409</b>
<b>FUND BALANCES:</b>					
Nonspendable	-	-	-	21,504	21,504
Restricted	-	486,567	181,793	114,516	782,876
Assigned	560,155	-	-	-	560,155
Unassigned	1,224,613	-	-	-	1,224,613
<b>Total fund balances</b>	<b>1,784,768</b>	<b>486,567</b>	<b>181,793</b>	<b>136,020</b>	<b>2,589,148</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 2,054,108</b>	<b>\$ 812,542</b>	<b>\$ 325,347</b>	<b>\$ 137,753</b>	<b>\$ 3,329,750</b>

## FUND FINANCIAL STATEMENTS

**Reconciliation of the Balance Sheet****Governmental Funds to the Statement of Net Position****June 30, 2025***(Amounts in thousands)*

<b>Total fund balance - governmental funds</b>	<b>\$ 2,589,148</b>
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Amounts reported for governmental activities in the statement of net position are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental fund financial statements	3,794,222
Certain revenues of the government-wide financial statements are earned but not considered available in the governmental fund financial statements	74,043
Internal service funds are included in the government-wide financial statements	11,583
Some liabilities are not due and payable in the current period and therefore are not reported in the funds.	
Those liabilities consist of	
General obligation bonds and notes payable	(2,042,317)
Equipment financing payable	(80,615)
Leases	(109,128)
Subscription IT arrangements	(17,846)
Bond issue premiums/discounts, net	(177,413)
Deferred bond refunding losses/gain, net	(5,649)
Accrued interest on bonds	(14,262)
Compensated absences	(285,613)
Landfill	(4,921)
Judgments and claims, workers compensation and tax abatements	(376,991)
Net OPEB liability, net of deferred amounts	(2,503,263)
Net pension liability, net of deferred amounts	(960,983)
Pollution remediation	(500)
<b>Net position of governmental activities</b>	<b>\$ (110,505)</b>

## FUND FINANCIAL STATEMENTS

## Statement of Revenues, Expenditures and Changes in Fund Balances

## Governmental Funds

Year Ended June 30, 2025

(Amounts in thousands)

	General	Special Revenue Fund	Capital Projects Fund	Other Governmental Funds	Total Governmental Funds
<b>REVENUES:</b>					
Real and personal property taxes	\$ 3,334,967	\$ 153	\$ -	\$ -	\$ 3,335,120
Excises	327,077	32	-	-	327,109
Payments in lieu of taxes	93,737	-	-	-	93,737
Fines	65,957	9	-	-	65,966
Investment income (loss)	119,019	4,118	-	20,295	143,432
Licenses and permits	66,911	22	-	-	66,933
Departmental and other	117,283	84,797	373	7,065	209,518
Intergovernmental	799,909	621,673	78,123	-	1,499,705
<b>Total revenues</b>	<b>4,924,860</b>	<b>710,804</b>	<b>78,496</b>	<b>27,360</b>	<b>5,741,520</b>
<b>EXPENDITURES:</b>					
Current:					
General government	188,494	105,633	-	17,246	311,373
Human services	48,096	19,168	-	-	67,264
Public safety	950,595	40,337	-	-	990,932
Public works	163,534	12,961	-	-	176,495
Property and development	164,966	209,447	-	-	374,413
Parks and recreation	40,198	9,536	-	-	49,734
Library	48,397	5,061	-	-	53,458
Schools	1,622,394	274,112	-	-	1,896,506
Public health programs	135,304	11,623	-	-	146,927
Judgments and claims	19,977	-	-	-	19,977
Retirement costs	720,591	-	-	-	720,591
Other employee benefits	289,092	-	-	-	289,092
State and district assessments	381,016	-	-	-	381,016
Total current expenditures	4,772,654	687,878	-	17,246	5,477,778
Capital outlays	13,156	4,031	561,709	-	578,896
Debt service	249,064	-	-	20,000	269,064
<b>Total expenditures</b>	<b>5,034,874</b>	<b>691,909</b>	<b>561,709</b>	<b>37,246</b>	<b>6,325,738</b>
Excess (deficiency) of revenues over (under) expenditures	(110,014)	18,895	(483,213)	(9,886)	(584,218)
<b>OTHER FINANCING SOURCES (USES):</b>					
Leases & SBITAs GASB 87 & 96	111,025	831	6,212	-	118,068
Revenue from bond sale	-	-	464,170	-	464,170
Lease purchase - revenue	-	-	38,452	-	38,452
Premium revenue	-	1,660	35,830	-	37,490
Transfers in	-	48,157	33,336	363	81,856
Transfers out	(48,520)	(33,336)	-	-	(81,856)
<b>Total other financing sources (uses), net</b>	<b>62,505</b>	<b>17,312</b>	<b>578,000</b>	<b>363</b>	<b>658,180</b>
Net change in fund balances	(47,509)	36,207	94,787	(9,523)	73,962
<b>Fund balance - beginning of year</b>	<b>1,832,277</b>	<b>450,360</b>	<b>87,006</b>	<b>145,543</b>	<b>2,515,186</b>
<b>Fund balance - end of year</b>	<b>\$ 1,784,768</b>	<b>\$ 486,567</b>	<b>\$ 181,793</b>	<b>\$ 136,020</b>	<b>\$ 2,589,148</b>

## FUND FINANCIAL STATEMENTS

**Reconciliation of the Statement of Revenues,  
Expenditures and Changes in Fund Balance**  
**Governmental Funds to the Statement of Activities**  
**Year Ended June 30, 2025**  
*(Amounts in thousands)*

<b>Net change in fund balances - total governmental funds</b>	\$ 73,962
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Amounts reported for governmental activities in the statement of activities are different because:

Governmental funds report capital outlays as expenditures in the statement of activities, the cost of those assets is depreciated over their estimated useful lives:

Capital outlays and contributions of capital assets	494,303
Depreciation expense	(176,273)
Loss of disposals	(536)
	<hr/> 317,494

Certain revenues in the statement of activities that are not reported as revenues in the governmental funds as they are not considered available

	13,049
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Long-term liabilities are not due and payable in the current period and, therefore, are not reported in the governmental funds:

Issuance of long-term debt and equipment financing agreement	(502,622)
Repayment of bonds, notes and equipment financing payable	228,563
Bond premiums, deferred inflows and outflows on refunding and accrued interest (net)	36,541
Leases/SBITA's	1,525
Workers compensation	1,620
Net pension liability, net of deferred amounts	152,205
Compensated absences	(11,418)
Net OPEB liability, net of deferred amounts	(134,426)
Judgements and claims and abatement liability	(20,191)
Landfill closure and post closure costs	176 (248,027)

Net operating income from the internal service fund, which is presented in the statement of activities, but not in the governmental funds

	(49,502)
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**Change in net position of governmental activities**

	<hr/> \$ 106,976
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## FUND FINANCIAL STATEMENTS

## Statement of Revenues and Expenditures

## Budgetary Basis

## General Fund – Budget and Actual

Year Ended June 30, 2025 (with comparative actual amounts for 2024)

(Amounts in thousands)

	2025				
	Original Budget	Final Budget	Actual	Increase (Decrease) Variance	2024 Actual
<b>REVENUES AND OTHER AVAILABLE FUNDS:</b>					
Real and personal property taxes, net	\$ 3,324,989	3,324,989	\$ 3,325,375	\$ 386	\$ 3,136,943
Motor Vehicle Excise	59,000	59,000	75,209	16,209	72,656
Other Excise Taxes	227,300	227,300	250,795	23,495	255,646
Commonwealth of Massachusetts	516,054	516,054	510,787	(5,267)	502,978
Departmental and other revenue	92,444	92,444	112,386	19,942	107,743
Fines	59,000	59,000	65,989	6,989	60,290
Payments in lieu of taxes	79,500	79,500	93,589	14,089	88,580
Investment income	86,700	86,700	118,971	32,271	162,661
Licenses and permits	73,900	73,900	68,056	(5,844)	81,548
Other available funds	70,950	180,950	110,000	(70,950)	-
Intergovernmental	42,364	42,364	28,245	(14,119)	-
<b>Total revenues and other available funds</b>	<b>4,632,201</b>	<b>4,742,201</b>	<b>4,759,402</b>	<b>17,201</b>	<b>4,469,045</b>
<b>EXPENDITURES:</b>					
General government	306,000	269,888	214,666	55,222	\$ 174,628
Human services	54,398	54,398	49,417	4,981	49,374
Public safety	875,112	879,739	935,516	(55,777)	925,499
Public works	148,736	157,057	166,690	(9,633)	142,352
Property and development	101,858	216,194	214,981	1,213	96,610
Parks and recreation	40,815	42,342	41,383	959	39,650
Library	49,883	50,631	48,924	1,707	46,885
Schools	1,527,969	1,568,264	1,568,264	-	1,445,846
Boston Public Health Commission	140,120	140,279	140,279	-	131,565
Judgments and claims	2,000	2,000	6,187	(4,187)	24,103
Other employee benefits	292,254	294,453	293,484	969	267,430
Retirement costs	426,499	427,483	427,483	-	427,281
Debt requirements	275,937	248,846	248,846	-	239,094
State and district assessments	390,620	390,627	381,015	9,612	370,830
<b>Total expenditures</b>	<b>4,632,201</b>	<b>4,742,201</b>	<b>4,737,135</b>	<b>5,066</b>	<b>4,381,147</b>
<b>Excess (deficiency) of revenues and other available funds over (under) expenditures</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 22,267</b>	<b>\$ 22,267</b>	<b>\$ 87,898</b>

## FUND FINANCIAL STATEMENTS

**Statement of Net Position****Proprietary Fund****June 30, 2025***(Amounts in thousands)*

	<b>Internal Service</b>
<b>ASSETS:</b>	
Current assets:	
Cash and cash equivalents	\$ 69,029
<b>Total assets</b>	<b>\$ 69,029</b>
<b>LIABILITIES:</b>	
Current liabilities:	
Accrued liabilities	\$ 57,446
<b>Total liabilities</b>	<b>\$ 57,446</b>
<b>NET POSITION:</b>	
Unrestricted	11,583
<b>Total net position</b>	<b>\$ 11,583</b>

## FUND FINANCIAL STATEMENTS

Statement of Revenues, Expenses  
and Changes in Net Position

Proprietary Fund

Year Ended June 30, 2025

(Amounts in thousands)

	<u>Internal Service</u>
<b>OPERATING REVENUES:</b>	
Employee contributions	\$ 104,371
Employer contributions	232,159
<b>Total operating revenues</b>	<b><u>336,530</u></b>
<b>OPERATING EXPENSES:</b>	
Health benefits	386,032
<b>Total operating expenses</b>	<b><u>386,032</u></b>
<b>Operating income (loss)</b>	<b><u>(49,502)</u></b>
<b>Net position - beginning of year</b>	<b><u>61,085</u></b>
<b>Net position - end of year</b>	<b><u>\$ 11,583</u></b>

## FUND FINANCIAL STATEMENTS

**Statement of Cash Flows****Proprietary Funds****Year Ended June 30, 2025***(Amounts in thousands)*

	<b>Internal Service</b>
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from employees and employer	\$ 337,641
Cash paid to vendors	(360,476)
<b>Net cash provided by operating activities</b>	<b>(22,835)</b>
 <b>Cash and cash equivalents, beginning of year</b>	 91,864
<b>Cash and cash equivalents, end of year</b>	<b>\$ 69,029</b>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (49,502)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities	
Changes in operating assets and liabilities:	
Other assets	768
Due from component units/receivables	1,110
Accrued liabilities	24,789
<b>Net cash provided by operating activities</b>	<b>\$ (22,835)</b>

## FUND FINANCIAL STATEMENTS

## Statement of Fiduciary Net Position

## Fiduciary Funds

June 30, 2025

(Except Employee Retirement Plan, which is as of December 31, 2024)

(Amounts in thousands)

	Pension and OPEB Trust Funds	Private-Purpose Trusts	Custodial Funds
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 924,741	\$ 179,357	\$ 12,795
Receivables:			
Interest and dividends	17,939	-	-
Securities sold	13,264	-	-
Employer contributions	20,830	-	-
Lease receivable	-	2,145	-
Other	13,338	1,229	-
Total receivables	65,371	3,374	-
Prepaid expenses	1,387	-	-
Investments, at fair value:			
Short term:			
Domestic	71,761	-	-
International	14,619	-	-
Equity:			
Domestic	2,439,060	-	-
International	2,011,944	-	-
Fixed-income:			
Domestic	1,593,140	-	-
International	495,938	-	-
PRIT Pooled Fund	2,387,275	-	-
Real estate	670,772	-	-
Alternative	1,276,515	-	-
Total investments	10,961,024	-	-
Securities lending short-term collateral investment pool	211,181	-	-
<b>Total assets</b>	<b>\$ 12,163,704</b>	<b>\$ 182,731</b>	<b>\$ 12,795</b>
<b>LIABILITIES:</b>			
Accounts payable, accrued expenses and other liabilities	\$ 43,310	\$ 2,859	\$ -
Securities purchased	42,746	-	-
Collateral held on securities lending	210,783	-	-
<b>Total liabilities</b>	<b>\$ 296,839</b>	<b>\$ 2,859</b>	<b>\$ -</b>
<b>DEFERRED INFLOW OF RESOURCES:</b>			
Deferred amount for leases	-	2,082	-
<b>Total deferred inflow of resources</b>	<b>-</b>	<b>2,082</b>	<b>-</b>
<b>NET POSITION RESTRICTED</b>			
Pension Benefits	10,535,098	-	-
OPEB Benefits	1,331,767	-	-
Other Purposes	-	177,790	12,795
<b>Total net position restricted for individuals and organizations</b>	<b>\$ 11,866,865</b>	<b>\$ 177,790</b>	<b>\$ 12,795</b>

## FUND FINANCIAL STATEMENTS

## Statement of Changes in Fiduciary Net Position

## Fiduciary Funds

Year Ended June 30, 2025

(Except Employee Retirement Plan, which is year ended December 31, 2024)

(Amounts in thousands)

## ADDITIONS:

	Pension and OPEB Trust Funds	Private-Purpose Trusts	Custodial Funds
Contributions:			
Employers	\$ 681,565	\$ -	\$ -
Commonwealth of Massachusetts (nonemployer)	261,107	-	-
Employees	233,792	-	-
Donations and other	-	17,396	4,790
Total contributions	<u>1,176,464</u>	<u>17,396</u>	<u>4,790</u>
Investment earnings:			
Net appreciation in fair value of investments	342,854	-	-
Investment income (loss)	633,894	13,520	-
Less investment expenses	(70,125)	-	-
Net investment earnings	<u>906,623</u>	<u>13,520</u>	<u>-</u>
Securities lending activities:			
Securities lending income	14,668	-	-
Management and related fees	(13,387)	-	-
Net income from securities lending activities	<u>1,281</u>	<u>-</u>	<u>-</u>
Total net investment income	<u>907,904</u>	<u>13,520</u>	<u>-</u>
Intergovernmental	15,635	-	-
Miscellaneous income	(109)	-	-
<b>Total additions</b>	<b>2,099,894</b>	<b>30,916</b>	<b>4,790</b>

## DEDUCTIONS:

Benefits	913,950	-	-
Reimbursements	11,385	-	-
Refunds of contributions	58,887	-	-
Administrative expenses and other	9,626	17,869	4,297
<b>Total deductions</b>	<b>993,848</b>	<b>17,869</b>	<b>4,297</b>
<b>Change in net position</b>	<b>1,106,046</b>	<b>13,047</b>	<b>493</b>
<b>Net position - beginning of year</b>	<b>10,760,819</b>	<b>164,743</b>	<b>12,302</b>
<b>Net position - end of year</b>	<b>\$ 11,866,865</b>	<b>\$ 177,790</b>	<b>\$ 12,795</b>

# B



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## NOTES TO THE BASIC FINANCIAL STATEMENTS

## NOTES TO THE BASIC FINANCIAL STATEMENTS

June 30, 2025

## 1. The Financial Reporting Entity

a. *Primary Government*

The City of Boston (the City), incorporated as a town in 1630 and as a city in 1822, now exists under Chapter 486 of the Act of 1909 and Chapter 452 of the Acts of 1948 of the Commonwealth of Massachusetts (the Commonwealth), which, as amended, constitute the City's Charter. The Mayor is elected to a four year term and serves as chief executive officer of the City. The Mayor has general supervision of and control over the City's boards, commissions, officers, and departments. The legislative body of the City is the City Council, which consists of 13 elected members serving two year terms.

The accompanying basic financial statements present the City and its component units. The component units discussed below are included in the City's reporting entity because of the significance of their operational or financial relationships with the City.

b. *Blended Component Units Disclosure*i. **Boston Retirement System (BRS)** is a defined benefit contributory retirement system created under state statute.

It is administered by a Retirement Board comprising five members: the City Auditor, who serves *ex officio*; two individuals elected by participants in the system; a fourth member appointed by the Mayor; and a fifth member chosen by the other members. BRS provides pension benefits to retired City, Boston Planning & Development Agency, Boston Housing Authority, Boston Water and Sewer Commission, and Boston Public Health Commission employees. Although legally separate, BRS provides services entirely, or almost entirely, to the City and thus has been reported as a blended component unit among the City's fiduciary funds. The financial statements of BRS are included for its fiscal year end, which is December 31, 2024.

ii. **Dudley Square Realty Corporation (DSRC) and Ferdinand Building Development Corporation (FBDC)** – The DSRC is a Qualified Active Low-Income Community Business, and is the owner and developer of the Dudley Municipal Center property. FBDC is the leverage lender of the Dudley Municipal Center property. FBDC leases the property from DSRC and the City subleases the property from FBDC. The DSRC and FBDC are non-profit organizations qualified as tax-exempt entities under Section 501(c)(3) of the Internal Revenue Code. Both entities are instrumentalities of the City, as the Mayor has full control of appointments to their boards of directors. Although legally separate, both DSRC and FBDC provide services entirely, or almost entirely, to the City and thus have been reported as blended component units. These funds are presented as non-major funds within the other governmental funds. Financial statements are included for their fiscal year end, which is June 30, 2025.

Audited financial statements of these discretely presented component units can be obtained through the City Auditor's office, Room M 4, City Hall Plaza, Boston, Massachusetts 02201.

c. *Discretely Presented Component Units Disclosure*

These component units are reported in a separate column to emphasize that they are legally separate from the City but are included because the City is financially accountable for the organizations, meaning it appoints, at a minimum, a voting majority of the board of directors of the organization and is able to impose its will on the organizations or has a financial benefit or burden relationship with the organizations. Unless otherwise indicated, the Notes to the Financial Statements pertain only to the primary government because certain disclosures of the component units are not significant relative to the total component units and to the primary government. A description of the component units, criteria for inclusion, and their relationship with the City are as follows:

## NOTES TO THE BASIC FINANCIAL STATEMENTS

- i. **Boston Planning & Development Agency (BPDA)** – The BPDA is legally separate from the City and a body politic and corporate constituting the City's redevelopment authority and exercising the powers of a planning board for the City. The BPDA is governed by a five-member board, four of whom are appointed by the Mayor and confirmed by the City Council, and one of whom is appointed by the Governor of Massachusetts (same board members as the EDIC). The BPDA receives a significant amount of intergovernmental revenue, which is used solely for capital projects that are under the oversight of the BPDA. In accordance with GASB Statement No. 61, the BPDA is presented as a discrete component unit of the City.
- ii. **Economic Development and Industrial Corporation of Boston (EDIC)** – The EDIC is legally separate from the City and a body politic and corporate and an instrumentality of the Commonwealth. The EDIC is governed by a five-member board, four of whom are appointed by the Mayor and confirmed by the City Council, and one of whom is appointed by the Governor of Massachusetts (same board members as the BPDA). The EDIC receives a significant amount of intergovernmental revenue, including grants and contracts with the City for jobs and community service activities. In accordance with GASB Statement No. 61, the EDIC is presented as a discrete component unit of the City.
- iii. **Boston Public Health Commission (BPHC)** – The BPHC is legally separate from the City and a body politic and corporate and an instrumentality of the Commonwealth. The BPHC is governed by a seven-member board, six of whom are appointed by the Mayor and confirmed by the City Council, and one of whom is the chief executive officer of the Boston Medical Center. The BPHC receives the majority of its funding from a City appropriation, Emergency Management Services and other third party billings, and federal and state grants. The BPHC expects that the City will continue to provide support for the public health programs of the BPHC. In accordance with GASB Statement No. 61, the BPHC is presented as a discrete component unit of the City.
- iv. **Trustees of the Public Library of the City of Boston (TPL)** – The TPL is legally separate from the City of Boston and is a non-profit organization qualified as a tax-exempt entity under Section 501(c)(3) of the Internal Revenue Code. The trustees of the TPL are appointed by the Mayor and the TPL places substantial reliance upon the City to fund its daily operations. In addition, the Library receives significant support through state and federal government appropriations and private sources. In accordance with GASB Statement No. 61, the TPL is presented as a discrete component unit of the City.

The financial statements of the discretely presented component units are included for their respective fiscal year ends, which is June 30, 2025.

Audited financial statements of these discretely presented component units can be obtained through the City Auditor's office, Room M 4, City Hall Plaza, Boston, Massachusetts 02201. In addition, condensed financial statements for the discretely presented component units are included in note 21.

### ***d. Related Organizations***

The Mayor is also responsible for appointing members of the governing bodies of the Boston Housing Authority, Boston Industrial Development Finance Authority, and Boston Water and Sewer Commission; however, the City's accountability for these organizations does not extend beyond making these appointments.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### 2. Summary of Significant Accounting Policies

The accounting policies of the City conform to U.S. generally accepted accounting principles as applicable to governmental units as prescribed by the Governmental Accounting Standards Board (GASB). The following is a summary of the more significant policies followed by the City:

#### a. *Government-wide and Fund Financial Statements*

The Government-wide Financial Statements (i.e., the Statement of Net Position and the Statement of Activities) report information on all of the non fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from any business-type activities, which rely to a significant extent on fees and charges for support. The City currently reports no business-type activities. Likewise, the primary government is reported separately from certain legally separate component units for which the primary government is financially accountable.

The Statement of Activities demonstrates the degree to which the direct expenses of a given function or segment is offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Separate financial statements are provided for Governmental Funds, Proprietary Funds, and Fiduciary Funds, even though the latter are excluded from the Government-wide Financial Statements. Major individual Governmental Funds are reported as separate columns in the Fund Financial Statements.

#### b. *Measurement Focus, Basis of Accounting, and Financial Statement Presentation*

##### i. *Government-wide Financial Statements*

The Government-wide Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the Proprietary Fund and Fiduciary Fund Financial Statements, including the Custodial Funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements for recognition have been met.

##### ii. *Governmental Fund Financial Statements*

Governmental Fund Financial Statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are “susceptible to accrual” (i.e., both measurable and available). Revenues not considered to be available are recorded as deferred inflows of resources.

The City applies the susceptible to accrual criteria to property and other taxes and intergovernmental revenues. In applying the susceptible to accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, resources must be expended on the specific purpose or project before any amounts will be reimbursed to the City; therefore, revenues are recognized based upon the amount of expenditures incurred subject to availability requirements. In the other, resources are virtually unrestricted and are usually revocable by the grantor only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met. Property and other taxes are recognized as revenue in the year for which taxes have been levied or earned, provided they are collected within 60 days after year-end. Generally, intergovernmental revenues are recognized as revenue provided they are earned during the year and collected within one year after year-end, except for Massachusetts School Building Authority (MSBA) and Chapter 90 receivables which are considered available when received.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

Expenditures generally are recorded when a liability is incurred. However, debt service expenditures, as well as expenditures related to long-term liabilities including leases, compensated absences, other postemployment benefits, workers' compensation and judgments and claims, are recorded only when payment is mature and due.

### iii. Proprietary Financial Statements

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from the provision of services. The principal operating revenues of the City's Internal Service Funds are receipts from employer and employees for health insurance premiums. Operating expenses for the Internal Service Fund include administrative expenses, vendor payments, and health benefits. Any revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

### iv. Description of Major Funds

*Governmental funds* – The City reports the following major governmental funds:

1. The *General Fund* is the City's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
2. The *Special Revenue Fund* accounts for the proceeds of specific revenue sources (other than trusts for individuals, private organizations, or other governments, or for major capital projects) that are legally restricted or assigned to expenditures for various general governmental functions. Revenue sources include grant funding for education, housing, and public safety and 1% surcharge on the Community Preservation Act.
3. The *Capital Projects Fund* accounts for bond proceeds and grant revenues used for the acquisition or construction of the City's capital facilities.

*Proprietary fund* – The City reports the following proprietary fund:

4. The City uses an internal service fund to account for its self-insured health costs. Although the fund is presented in a separate column in the accompanying proprietary fund financial statements, it is not considered a major fund.

*Fiduciary Funds* – The City reports the following fiduciary fund types:

5. *The Private Purpose Trust Funds* are used to account for resources legally held in trust for the benefit of individuals, private organizations, or other governments. The City operates four pools used for the improvement of the City's parks and cemeteries, educational scholarships and sporting equipment, creation of public utility and beauty, and co-mingled non testamentary trusts.
6. *The Pension Trust Fund* accounts principally for the activities of the Boston Retirement System, a blended component unit, which accumulates resources for pension benefit payments to retired employees of the City and other entities.
7. *The OPEB Trust Fund* is an irrevocable trust fund established for other postemployment benefits. The assets are appropriated from the General Fund and accumulate to reduce the City's total OPEB liability. The assets of the trust are currently not used for direct payments of benefits.
8. *The Custodial Funds* are used to report funds held by the City in a purely custodial capacity. The City currently operates a drug evidence account for proceeds of property seized from illegal drug-related activities. These funds are then used to offset the costs of technical equipment or expertise and investigations. In addition, the City operates student activity funds and before and after school accounts. The funds are used to offset the costs running these programs for Boston Public Schools.

#### c. Cash Equivalents

For purposes of the statement of cash flows, investments with original maturities of three months or less when purchased are considered to be cash equivalents.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**d. Basis of Investment Valuation**

Investments generally are presented in the accompanying basic financial statements at fair value. Where applicable, fair values are based on quotations from national securities exchanges, except for certain investments of BRS, which are described in notes 5 and 12. Further, income from investments is recognized in the same fund as the related investments.

The City invests in the Massachusetts Municipal Depository Trust (MMDT) Cash Portfolio, which is an external investment pool and is not SEC-registered. The fund is state-regulated and is valued at amortized cost.

**e. Interfund Receivables and Payables**

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the noncurrent portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds."

**f. Uncollectible Tax and Other Receivables**

All receivables are shown net of an allowance for uncollectibles. Amounts considered to be uncollectible are based on the type and age of the related receivable.

**g. Capital Assets**

Capital assets include property, plant, equipment, and infrastructure assets (e.g., roads, bridges, sidewalks, and similar items), and intangible assets such as easements, land use rights, computer software, trademarks and patents. Capital assets are reported in the governmental activities column in the Government-wide Financial Statements. Capital assets are defined by the City as assets with an initial, individual cost of more than \$25,000 and an estimated useful life in excess of one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation. Any significant construction commitments are encumbered at year end in the City's Capital Projects Fund.

Right-to-use lease assets are initially measured at the present value of payments expected to be made during the lease term, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease asset is amortized in a systematic and rational manner over the shorter of the lease term or the useful life of the underlying asset.

SBITA assets are initially measured as the sum of the present value of payments expected to be made during the subscription term, payments associated with the SBITA contract made to the SBITA vendor at the commencement of the subscription term, when applicable, and capitalizable implementation costs, less any SBITA vendor incentives received from the SBITA vendor at the commencement of the SBITA term. SBITA assets are amortized in a systematic and rational manner over the shorter of the subscription term or the useful life of the underlying IT assets.

The costs of normal maintenance and repairs that do not add to the capacity or efficiency of the asset or materially extend assets' useful lives are not capitalized.

Capital assets of the primary government are depreciated using the straight line method over the following estimated useful lives:

Assets	Years
Buildings	30
Building improvements	30
Infrastructure	30
Land improvements - major	30
Land improvements - playgrounds	15
Computer upgrades	10
Equipment and machinery	10
Intangible assets, computer software and licenses	5
Computers and related equipment	3
Furniture and fixtures	3
Motor vehicles	3

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### *h. Unearned Revenue*

Resources received in advance are reported as unearned revenues until the period of the exchange. Intergovernmental revenues representing grants and assistance from other governmental units are generally recognized as revenues in the period when all eligibility requirements, as defined by GASB Statement No. 33, have been met.

### *i. Compensated Absences*

Employees are granted sick and vacation leave in varying amounts. Upon retirement, termination, or death, certain employees are compensated for unused sick and vacation leave (subject to certain limitations) at their then current rates of pay. Public Safety employees are compensated for unused personal leave in addition to sick and vacation leave. The entire amount of the liability is reported in governmental activities in the Government-wide Financial Statements. The liability for vacation leave is based on the amount earned but not used; for sick leave, it is based on the amount accumulated at the balance sheet date that would be paid upon termination (vesting method). The liability for both amounts is calculated based on the pay or salary rates in effect at the balance sheet date.

### *j. Long Term Obligations and Related Costs*

Long-term debt and other long term obligations are reported as liabilities in the Government-wide Statement of Net Position. Bond premiums and discounts are capitalized and amortized over the life of the bonds using the effective interest method. The unamortized portion is presented in the Government-wide Statement of Net Position as a component of bonds payable. Bond issuance costs are reported as expenses when incurred.

The Governmental Fund Financial Statements recognize bond premiums and discounts, as well as bond issuance costs, during the period incurred. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

### *k. Pensions*

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the BRS and additions to/ deductions from the BRS fiduciary net position have been determined on the same basis as they are reported by BRS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are generally reported at fair value.

### *l. Postemployment Benefits Other Than Pensions (OPEB)*

For purposes of measuring the net OPEB liability, deferred outflows of resources and deferred inflows of resources related to OPEB, and OPEB expense, information about the fiduciary net position of the Other Postemployment Benefit Trust Fund (the Plan) and additions to/deductions from Plan's fiduciary net position have been determined on the same basis as they are reported by the Plan. For this purpose, the Plan recognizes benefit payments when due and payable in accordance with the benefit terms. Investments are generally reported at fair value.

### *m. Deferred Outflows of Resources and Deferred Inflows of Resources*

Deferred outflows of resources are defined as a consumption of net assets by the government that is applicable to a future reporting period. Deferred inflows of resources are defined as an acquisition of net assets by the government that is applicable to a future reporting period. Deferred outflows of resources increase net position, similar to assets, and inflows of resources decrease net position, similar to liabilities.

### *n. Leases (Lessor)*

The City is a lessor for various noncancelable leases of land and buildings. For leases with a maximum possible term of 12 months or less at commencement, the City recognizes income based on the provisions of the lease contract. For all other leases (i.e. those that are not short-term), the City recognizes a lease receivable and an offsetting deferred inflow of resources.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

At lease commencement, the City initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is measured at the value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods. The City recognizes interest income on the lease receivable, and lease revenue from the deferred inflows of resources in a systematic and rational manner over the term of the lease.

Key estimates and judgments include how the City determines the (1) discount rate it uses to calculate the present value of the expected lease payments to be received, (2) lease term, and (3) lease payments to be received.

- The City generally uses its estimated incremental borrowing rate as the discount rate for leases. The City's incremental borrowing rate for leases is based on a formula that adds together a risk-free rate of return (or market interest rate) component and a credit spread component using actual market data that are never more than 90 days old. The risk-free rate of return represents a consensus view of the cost of funds for a AAA-rated municipal bond issuer, while the credit spread represents a similar consensus view of the additional risk premium investors or lenders would demand to make a similar loan to entities across the rating spectrum.
- The lease term includes the noncancelable portion of the lease, plus any additional periods covered by either a City or lessee unilateral option to (1) extend for which it is reasonably certain to be exercised, or (2) terminate for which it is reasonably certain not to be exercised. Periods in which both the City and the lessee have an option to terminate are excluded from the lease term.
- Lease payments to be received are evaluated by the City to determine if they should be included in the measurement of the lease receivable, including those payments that require a determination of whether they are reasonably certain of being received, such as fixed rent, variable rent, and lease extension fees. Lease receivable is composed of fixed payments from the lessee.

The City monitors changes in circumstances that may require remeasurement of a lease. When certain changes occur that are expected to significantly affect the amount of the lease, the receivable is remeasured and a corresponding adjustment is made to the deferred inflow of resources.

Lease receivable is reported with notes and other receivables within the noncurrent asset section of the statement of net position, net of the short-term portion of the lease receivable, which is reported with receivable, net – other within the current asset section.

***o. Leases (Lessee) and Subscription-Based Information Technology Arrangements***

The City is a lessee for various noncancelable leases of buildings and equipment. The City also has noncancelable subscription IT arrangements (similar to a lease) for the right-to-use information technology software (subscription IT arrangements). For leases and subscription IT arrangements with a maximum possible term of 12 months or less at commencement, the City recognizes expenses based on the provisions of the lease contract or subscription IT arrangement, respectively. For all other leases and subscription IT arrangements (i.e. those that are not short-term), the City recognizes a lease or subscription IT liability, respectively, and an intangible right-to-use lease asset or subscription based IT asset, respectively, in the governmental activities column of the government-wide financial statements.

At lease commencement, the City initially measures the lease liability at the present value of payments expected to be made during the lease term. Subsequently, the lease liability is reduced by the principal portion of lease payments made. The lease asset is initially measured at the initial amount of the lease liability, less lease payments made at or before the lease commencement date, plus any initial direct costs ancillary to placing the underlying asset into service, less any lease incentives received at or before the lease commencement date. Subsequently, the lease asset is amortized into amortization expense on a straight-line basis over the shorter of the lease term or the useful life of the underlying asset. If the City is reasonably certain of exercising a purchase option contained in a lease, the lease asset will be amortized over the useful life of the underlying asset.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

At subscription commencement, the City initially measures the subscription IT liability at the present value of payments expected to be made during the subscription term. Subsequently, the subscription IT liability is reduced by the principal portion of subscription payments made. The subscription IT asset is initially measured at the initial amount of the subscription IT liability, less subscription payments made at or before the subscription commencement date, plus the capitalized implementation costs. Subsequently, the subscription IT asset is amortized into amortization expense on a straight-line basis over the shorter of the subscription term or the useful life of the underlying software.

Key estimates and judgments include how the City determines the (1) discount rate it uses to calculate the present value of the expected lease and subscription payments to be made, (2) lease ad subscription term and (3) lease and subscription payments to be made. These key estimates and judgments are similar to leases where the City is the lessor as disclosed in note 2(n).

The City monitors changes in circumstances that may require remeasurement of a lease or subscription IT arrangement. When certain changes occur that are expected to significantly affect the amount of the lease or subscription IT liability, the liability is remeasured and a corresponding adjustment is made to the lease or subscription IT asset.

Lease and subscription IT assets are reported with capital assets, and lease and subscription IT liabilities are reported with other noncurrent liabilities in the statement of net position, net of the short-term portion of the lease and subscription IT liability, which is reported with deposits and other, within the current liability section.

### *p. Net Position and Fund Balance*

In the Government-wide and Proprietary Fund Financial Statements, net position is reported in the following categories:

- Net investment in capital assets: Capital assets, net of accumulated depreciation, and outstanding principal balances of debt attributable to the acquisition, construction, or improvement of those assets.
- Restricted: Net position the use of which is subject to constraints imposed by external parties, including creditors, grantors, and laws and regulations of other governments, or imposed by City Charter or enabling legislation. Nonexpendable amounts are required to remain intact under such constraints.
- Unrestricted: Remaining net position not considered net investment in capital assets or restricted.

For purposes of net position classification, when both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed.

In the Governmental Fund Financial Statements, fund balance is reported in the following categories:

- Nonspendable: Amounts that cannot be spent because they are either not in spendable form or they are legally or contractually required to remain intact.
- Restricted: Amounts the use of which is subject to constraints imposed by external parties, including creditors, grantors, and laws and regulations of other governments, or imposed by City Charter or enabling legislation.
- Committed: Amounts that can only be used for specific purposes pursuant to constraints imposed by formal action of the government's highest level of decision-making authority. For the City, this formal action takes the form of statutes which are passed by the City Council and approved by the Mayor.
- Assigned: Amounts that are constrained by the City's intent for use for specific purposes, but are considered neither restricted or committed. Under M.G.L. Chapter 190, Acts of 1982, the City Auditor has the authority to assign amounts to be used for specific purposes on behalf of the City.
- Unassigned: Amounts in the general fund that are not otherwise constrained for a specific purpose more narrow than the general operations of the City. The general fund is the only fund that reports a positive unassigned fund balance. The City maintains a formal policy that unassigned fund balance in the General Fund be at least 15 percent of the current year's General Fund GAAP basis operating expenditures.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

For purposes of fund balance classification, when both restricted and unrestricted resources are available for use, it is the City's policy to use restricted resources first, then unrestricted resources as they are needed. When unrestricted resources are used, committed resources are used first, followed by assigned and unassigned resources, respectively.

**q. *Tax Abatement Refunds***

Matured tax abatement refunds that are due and payable at June 30 have been recorded as an allowance in the General Fund. A liability for estimated future tax abatement refunds has been recorded in the Government-wide Statement of Net Position.

**r. *Landfill Closure and Postclosure Care Costs***

State and federal regulations require the City to place a final cover on its Gardner Street landfill site when it stops accepting waste and to perform certain maintenance and monitoring functions at the site for 30 years after closure. At June 30, 2025, 100% of the Gardner Street landfill had been capped.

The total current cost of landfill closure and postclosure care is an estimate, subject to changes resulting from inflation, deflation, technology, or other changes in applicable laws or regulations. Such costs are recognized as expenditures in the General Fund to the extent that they are due or matured and are expected to be paid with expendable available financial resources. The total liability is reported in the Government-wide Statement of Net Position. Expenditures related to the Gardner Street landfill site post closure care in fiscal year 2025 were \$176 thousand.

**s. *Use of Estimates***

The preparation of the accompanying basic financial statements in conformity with U.S. generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

**t. *Adoption of Accounting Pronouncements***

The City adopted the following new accounting pronouncements issued by the GASB during the current fiscal year ended June 30, 2025:

- Statement No. 101, *Compensated Absences*. This Statement amends the existing requirements to disclose the gross increases and decreases in a liability for compensated absences to allow governments to disclose only the net change in the liability. In addition, governments are no longer required to disclose which governmental funds typically have been used to liquidate the liability for compensated absences. The requirements of this Statement are effective for fiscal years beginning December 15, 2023, and all reporting periods thereafter.
- Statement No. 102, *Certain Risk Disclosures*. This Statement's objective is to provide users of government financial statements with essential information about risks related to a government's vulnerabilities due to certain concentrations of constraints. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter.
- Implementations of the above GASB statements have no material effect on amounts reported in the City's financial statements.

The City is currently reviewing its accounting practices to determine the potential impacts on the financial statements for the following GASB Statements.

- Statement No. 103, *Financial Reporting Model Improvements*. This Statement's objective is to improve key components of the financial reporting model to enhance its effectiveness in providing information that is essential for decision making and assessing a government's accountability. This Statement also addresses certain issues related to Management's Discussion and Analysis, Unusual or Infrequent Items, presentation of the Proprietary Fund Statement of Revenues, Expenses and Changes in Fund Net Position, Major component Unit Information and Budgetary Comparison Information. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

- Statement No. 104, *Disclosures of Certain Capital Assets*. This Statement's objective is to provide users of government financial statements with detailed information about capital assets in notes to the financial statements. This Statement requires certain types of capital assets to be disclosed separately in the capital assets note disclosures required by Statement 34. *Lease assets recognized in accordance with Statement No. 87, Leases, and intangible right-to-use assets recognized in accordance with Statement No. 94, Public-Private and Public-Public partnerships and Availability Payments Arrangements*, should be disclosed separately by major class of underlying asset in the assets note disclosures. Subscription assets recognized in accordance with Statement No. 96, *Subscription-Based Information Technology Arrangements*, also should be separately disclosed. In addition, this Statement requires intangible assets other than those three types to be disclosed separately by major class. The requirements of this Statement are effective for fiscal years beginning after June 15, 2025, and all reporting periods thereafter.

### 3. Short Term Debt

During fiscal year 2025, the City had no short term debt issued or outstanding.

### 4. Budgetary Data

The General Fund is the only fund for which a budget is legally adopted. The budgets for all departments included in the General Fund of the City, except the School Department, are prepared under the direction of the Mayor and City Council. The School Department budget is prepared under the direction of the School Committee.

Original and supplemental appropriations are submitted by the Mayor, approved by the City Council, and lapse at year-end unless encumbered. The legal level of control over appropriations is at the department level. Amendments to the original budget must be approved by the City Council, except for a reallocation of appropriations of up to \$3.0 million, which the Mayor may approve. Further, the City Auditor, with the approval of the Mayor, may make transfers from any appropriation to any other appropriation for purposes of eliminating deficits before closing the books for the fiscal year. After the close of the fiscal year, the City Auditor may, with the approval of the Mayor, apply any income, taxes, and funds not disposed of and make transfers from any appropriation to any other appropriation for the purpose of closing the accounts for the fiscal year.

The City must establish its property tax rate each year so that the resulting property tax levy will comply with the limits required by Proposition 2 1/2 (note 6). The tax levy must equal the sum of (a) the aggregate of all annual appropriations for expenditures; plus (b) the reserve accounts described in the following paragraph; plus (c) provision for the prior fiscal years' deficits, if any; less (d) the aggregate of all non-property tax revenues projected to be received by the City, including available funds, in amounts certified or approved by the Commonwealth for tax rate purposes.

In accordance with the 1986 amendments to the Funding Loan Act of 1982, the City has established two reserve funds. The first is a budget reserve fund, which is required to be funded in stages to a final level of 2 1/2% of the prior year's overall departmental appropriations, except the School Department, by the beginning of fiscal year 1990. It is available to be applied to extraordinary and unforeseen expenditures. The second is a separate reserve fund of 1% to 2-1/2% of the current year appropriation of the School Department to be applied to over-expenditures in that department.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The City's General Fund budget is prepared on a basis other than accounting principles generally accepted in the United States of America (GAAP). The "actual" results column in the Statement of Revenues and Expenditures – Budgetary Basis – General Fund is presented on a "budgetary basis" to provide a meaningful comparison of actual results with the budget. The major differences between the budget and GAAP basis, where applicable, are that:

- i. Revenues are recorded when cash is received, except for real estate and personal property taxes, which are recorded as revenue when levied (budget), as opposed to when susceptible to accrual (GAAP).
- ii. Encumbrances and continuing appropriations are recorded as the equivalent of expenditures (budget) but have no effect on GAAP expenditures.
- iii. Certain activities and transactions are presented in separate funds (GAAP), rather than as components of the General Fund (budget).
- iv. Amounts raised for the prior years' deficits and available funds from prior years' surpluses are recorded as revenue items (budget), but have no effect on GAAP revenues.

In addition, there are certain differences in classifications between revenues, expenditures, and transfers. The following reconciliation summarizes the differences between budgetary and GAAP basis accounting principles for the year ended June 30, 2025 (in thousands):

	Revenue	Expenditures	Other financing uses, net	Excess of revenue and other financing sources
As reported on a budgetary basis	\$ 4,759,402	\$ 4,737,135	\$ -	\$ 22,267
Adjustments:				
Revenues to modified accrual basis	(95,649)	-	111,025	15,376
Expenditures, encumbrances, and accruals, net	-	85,152	-	(85,152)
On-behalf contribution for teachers pension	261,107	261,107	-	-
Reclassifications:				
Other transfers	-	(48,520)	(48,520)	-
As reported on a GAAP basis	<u>\$ 4,924,860</u>	<u>\$ 5,034,874</u>	<u>\$ 62,505</u>	<u>\$ (47,509)</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### 5. Deposits and Investments

State and local statutes place certain limitations on the nature of deposits and investments available to the City. Deposits, including demand deposits, money markets, and certificates of deposit in any one financial institution, may not exceed 60% of the capital and surplus of such institution unless collateralized by the financial institution involved. Investments from operating cash in the general fund may be made in unconditionally guaranteed U.S. government obligations having maturities of a year or less from the date of purchase, or through repurchase agreements with maturities of no greater than 90 days in which the underlying securities consist of such obligations. Other allowable investments include authorized bonds of all states, bankers' acceptances, commercial paper rated within the three highest classifications established by rating agencies, and units in the MMDT. MMDT, which is an external investment pool that is overseen by the Treasurer of the Commonwealth of Massachusetts, meets the criteria established by GASB 79, "Certain External Investment Pools and Pool Participants", to report its investments at amortized cost; therefore the City reports its investments in MMDT at amortized cost which approximates the net asset value of \$1.00 per share. MMDT has a maturity of less than 1 year and is not rated. The three highest commercial paper classifications for Moody's and Standard & Poor's (S&P) are as follows:

Commercial Paper Credit Ratings		
	Moody's	S&P
Superior	P1	A1+ or A1
Satisfactory	P2	A2
Adequate	P3	A3

#### Primary Government (except the pension trust fund)

##### a. Custodial Credit Risk

Custodial credit risk is the risk that in the event of bank failure, the City's deposits or investments may not be returned. The City carries deposits that are fully insured by FDIC insurance or collateralized in the City's name. All of the City's investments are held by third parties in the City's name. As of June 30, 2025, the City and the City of Boston Pooled Funds had uninsured and uncollateralized investments of \$117.1 billion and \$150.4 million, respectively.

##### b. Investment Policy

The City's primary concern in connection with its investment activities is a concern shared by all municipal governments: the preservation of capital. The City's investment policy establishes a discipline in which all of the City's investment activities may be safely conducted while it strives to use its capital resources as efficiently as possible. The foundation of that discipline is fixed by Massachusetts General Laws (M.G.L.) c.44, sec. 55, which prohibits Massachusetts communities from investing in certain categories of high risk investments; limits the amount of the City's bank deposits in any one financial institution; and establishes qualifying criteria for banking institutions. Further, all investments held by third parties are to be held in the City's name.

##### c. Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. It is the City and City of Boston Pooled Funds' policy to limit the average duration of an actively managed fixed income portfolio to seven years. The following is a listing of the City and City of Boston Pooled Funds' fixed income investments (in thousands) and related maturity schedule (in years) as of June 30, 2025:

Investment type	Fair Value	Less than 1	1 - 5	6 - 10	More than 10
Money market mutual funds	\$ 72,095	\$ 72,095	\$ -	\$ -	\$ -
Institutional and mutual funds	115,145	2	75,035	38,146	1,962
U.S. Treasury and agency securities	634,204	257,714	244,721	31,102	100,667
State and local municipal obligations	2,840	30	1,452	212	1,146
Corporate debt instruments	143,807	1,470	84,266	30,265	27,806
International Government Bonds	10,727	1,628	1,959	3,590	3,550
Commercial Paper	222,645	222,645			
Corporate Note	356,990	356,990			
Certificate of deposits	149,984	149,984			
Bank Notes	5,014	5,014			
	\$ 1,713,450	\$ 1,067,571	\$ 407,433	\$ 103,315	\$ 135,131

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**d. Credit Risk**

It is the City and City of Boston Pooled Funds' policy that there shall be no specific limitation in regard to credit worthiness of securities, except the overall average quality of each fixed income portfolio shall be AA or better. The City and City of Boston Pooled Funds' fixed income investments as of June 30, 2025 were rated by S & P and/or an equivalent national rating organization, and the ratings are presented below using the S & P rating scale (in thousands):

Investment type	Fair Value	Rating
Money Market mutual funds	\$ 72,095	Unrated
Institutional and mutual funds	84,285	AAA to A3
Institutional and mutual funds	26,540	Baa1 to B3
Institutional and mutual funds	4,320	Unrated
U.S. Treasury and agency securities	634,197	AAA to A3
U.S. Treasury and agency securities	6	Unrated
State and local municipal obligations	1,869	AAA to A3
State and local municipal obligations	166	Baa1 to B3
State and local municipal obligations	804	Unrated
Corporate debt instruments	36,268	AAA to A3
Corporate debt instruments	90,656	Baa1 to B3
Corporate debt instruments	414	Caa1 to C
Corporate debt instruments	16,470	Unrated
Commercial Paper	222,645	A1 to A1+
Corporate Note	353,020	A to AAA
Corporate Notes	3,970	Unrated
International Government Bonds	1,984	AAA to A3
International Government Bonds	8,292	Baa1 to B3
International Government Bonds	451	Unrated
Bank Note	5,014	A+
Certificate of deposits	149,984	A1 to A1+
	\$ 1,713,450	

**e. Concentration Risk**

The City adheres to the provisions of M.G.L. c. 44, sec. 55 when managing concentration risk. M.G.L. c. 44, sec. 55 contains several restrictions limiting where and under what circumstances the City may deposit its funds. No investments in a single issuer exceeded 5% of the City's investment portfolio.

**f. Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. As of June 30, 2025, the City and City of Boston Pooled Funds held international equity mutual funds valued at \$144.4 million and international government bonds valued at \$10.7 million. Although these investments are not denominated in a foreign currency, the underlying securities are denominated in various foreign currencies.

**g. Fair Value Hierarchy**

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB statements require or permit in the Statement of Net Position or Balance Sheet at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets or liabilities that the reporting entity has the ability to access at the measurement date; Level 2 inputs are other than quoted prices in Level 1 that are observable for the asset or liability, or similar assets or liabilities either directly or indirectly through corroboration with observable market data; Level 3 inputs are significant unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

The following is a description of the valuation methodologies used for assets measured at fair value.

**Money market funds:** Valued at the daily closing price as reported by the fund. Money market funds held by the Pooled Funds and the City are open-end money market funds that are registered with the Securities and Exchange Commission. The money market funds held by the City and classified as Level 1 are deemed to be actively traded.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

*Institutional and mutual funds:* Valued at the daily closing price as reported by the fund. Institutional and mutual funds held by the City are open-end funds that are registered with the Securities and Exchange Commission. The institutional and mutual funds held by the Pooled Funds and classified as Level 1 are deemed to be actively traded. If market quotations are not readily available, the funds are valued by the pricing method determined by investment managers which determines valuations using methods based upon market transactions for comparable securities.

*Real estate funds:* Consist primarily of privately originated commercial mortgage loans secured by U.S. Commercial Real Estate.

*Equity securities:* Consist primarily of corporate stocks traded on U.S. and non-U.S. active security exchanges. Stocks traded on active exchanges and valued at quoted market prices and documented trade history for identical assets are categorized within Level 1 of the fair value hierarchy. If market quotations are not readily available, the stocks may be valued using pricing models maximizing the use of observable inputs for similar securities and are classified as Level 2.

*U.S. Treasury and agency securities:* Securities issued by the U.S. government, its agencies, authorities and instrumentalities are valued using quoted prices, documented trade history in the security, and pricing models maximizing the use of observable inputs determined by investment managers.

*Corporate debt instruments:* Valued either by using pricing models maximizing the use of observable inputs for similar securities or valued by the investment manager.

*State and local municipal obligations:* Valued by independent pricing services that determine fair value valuations for normal, institutional-sized trading units of such securities using yield data relating to identical investments, or investments with similar characteristics, and other market inputs.

*International government bonds:* Bonds issued by foreign governments that are valued using quoted prices, documented history in the security, and pricing models maximizing the use of observable inputs determined by investment managers.

The preceding methods described may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, although the City believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine if the fair value of certain financial instruments could result in a different fair value measurement at the reporting date. The City of Boston Pooled Funds have the following recurring fair value measurements as of June 30, 2025 (in thousands):

	Fair Value Measurements Using:				
	Quoted Prices in Active Markets for Identical Assets		Significant Other Observable Inputs	Significant Unobservable Inputs	Total
	(Level 1)	(Level 2)	(Level 3)		
<b>Investments:</b>					
Money market funds	\$ 72,095	\$ -	\$ -	\$ 72,095	
Institutional and mutual funds	115,145	-	-	-	115,145
Equity securities	915,143	-	995	-	916,138
Real estate funds	-	-	54,794	-	54,794
Commercial Paper	222,645	-	-	-	222,645
Corporate Note	356,990	-	-	-	356,990
Bank Notes	5,014	-	-	-	5,014
U.S. Treasury & agency securities	527,666	106,538	-	-	634,204
State and Local municipal obligations	20	2,819	-	-	2,839
Corporate debt instruments	1,080	140,723	2,003	-	143,806
Certificate of deposits	149,984	-	-	-	149,984
International Government Bonds	-	10,727	-	-	10,727
<b>Total Investments:</b>	<b>\$ 2,365,781</b>	<b>\$ 260,807</b>	<b>\$ 57,792</b>	<b>\$ 2,684,380</b>	

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**Boston Retirement System****a. Custodial Credit Risk**

Custodial credit risk is the risk that in the event of bank failure, the System's deposits may not be returned. The System carries deposits that are fully insured by the Federal Deposit Insurance Corporation (FDIC) insurance or collateralized with securities held by the System or the System's agent in the System's name. As of December 31, 2024, all of the System's deposits were insured or collateralized.

**b. Investment Policy**

The provisions of M.G.L. C. 32, Sec 23(2); 840 C.M.R. 16-19, 21, 23, 26; and, the System's own investment regulations (stated at <http://www.mass.gov/perac/board-info/profiles/investment/bostonintsup.html>) govern the System's investment practice. Diversification is attained through varied investment management styles that comply with Massachusetts state law. This is accomplished through the retention of investment managers that adhere to M.G.L. C. 32, Sec. 3(3), the "Prudent Person" rule.

The System has retained an investment consultant to work with The Boston Retirement Board in a fiduciary capacity to assure that strategic investment diversification is attained, to employ investment managers with expertise in their respective asset classes, and to closely monitor the implementation and performance of the respective investment strategies.

The System is currently invested in stocks (domestic and foreign), fixed income securities (domestic and foreign), real estate, private equity, Pension Reserve Investment Trust (PRIT) and hedge funds.

**c. Interest Rate Risk**

The following is a listing of the System's fixed income investments (in thousands) and related maturity schedule (in years) as of December 31, 2024:

Investment type	Fair Value	Less than 1	1 - 5	6 - 10	More than 10
U.S. treasury notes and bonds	\$ 330,406	\$ 8,316	\$ 168,490	\$ 92,638	\$ 60,962
U.S. agencies	143,426	-	5,045	9,118	129,263
Domestic corporate	791,343	3,450	168,194	141,665	478,034
Municipal	3,726	-	1,315	-	2,411
International corporate	260,344	-	-	-	260,344
International government	199,862	-	-	-	199,862
Asset-backed:	-	-	-	-	-
CMOs	68,430	-	-	523	67,907
Other	61,276	-	22,145	13,303	25,828
	<b>\$ 1,858,813</b>	<b>\$ 11,766</b>	<b>\$ 365,189</b>	<b>\$ 257,247</b>	<b>\$ 1,224,611</b>

The System's guidelines do not specifically address limits on maturities as a means of managing its exposure to fair value losses arising from increasing interest rates. The managers of each fixed income portfolio is responsible for determining the maturity and commensurate returns of their portfolio.

The collateralized mortgage obligations (CMOs) held by the System as of December 31, 2024 are highly sensitive to changes in interest rates.

**d. Credit Risk**

The System allows investment managers to apply discretion under the "Prudent Person" rule. Investments are made, as a prudent person would be expected to act with discretion and intelligence, to seek reasonable income, preserve capital, and, in general, avoid speculative investments.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The System's fixed income investments as of December 31, 2024 were rated by S & P and/or an equivalent national rating organization and the ratings are presented below (in thousands) using the S & P rating scale:

Investment type	Fair Value	AAA	AA	A	BBB	BB	B	CCC	CC	C	Not rated
U.S. agencies	\$ 143,426	\$ 8,038	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 135,388
Domestic corporate	791,343	1,409	7,293	49,433	65,420	31,501	56,943	34,440	341	33	544,530
Municipal	3,726	57	2,524	-	-	-	-	-	-	-	1,146
International corporate	260,344	-	-	-	-	-	-	-	-	-	260,344
International government	199,862	-	-	-	-	-	-	-	-	-	199,862
Asset-backed:											
CMOs	68,430	9,201	40	-	-	-	-	-	-	-	59,189
Other	61,276	32,612	2,206	3,116	12,030	-	-	-	-	-	11,311
	\$	\$ 1,528,407	\$ 51,317	\$ 12,063	\$ 52,549	\$ 77,450	\$ 31,501	\$ 56,943	\$ 34,440	\$ 341	\$ 33 \$ 1,211,770

In addition to the above schedule, the System has approximately \$330.4 million invested in U.S. government securities, which are not rated as they are explicitly guaranteed by the U.S. government.

### e. **Concentration Risk**

Other than the Pension Reserves Investment Trust (PRIT) fund, the System has no investments, at fair value, that exceed 6.1% of the System's total investments as of December 31, 2024. The System adheres to the provisions of M.G.L. c. 32, sec. 23(2); 840 C.M.R. 16-19, 21, 23, 26; and the System's own investment regulations when managing concentration risk.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**f. Foreign Currency Risk**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. Similar to the investments in domestic equities, the System employs or encourages its investment advisor to employ diversification, asset allocation, and quality strategies.

Risk of loss arises from changes in currency exchange rates. The System's exposure to foreign currency risk is presented on the following table (in thousands):

Currency	Cash and short-term investments	Fixed income	Equity	Alternative	Total
Australian dollar	\$ 73	\$ -	\$ 28,521	\$ -	\$ 28,594
Austria	-	-	1,697	-	1,697
Belgium	-	-	286	-	286
Canadian dollar	2	-	17,059	-	17,061
Danish krone	72	-	31,592	-	31,664
Euro currency	2,065	-	-	848	2,913
Finland	-	-	15,816	-	15,816
France	-	-	71,998	-	71,998
Germany	-	-	60,281	-	60,281
Hong Kong dollar	9	-	16,681	-	16,690
Ireland	-	-	5,584	-	5,584
Isreal	-	-	678	-	678
Italy	-	-	20,258	-	20,258
Japanese yen	8	-	136,116	-	136,124
Korea	40	-	-	-	40
Luxembourg	-	-	5,518	-	5,518
Netherlands	-	-	39,539	-	39,539
New Zealand dollar	-	-	1,538	-	1,538
Norwegian krone	-	-	2,902	-	2,902
Pound sterling	98	-	78,648	12,778	91,524
Singapore dollar	-	-	9,688	-	9,688
Spain	-	-	24,820	-	24,820
Swedish krona	-	-	18,218	-	18,218
Swiss franc	87	-	67,303	-	67,390
Undetermined	-	-	1,144	-	1,144
Total securities subject to foreign currency risk	\$ 2,454	\$ -	\$ 655,885	\$ 13,626	\$ 671,965
U.S. dollars (securities held by international investment managers)	-	40,718	407,666	-	448,384
Total international investment securities	\$ 2,454	\$ 40,718	\$ 1,063,551	\$ 13,626	\$ 1,120,349

**g. PRIT External Investment Pooled Fund**

The Massachusetts legislature enacted Section 17 of Chapter 112 of the Acts of 2010 that requires the System to invest all assets, current and future, related to Boston Teachers in the PRIT fund. The PRIT pooled fund is an external investment pool that is not registered with the Securities Exchange Commission, but is subject to oversight provided by the Pension Reserves Investment Management Board (the PRIM Board). The PRIM Board was created by legislation to provide general supervision of the investments and management of PRIT. PRIT is not a rated fund.

The fair value of the PRIT pooled fund is based on unit value as reported by management of the PRIT pooled fund. The PRIT pooled fund issues separately available audited financial statements with a year-end of June 30.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

On July 1, 2010, the System transferred 27% of its assets, or \$1.1 billion, to the PRIT pooled fund. As of December 31, 2024, the System had the following amounts invested in the PRIT fund (in thousands):

General allocation account	\$ 2,387,275
Cash fund	261,862
Total PRIT pooled funds	<u>\$ 2,649,137</u>

### *h. Derivatives*

The System trades financial instruments with off balance sheet risk in the normal course of its investing activities to assist in managing exposure to market risks. The System uses forward foreign currency contracts to hedge against the risk of future foreign currency fluctuations. As of December 31, 2024, there were no derivative contracts outstanding.

### *i. Securities Lending*

The Public Employment Retirement Administration Commission of Massachusetts (PERAC) has issued supplemental regulations that permit the System to engage in securities lending transactions. Securities lending is an investment management enhancement that utilizes certain existing securities of the Plan to earn additional income. These transactions are conducted by the System's custodian, which lends certain securities owned by the System to other broker dealers and banks pursuant to a form of loan agreement. The System and the borrowers maintain the right to terminate all securities lending transactions on demand.

Securities lending involves the loaning of securities to approved banks and broker-dealers. In return for the loaned securities, the custodian, prior to or simultaneous with delivery of the loaned securities to the borrower, receives collateral in the form of cash (including both U.S. and foreign currency) or U.S. government securities, sovereign debt of foreign countries, and irrevocable bank letters of credit as collateral to serve as a safeguard against possible default of any borrower on the return of the loan. The custodian does not have the ability to pledge or sell collateral unless the borrower defaults. Borrowers are required to deliver collateral in the amounts equal to not less than 100% of the fair value of the loaned securities. The collateral is marked to market on a daily basis. In the event the counterparty is unable to meet its contractual obligation under the securities lending arrangement, the Plan may incur losses equal to the amount by which the market value of the securities differs from the amount of collateral held. The Plan mitigates credit risk associated with securities lending arrangements by monitoring the fair value of the securities loaned on a daily basis, with additional collateral obtained or refunded as necessary.

The System does not impose any restrictions on the amount of securities lent on its behalf by the custodian. There were no failures by any borrowers to return loaned securities or pay distributions thereon and there were no losses from a default of the borrowers or the custodian for the year ended December 31, 2024. The cash collateral received by the custodian on each loan was invested, together with the cash collateral of other qualified tax-exempt plan lenders, in a collective investment pool. The relationship between the average maturities of the investment pool and loans was affected by the maturities of the loans made by other plans that invested cash collateral in the collective investment pool, which the System could not determine.

The Plan maintains full ownership rights to the securities loaned and, accordingly, recognizes the amount of collateral received as investment with corresponding obligation to return such collateral on the statement of fiduciary net position. At December 31, 2024, the fair value of securities loaned by the System amounted to \$375.8 million, against which was held collateral of \$340.4 million as follows (in thousands):

Short-term collateral investment pool	\$ 210,783
Noncash collateral	129,594
Total	<u>\$ 340,377</u>

Securities lending income earned by the System is recorded on the accrual basis and was approximately \$14.7 million for the year ended December 31, 2024. Associated borrower and rebates and fees were \$13.4 million for the year ended December 31, 2024.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**j. Fair Value Measurements**

The Plan categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The Plan has the following recurring fair value measurements as of December 31, 2024 (in thousands):

	Fair Value Measurements Using:		
	Quoted Prices in Active Markets for Identical Assets	Significant Other Observable Inputs	
	Total at December 31, 2024	(Level 1)	(Level 2)
Short-term:			
Domestic	\$ 71,761	\$ 71,761	\$ -
International	14,619	14,619	-
Total short-term	86,380	86,380	-
U.S. equities:			
Large cap core	831,854	831,854	-
Large cap growth	153,284	153,284	-
Large cap value	385,845	385,845	-
Small cap core	212,961	212,961	-
Small cap growth	151,202	151,202	-
Small cap value	132,389	132,389	-
Total U.S. equities	1,867,535	1,867,535	-
International equities	1,678,292	1,678,292	-
Fixed income securities:			
U.S. treasury securities	330,406	330,406	-
Corporate debt securities	791,343	-	791,343
Global multi-sector fixed income	460,206	-	460,206
Municipal	3,726	-	3,726
Collateralized mortgage obligations	68,430	-	68,430
Other asset backed securities	61,276	-	61,276
U.S. Agencies	143,426	-	143,426
Total fixed income securities	1,858,813	330,406	1,528,407
Total investments by fair value level	5,491,020	3,962,613	1,528,407
Government external investment pool:			
PRIT fund	2,387,275		
Investments measured at the net asset value (NAV):			
Hedge fund of funds	389,163		
Private equity funds	783,139		
Private real estate funds	622,833		
Total investments measured at the NAV	1,795,135		
Total investments at fair value	\$ 9,673,430		

Fixed income and equity securities classified in Level 1 of the fair value hierarchy are valued using prices quoted in active markets for those securities. Fixed income securities classified in Level 2 of the fair value hierarchy are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

The PRIT pooled fund is an external investment pool that is not registered with the Securities and Exchange Commission, but is subject to oversight provided by the Pension Reserves Investment Management Board (the PRIM Board). The PRIM Board was created by legislation to provide general supervision of the investments and management of PRIT. PRIT is not a rated fund. The fair value of the PRIT pooled fund is based on unit value as reported by management of the PRIT pooled fund. The PRIT fund issues separately available audited financial statements with a year-end of June 30. The Plan is required to provide a 30-day redemption notice for this investment.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The valuation method for investments measured at the net asset value (NAV) per share (or its equivalent) is presented on the following table (in thousands):

	Investments Measured at the NAV			
	Fair Value	Unfunded Commitments	Redemption Frequency	Redemption Notice Period
Global multi-strategy hedge fund of funds <sup>1</sup>	\$ 389,163	\$ -	Quarterly	60-90 days
Real estate funds <sup>2</sup>	783,139	614,813	2	2
Private equity funds <sup>3</sup>	622,833	217,905	3	3

1. Global Multi-strategy Hedge Fund of Funds. This type includes investments in 5 hedge funds that invest in other hedge fund managers. Management of each hedge fund is given full discretion to invest with direct hedge fund managers. The fair value of the investments in this type has been determined using the NAV per share of the investments.

2. Real Estate Funds. This type includes 45 real estate funds that invest primarily in U.S. commercial real estate. The fair values of the investments in this type have been determined using the NAV per share (or its equivalent) of the System's ownership interest in partners' capital. Distributions from each fund will be received as the underlying investments of the funds are liquidated. It is expected that the underlying assets of the funds will be liquidated over the next 7 to 10 years.

3. Private Equity Funds. This type includes 68 private equity funds that invest primarily in U.S. companies. These investments can never be redeemed with the funds; instead, the nature of the investments in this type is that distributions are received through the liquidation of the underlying assets of the funds. It is expected that the underlying assets of the funds will be liquidated over the next 7 to 10 years.

### 6. Property Taxes

Real and personal property taxes are based on values assessed as of each January 1. By law, all taxable property must be assessed at 100% of fair cash value. Also by law, property taxes must be levied at least 30 days prior to their due date. Once levied, these taxes are recorded as receivables, net of estimated uncollectible balances. Property tax revenues have been recorded using the accrual and modified accrual basis of accounting as described in note 2.

The City bills and collects its property taxes on a quarterly basis following the January 1 assessment. The due dates for those quarterly tax billings are August 1, November 1, February 1, and May 1. Property taxes that remain unpaid after the respective due dates are subject to penalties and interest charges.

Based on the City's experience, most property taxes are collected during the year in which they are assessed. Liening of properties on which taxes remain unpaid occurs annually. On October 29, 2024, all properties with unpaid fiscal year 2024 property taxes were liened. The City ultimately has the right to foreclose on all properties where the taxes remain unpaid.

A statewide property tax limitation known as "Proposition 2 1/2" limits the amount of increase in the property tax levy in any fiscal year. Generally, Proposition 2 1/2 limits the total levy to an amount not greater than 2 1/2% of the total assessed value of all taxable property within the City. Secondly, the tax levy cannot increase by more than 2 1/2% of the prior year's levy plus the taxes on property newly added to the tax rolls. Certain provisions of Proposition 2 1/2 can be overridden by a citywide referendum.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**7. Receivables**

Receivables as of year end for the City's individual major governmental funds and nonmajor governmental funds, including the applicable allowances for uncollectible accounts, are as follows (in thousands):

	General	Special revenue	Capital projects	Other nonmajor funds	Total
<b>Receivables:</b>					
Property taxes	29,959	\$ -	\$ -	\$ -	\$ 29,959
Motor vehicle/boat excise	37,340	-	-	-	37,340
Intergovernmental	1,412	244,951	51,566	-	297,929
Lease receivable	3,065	958	-	-	4,023
Departmental and other	29,868	19,796	-	183	49,847
Tax Title and possession	71,852	249	-	-	72,101
Gross receivables	173,496	265,954	51,566	183	491,199
Less allowance for uncollectibles	(99,822)	(248)	-	-	(100,070)
<b>Net total receivables</b>	<b>\$ 73,674</b>	<b>\$ 265,706</b>	<b>\$ 51,566</b>	<b>\$ 183</b>	<b>\$ 391,129</b>

**a. Long Term Receivable**

The City participates in the Commonwealth's school building assistance program, which is administered by the MSBA. The MSBA provides financial assistance (up to 80% of total costs) to the City to build and/or renovate schools. As of June 30, 2025, under this program, the City was due funds of \$20 million.

**b. Notes Receivable**

Section 108 is the loan guarantee provision of the Community Development Block Grant (CDBG) program. Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large scale physical development projects. Housing and Urban Development (HUD) provides grants or loans to local governments, which in turn provides loans to developers. As of June 30, 2025, under this program, the City determined that \$19.1 million was collectible. This amount is recorded in the City's Special Revenue fund.

**c. Tax Abatement Programs**

The City enters into tax abatement agreements that meet the reporting requirements of GASB Statement No. 77 "Tax Abatement Disclosures". Below are descriptions of the tax abatement programs and the amount of real estate taxes that were abated for each program during the fiscal year.

**Chapter 121A**

Chapter 121A of the Massachusetts General Laws authorizes a local government in cooperation with its redevelopment authorities to suspend the imposition of real and personal property taxes, betterments and special assessments on properties determined to be "blighted" in order to encourage the redevelopment of residential, commercial, civic, recreational, historic or industrial projects by Chapter 121A Corporations. The City receives two principal sources of revenue from Chapter 121A Corporations. The first consists of an excise, as determined under Section 10 of Chapter 121A, that each Chapter 121A Corporation must pay to the Commonwealth that is then distributed to the City. The second form of revenue consists of payments as required by a contract between the City and Chapter 121A Corporations as authorized by Chapter 121A, Section 6A that provide for additional revenue beyond the excise provided under Section 10 of Chapter 121A.

**Chapter 121B**

Chapter 121B of the Massachusetts General Laws authorizes a local government, at their option and through their redevelopment authorities, to undertake public actions to address substandard or blighted open areas for residential, commercial, industrial, business, government, recreational, educational, hospital or other uses. Chapter 121B project owners may be exempted from property taxes. In these cases, an agreement to make annual in lieu of tax payments to the City is required.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### **Tax Increment Financing (TIF)**

Tax Increment Financing (TIF) is a property tax incentive authorized under the Economic Development Incentive Program pursuant to Massachusetts General Laws Chapter 40, Section 59 and administered by the Commonwealth's Economic Assistance Coordinating Council. In return for substantial job creation, a local government may provide businesses with tax relief on the incremental growth in their property's value for up to 20 years. In Boston, TIF projects must be approved by the Mayor and City Council.

The following are estimated taxes abated for the year ended June 30, 2025 by tax abatement program (in thousands):

Tax Abatement Program <sup>(1)</sup>	Estimated Tax Amount	In Lieu of Tax Payments	Estimated Taxes Abated
121A Urban Redevelopment	\$ 40,534	\$ 31,911	\$ 8,623
121B Urban Redevelopment	19,142	15,843	3,299
Tax Increment Financing	8,073	6,849	1,224
<b>Total</b>	<b>\$ 67,749</b>	<b>\$ 54,603</b>	<b>\$ 13,146</b>

(1) Individual tax abatement agreements are available upon request or through the City of Boston Assessing Department website at [boston.gov/assessing](http://boston.gov/assessing)

### **d. Lease Receivable**

The City leases out its land, buildings and infrastructure for various operational purposes to third parties. The details of these noncancelable leases are as follows:

	Land	Buildings	Improvements	Infrastructure
No. of Leases	1	19	1	2
Terms	329 Months	35 - 151 months	50 Months	70 - 72 Months
Interest Rates	1.52%	0.075% - 2.616%	0.417%	0.165% - 0.637%

The City's incremental borrowing rates, which varies depending on the length of the respective leases, were applied to these leases since there were no specific interest rates for each of the lease agreements.

The City's lease receivables and deferred inflows of resources at June 30, 2025 were valued as follows (in thousands):

	General Fund	Special Revenue Fund	Other Governmental Funds	Total Governmental Funds	Private Purpose Trust
Lease receivable - current portion	\$ 2,323	\$ 319	\$ -	\$ 2,642	\$ 224
Lease receivable - noncurrent portion	742	639	-	1,381	1,921
Total lease receivable	\$ 3,065	\$ 958	\$ -	\$ 4,023	\$ 2,145
Deferred inflows of resources	\$ 3,854	\$ 957	\$ -	\$ 4,811	\$ 2,082

The total amount of inflows of resources related to leases recognized in the current fiscal year are as follows (in thousands):

	General Fund	Special Revenue Fund	Other Governmental Funds	Total Governmental Funds	Private Purpose Trust
Lease revenue	\$2,399	\$319	\$-	\$2,718	\$224
Interest revenue	\$48	\$1	\$-	\$49	\$14

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**8. Capital Assets**

Capital assets activity for the governmental activities for the year ended June 30, 2025 was as follows (in thousands):

	<b>Beginning balance</b>	<b>Increases</b>	<b>Decreases</b>	<b>Ending balance</b>
Governmental activities:				
Capital assets not being depreciated:				
Land	\$ 43,435	\$ 39	\$ -	\$ 43,474
Construction in progress	740,751	509,779	(627,431)	623,099
Total capital assets not being depreciated	784,186	509,818	(627,431)	666,573
Capital assets being depreciated:				
Land improvements	452,384	18,179	-	470,563
Buildings and improvements	3,155,017	444,116	-	3,599,133
Furniture and equipment	660,005	36,973	(46,925)	650,053
Infrastructure	1,209,656	112,649	-	1,322,305
Total capital assets being depreciated	5,477,062	611,917	(46,925)	6,042,054
Less accumulated depreciation for:				
Land improvements	228,682	19,502	-	248,184
Buildings and improvements	1,648,259	80,113	(173)	1,728,199
Furniture and equipment	529,072	40,927	(46,216)	523,783
Infrastructure	508,795	35,731	-	544,526
Total accumulated depreciation	2,914,808	176,273	(46,389)	3,044,692
Total capital assets being depreciated, net	2,562,254	435,644	(536)	2,997,362
Governmental activities capital assets, net excluding lease assets	\$ 3,346,440	\$ 945,462	\$ (627,967)	\$ 3,663,935
Lease and subscription IT assets-net, note 11				130,288
Total capital assets reported in the statement of net position				\$ 3,794,223

Depreciation expense was charged to functions of the governmental activities as follows (in thousands):

General government	\$ 9,776
Human services	5,592
Public safety	28,937
Public works, including depreciation of general infrastructure assets	33,924
Property and development	14,357
Parks and recreation	19,682
Library	8,964
Schools	54,054
Public health	987
Total depreciation expense - governmental activities	\$ 176,273

## NOTES TO THE BASIC FINANCIAL STATEMENTS

## 9. Interfund Balances and Amounts Due To and From Component Units

Individual fund receivable and payable balances at June 30, 2025 are as follows (in thousands):

Interfund balances	Receivable	Payable
General fund	\$ 291	\$ 1,053
Special revenue fund	1,631	794
Non-major governmental funds	72	147
Balances at June 30, 2025	<u>\$ 1,994</u>	<u>\$ 1,994</u>

The purpose of the internal balances is to fund cash flows due to timing differences between receipts and disbursements and to record amounts owed for rent related to the Dudley Municipal Center property.

Amounts due to and from discretely presented component units at June 30, 2025 are as follows (in thousands):

Discrete component unit balances	Receivable	Payable
Primary government:		
General fund	\$ 3,050	\$ 691
Balances at June 30, 2025	<u>3,050</u>	<u>691</u>
Discretely presented component units:		
BPHC	691	2,292
BPDA	-	302
TPL	-	456
Balances at June 30, 2025	<u>691</u>	<u>3,050</u>
	<u>\$ 3,741</u>	<u>\$ 3,741</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**10. Long-Term Obligations*****Governmental Activities***

The following is a summary of the long-term obligations of the governmental activities of the City as of June 30, 2025 (in thousands):

	Interest rates	Outstanding, beginning of year	Additions	Reductions	Outstanding, end of year	Due within one year
<b>Bonds, Notes, Leases and Other long-term obligations:</b>						
General obligation bonds	0.50-5.30%	\$ 1,754,815	\$ 464,170	\$ 192,785	\$ 2,026,200	\$ 206,215
Add (deduct):						
Unamortized bond premiums/discounts					177,413	
Current portion of long-term debt					(206,215)	
					\$ 1,997,398	
	Interest rates	Outstanding, beginning of year	Additions	Reductions	Outstanding, end of year	Due within one year
Notes payable	0.47-4.49%	\$ 17,110	\$ -	\$ 993	\$ 16,117	\$ 1,054
Equipment financing payable		76,948	38,452	34,785	80,615	29,812
Judgements and claims		98,961	9,668	19,977	88,652	1,172
Tax abatements		76,200	49,572	19,072	106,700	35,300
Workers' compensation		183,259	46,225	47,845	181,639	54,580
Health and life claims		27,851	404,104	386,032	45,923	45,923
Compensated absences		274,195	105,995	94,577	285,613	80,760
Landfill closure and postclosure care costs		5,097	-	176	4,921	350
Pollution remediation		500	-	-	500	-
Net OPEB liability		2,597,561	346,905	187,447	2,757,019	-
Net pension liability		1,507,651	363,197	700,736	1,170,112	-
Total bonds, notes, and other long-term obligations, excluding lease liabilities		\$ 4,865,333	\$ 1,364,118	\$ 1,491,640	\$ 4,737,811	\$ 248,951
Lease and subscription IT liabilities, note 11					126,974	17,965
Total bonds, notes, leases, and other long-term obligations					\$ 6,862,183	\$ 473,131

The payment of long-term obligations of the governmental activities, except for health and life claims, is the responsibility of the City's General Fund. Health and life claims are the responsibility of the City's Internal Service Fund.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The annual debt service requirements of the City's general obligation bonds, notes and leases payable as of June 30, 2025, including subsidies to be received for Build America Bonds and Qualified School Construction Bonds, are as follows (in thousands):

General Obligation Bonds:	Principal	Interest	Subsidy	Total
Year(s) ending June 30:				
2026	\$ 206,215	\$ 79,143	\$ (814)	\$ 284,544
2027	174,120	77,824	(254)	251,690
2028	155,110	70,892	(202)	225,800
2029	142,905	64,500	(133)	207,272
2030	127,395	58,913	(68)	186,240
2031- 2035	584,285	216,619		800,904
2036-2040	393,865	108,678		502,543
2041-2045	242,305	28,057		270,362
	<u>\$ 2,026,200</u>	<u>\$ 704,626</u>	<u>\$ (1,471)</u>	<u>\$ 2,729,355</u>
Notes Payable:				
Year(s) ending June 30:				
2026	\$ 1,054	\$ 423	\$ -	\$ 1,477
2027	1,134	397	-	1,531
2028	1,146	370	-	1,516
2029	1,182	341	-	1,523
2030	1,220	311	-	1,531
2031-2033	6,090	631	-	6,721
2034-2036	4,291	137	-	4,428
	<u>\$ 16,117</u>	<u>\$ 2,610</u>	<u>\$ -</u>	<u>\$ 18,727</u>
Equipment financing payable:				
Year(s) ending June 30:				
2026	\$ 29,812	\$ 2,540	\$ -	\$ 32,352
2027	22,218	1,565	-	23,783
2028	14,205	860	-	15,065
2029	7,856	444	-	8,300
2030	4,251	187	-	4,438
2031-2032	2,273	73	-	2,346
	<u>\$ 80,615</u>	<u>\$ 5,669</u>	<u>\$ -</u>	<u>\$ 86,284</u>

On June 5, 2025, the City issued \$464.2 million of general obligation bonds for various municipal capital projects. Interest on the bonds are payable semiannually each May 1 and November 1 until maturity in fiscal year 2041.

The City has entered into various financing agreements for equipment acquisition. Payments under these agreements are subject to annual appropriation and, by statute, are not included in the City's debt limit calculations.

The City has no outstanding lines of credit.

### Debt Capacity

The City is subject to a dual general debt limit: the normal debt limit and the double debt limit. Such limits are equal to 5% and 10%, respectively, of the valuation of taxable property in the City as last equalized by the Massachusetts Department of Revenue. Debt may be authorized up to the normal debt limit without state approval. Authorizations under the double debt limit, however, require the approval of the Commonwealth's Secretary of Administration and Finance. Additionally, there are many categories of general obligation debt, which are exempt from the debt limit but are subject to other limitations.

As of June 30, 2025, the City may issue \$7.63 billion of additional general obligation debt under the debt limit. General obligation debt of \$2.51 billion, subject to the debt limit, and \$199.7 million, exempt from the debt limit, are authorized but unissued as of June 30, 2025.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**11. Lease Liability and Similar Subscription Based Information Technology Arrangements**

The City is a lessee for noncancellable leases of buildings and equipment. The details of these noncancellable leases are as follows:

	Buildings	Equipment	Land
No. of Leases	16	212	3
Terms	35 - 119 Months	35 - 59 months	107 - 426 months
Interest Rates	0.198% - 2.95%	0.285% - 2.583%	2.945% - 3.725%

The City also has noncancellable subscription arrangements (similar to a lease) for the right-to-use various information technology software (subscription IT arrangements). The details of these noncancellable subscription IT arrangements are as follows:

	IT Arrangements
No. of subscription arrangements	58
Terms	12 - 119 months
Interest Rates	1.894% - 3.689%

The City's incremental borrowing rates, which vary depending on the length of the respective leases and subscription IT arrangements, were applied to those leases and subscription IT arrangements that do not have a specific interest rate.

Lease and subscription asset activity for the governmental activities for the year ended June 30, 2025 was as follows (in thousands):

	Beginning balance	Increases	Decreases	Ending balance
Governmental activities:				
Lease assets:				
Buildings	\$ 26,360	\$ 17,090	\$ 665	\$ 42,785
Equipment	7,582		4,462	\$ 3,120
Land	-	80,083		\$ 80,083
Subscription IT assets	32,191	20,896	10,432	\$ 42,655
Total	66,133	118,069	15,559	\$ 168,643
Less accumulated amortization for lease assets:				
Buildings	7,062	6,238	665	\$ 12,635
Equipment	5,827	1,450	4,462	\$ 2,815
Land		4,448		\$ 4,448
Accumulated amortization for subscription IT assets	14,726	14,163	10,432	\$ 18,457
Total	27,615	26,299	15,559	\$ 38,355
Total lease and subscription IT assets - net	\$ 38,518	\$ 91,770	\$ -	\$ 130,288

Amortization expense was charged to functions of the governmental activities as follows (in thousands):

General government	\$ 12,268
Public safety	1,966
Public works	12
Property and development	1,573
Library	44
Human Services	506
Schools	9,930
Total	\$ 26,299

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The following is a summary of changes in lease and subscription IT liabilities for the year ended June 30, 2025 (in thousands):

	Outstanding, beginning of year	Additions	Reductions	Outstanding, end of year	Due within one year
Governmental activities:					
Lease liabilities	\$ 21,520	\$ 97,172	\$ 9,564	\$ 109,128	\$ 8,021
Subscription IT liabilities	15,210	20,895	18,259	17,846	9,944
Total governmental activities	<u>\$ 36,730</u>	<u>\$ 118,067</u>	<u>\$ 27,823</u>	<u>\$ 126,974</u>	<u>\$ 17,965</u>

Payments under lease agreements and subscription IT arrangements are subject to annual appropriation and are not included in the City's debt limit calculations.

The annual debt service requirements of the City's lease liabilities as of June 30, 2025 are as follows (in thousands):

Year(s) ending June 30:	Principal	Interest	Total
2026	\$ 8,021	\$ 3,435	\$ 11,456
2027	6,705	3,245	9,950
2028	6,539	3,068	9,607
2029	6,624	2,889	9,513
2030	6,782	2,706	9,488
2031 - 2060	<u>74,457</u>	<u>36,315</u>	<u>110,772</u>
Total	<u>\$ 109,128</u>	<u>\$ 51,658</u>	<u>\$ 160,786</u>

The annual debt service requirements of the City's subscription IT liabilities as of June 30, 2025 are as follows (in thousands):

Year(s) ending June 30:	Principal	Interest	Total
2026	\$ 9,943	\$ 497	\$ 10,440
2027	5,407	217	5,624
2028	307	64	371
2029	296	57	353
2030	321	49	370
2031 - 2034	<u>1,572</u>	<u>106</u>	<u>1,678</u>
Total	<u>\$ 17,846</u>	<u>\$ 990</u>	<u>\$ 18,836</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**12. Retirement Plans****a. Plan Description**

The City contributes to the BRS, a cost-sharing, multiple-employer qualified defined benefit governmental pension plan. The System provides retirement, disability, and death benefits to plan members and beneficiaries of the following government units:

- (1) City of Boston
- (2) Boston Planning & Development Agency
- (3) Boston Housing Authority
- (4) Boston Water and Sewer Commission
- (5) Boston Public Health Commission
- (6) Sheriff of Suffolk County (Retirees as of December 31, 2009, funded by the City)

The Commonwealth of Massachusetts is a nonemployer that makes contributions to BRS related to City of Boston teachers.

The System is administered by a five person Board of Retirement consisting of the City Auditor, who serves as a member ex officio, two members who are elected by the participants, in or retired from the service of the System, a fourth member appointed by the Mayor, and a fifth member chosen by the other members. A complete set of financial statements for BRS for the fiscal year ended December 31, 2024 can be obtained through the BRS, Boston City Hall, Room 816, Boston, MA 02201 or by accessing the website [www.cityofboston.gov/retirement/investment.asp](http://www.cityofboston.gov/retirement/investment.asp).

Participation in the System is mandatory for all permanent, full time, and certain part-time employees immediately upon the commencement of employment. Participants who resign from employment, or are receiving workers' compensation benefits, and who are not eligible to receive a retirement allowance are entitled to request a refund of their accumulated total deductions. In addition, those participants who resign voluntarily with less than ten years of service are entitled to receive 3% per year interest; all others receive interest which has accrued on their cumulative deductions at the regular interest rate (0.1% at December 31, 2024).

Employees with ten or more years of service having attained age 55 are entitled to pension benefits; an earlier retirement is allowed upon completion of 20 years of service. The System provides for retirement allowance benefits up to a maximum of 80% of a participant's highest consecutive three-year average annual rate of regular compensation (highest consecutive five-year average for those members who join the System on or after April 2, 2012). Benefit payments are based upon a participant's age, length of creditable service, regular compensation, and group classification. Participants become vested after ten years of creditable service. Effective July 1, 1998 Chapter 32 of the M.G.L. assigned the authority to establish and amend benefit provisions and grant cost-of-living increases for the plan to the Boston Retirement Board.

If a member in service dies due to causes unrelated to his or her job, the surviving spouse and/or surviving dependent children may receive benefits, either in a lump sum or in the form of an annuity based on the length of service, contributions and age. In the event there are no spouse and/or dependent children named, other beneficiaries may be entitled to a lump-sum distribution. Participants who become permanently and totally disabled from further duty may be eligible to receive accidental or ordinary disability retirement benefits.

Accidental disability is provided to members with incapacitation resulting from a work-related injury or hazard. Generally, annual pension benefits are provided based on 72% of the annual rate of regular compensation a member earned while an active employee on date of injury or average annual rate of regular compensation. Ordinary disability is available to any member whose permanent incapacitation is not work-related and has attained ten years of creditable service. Such benefits are provided as if the member had attained the age of 55 (or actual age if over 55) based on the amount of creditable service actually earned. Limits are placed on how much a disability employee can earn from other sources while collecting a disability retirement pension.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The City is legally responsible for funding the employer portion of all pensions associated with certain retirees from the Suffolk County Sheriff's Department (SCSD), which became part of the Commonwealth of Massachusetts in 2010, pursuant to a cooperation agreement (the Agreement) dated June 28, 2011. According to the Agreement, all employees of the SCSD, or its predecessor department, who retired prior to January 1, 2010 remained retirees of the BRS. In addition, members of AFSCME Local 419 who retired between January 1, 2010 and October 31, 2010, remained retirees of the BRS. Employer contributions related to these retirees are the responsibility of the City under the Agreement.

### ***Special Funding Situations***

The City is party to a special funding situation with the Commonwealth of Massachusetts with respect to the City of Boston Teachers. The Commonwealth is responsible for funding the employer portion of all teacher pensions in the Commonwealth. All teachers in the Commonwealth are members of the Massachusetts Teachers Retirement System, with the exception of teachers employed by the City, who are members of BRS. Although Boston Teachers are members of BRS, the Commonwealth is the responsible contributing entity as described in Chapter 112 of the Massachusetts General Laws Acts of 2010.

The Commonwealth is also legally responsible for reimbursing BRS for a portion of the benefits payments for cost of living increases granted before July 1997 as described in Chapter 112 of the Massachusetts General Laws Acts of 2010.

#### ***b. BRS Basis of Accounting***

The System's financial statements are prepared using the accrual basis of accounting. Plan member contributions are recognized in the period in which the contributions are due. Employer contributions are recognized as additions in the period when they become due pursuant to formal statutory obligations. Benefits and refunds are recognized when due and payable in accordance with the terms of the plan.

Investments are reported at fair value. The following is a description of the valuation techniques and inputs used for each major class of assets and liabilities measured at fair value:

(1) Short-term, Equity and Fixed Income Investments - Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates. Certain fixed income securities not traded on an exchange are valued using a matrix pricing technique. Matrix pricing is used to value securities based on the securities' relationship to benchmark quoted prices.

(2) Pooled funds - the fair value of shares in managed investment pools is based on unit values reported by the funds.

(3) Alternative investments include hedge funds, holding through commingled limited partnerships of venture capital funds, including equity interests in early, middle, and later stage companies, as well as debt and equity interests in buyouts, acquisitions, restructurings, mezzanine structures and special situations, such as litigation or spin-off activities. These investments are carried at the limited partnership interest or redemption value, the equivalent of net asset value, which approximates fair value. Values assigned to such investments are based on available information and do not necessarily represent amounts that may ultimately be realized in liquidation. Liquidation values depend largely on future circumstances, including marketability, and frequently cannot reasonably be estimated until at, or near, the liquidation date.

(4) Real estate investments consist of interests in commercial properties held by various partnerships and other limited liability entities, some of which utilize debt financing. Fair values of such holdings are reported based on the net asset values of the entities, which are estimated using third-party appraisals and other information provided by property managers.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**c. Membership**

Membership in the System consisted of the following at December 31, 2024:

Active plan members	22,967
Retirees and beneficiaries receiving benefits	15,054
Inactive members entitled to, but not yet receiving benefits	1,401
Inactive members entitled to a return of contributions	14,984
<b>Total membership</b>	<b>54,406</b>
<b>Total number of participating employers</b>	<b>6</b>

**d. Contributions**

Plan members are required to contribute to the System. Depending on their employment date, active members must contribute a range of 5% – 11% of their regular gross compensation. Non-teacher members hired after January 1, 1979 must contribute an additional 2% of regular compensation in excess of \$30,000. Participating employers are required to pay into the System their share of the remaining System-wide actuarially determined contribution, which is apportioned among the employers based on an actuarial computation. The contributions of plan members and the participating employers are governed by Chapter 32 of the M.G.L. For the year ended December 31, 2024, the System was due \$745.5 million from all employers and the Commonwealth and received \$745.5 million in these contributions. For the year ended June 30, 2025, inclusive of contributions related to SCSD, and exclusive of contributions related to the City's teachers, the City's required contribution was \$407 million and the actual contribution was \$407 million. For the year ended June 30, 2025, the Commonwealth's required and actual contribution related to City Teachers was \$261.1 million. The amount is reported as intergovernmental revenue and retirement cost expenditures in the General Fund.

**e. Legally Required Reserve Accounts**

The balance in the System's legally required reserves (on the statutory basis of accounting) at December 31, 2024 is as follows (in thousands):

Description	Amount	Purpose
Annuity savings fund	\$ 2,297,883	Active members' contribution balance
Annuity reserve fund	372,242	Retired members' contribution account
Military service fund	1,091	Members' contribution account while on military leave
Pension reserve fund	6,491,622	Amounts appropriated to fund future retirement benefits
Pension fund	1,372,260	Remaining net position
	<b>\$ 10,535,098</b>	

All reserve accounts are funded at levels required by state statute.

**f. City Pension Liabilities, Pension Expense, and Deferred Outflows of Resources Related to Pensions**

At June 30, 2025, the City reported a liability of \$1.1 billion for its proportionate share of the BRS net pension liability measured as of December 31, 2024. This net pension liability includes amounts related to SCSD retirees and reflects a reduction for the special funding situations with the Commonwealth. The amount recognized by the City as its proportionate share of the net pension liability, the proportionate share related to the Commonwealth special funding situations, and the total portion of the net pension liability associated with the City measured at December 31, 2024 were as follows (in thousands):

City's proportionate share of net pension liability	\$ 1,083,036
Commonwealth's proportionate share of net pension liability associated with the City	2,388,090
<b>Total</b>	<b>\$ 3,471,126</b>

To determine employers' proportionate share of the net pension liability, separate calculations of net pension liability were performed for each of the Commonwealth special funding situations, SCSD retirees, and the remaining non-teacher group. At December 31, 2024, the City was allocated 100% of the net pension liability for SCSD retirees and 84.63% of the remaining non-teacher group based on its proportion of 2024 required employer contributions related to this group. The City's proportion of the collective BRS net pension liability at December 31, 2024 was 29.52% compared to 32.77% at December 31, 2023.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

For the year ended June 30, 2025, in the Government-wide financial statements, the City recognized pension expense of \$470.9 million and revenue of \$181.8 million related to the Commonwealth special funding situations. At June 30, 2025, the City reported deferred outflows of resources related to pensions from the following sources (in thousands):

	Deferred outflows of resources	Deferred inflows of resources
Difference between expected and actual experience	20,574	\$ 44,316
Difference between projected and actual investment	196,590	-
Changes in assumptions	31,426	-
Changes in employer proportion	10,341	5,486
	<hr/> <u>\$ 258,931</u>	<hr/> <u>\$ 49,802</u>

Amounts reported as deferred outflows of resources and deferred inflows of resources at June 30, 2025 related to pensions will be recognized in pension expense as follows (in thousands):

Year ended June 30:		
2026	\$ 113,296	
2027	165,105	
2028	(60,760)	
2029	(8,512)	
2030	-	
	<hr/> <u>\$ 209,129</u>	

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the BRS and additions to/ deductions from the BRS's fiduciary net position have been determined on the same basis as they are reported for the BRS.

### ***g. Actuarial Assumptions***

The total pension liability for the December 31, 2024 measurement date was determined by using an actuarial valuation as of January 1, 2024 which was rolled forward to the December 31, 2024 measurement date. The measurement of the total pension liability at December 31, 2024 applied the following actuarial assumptions:

Inflation	3.25%
Salary Scale	4.35% to 4%, indexed by year of service, for teachers and 4.5% to 4% for non-teachers
Investment rate of return, including inflation	6.90% for BRS excluding teachers and 7.00% for teachers, net of expenses, including inflation
Cost of living adjustments	3% of first \$15,000
Mortality	Pub-2010 General Employee, Healthy Retiree and Contingent Survivor Amount-Weighted Mortality Tables set forward one year projected generationally using Scale MP-2021 for Groups 1 and 2 and to the Pub-2010 Safety Employee, Healthy Retiree and Contingent Survivor Amount-Weighted Mortality Tables projected generationally using Scale MP-2021 for Group 4 and Pub-2010 Teacher Employee, Healthy Retiree and Contingent Survivor Headcount-Weighted Mortality Tables projected generationally using Scale MP-2021 for Boston Teachers
	Pub-2010 General Healthy Retiree Amount-Weighted Mortality Tables set forward one year projected generationally using Scale MP-2021 for Groups 1 and 2 and to the Pub-2010 Disabled Retiree Amount-Weighted Mortality Tables projected generationally using Scale MP-2021

The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rates of return (expected returns, net of inflation) are developed for each major asset class. The returns are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

Best estimates of arithmetic real rates of return for each major asset class included in the target asset allocation as of the actuarial valuation date of December 31, 2024 for BRS, excluding Teachers, are summarized below:

Asset class	Target Allocation	Long-term Expected Real Rate of Return
Domestic equity	25%	5.82%
International developed markets equity	15	5.91
International emerging markets equity	8	7.06
Core fixed income	18	1.81
High yield fixed income	4	3.34
Emerging market debt	3	3.43
Real estate	10	3.34
Timber	0	3.82
Hedge fund, GTAA, risk parity	5	2.77
Private credit	5	5.82
Private equity	7	9.20
	100%	

***h. Discount Rate***

The discount rate used to measure the total pension liability was 6.90% for BRS excluding Teachers. The projection of cash flows used to determine the discount rate assumes that contributions from plan members will be made at the current contribution rate and that contributions of participating employers and the Commonwealth will be made at rates equal to the actuarially determined contribution rates. Based on those assumptions, the BRS's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

***i. Sensitivity of the City's Proportionate Share of the BRS Net Pension Liability***

The following presents the City's proportionate share of the BRS net pension liability calculated using the discount rate of 6.90% for the BRS excluding Teachers, as well as what the City's proportionate share of the BRS net pension liability would be if the liability was calculated using a discount rate that is 1-percentage-point lower (5.90%) or 1-percentage-point higher (7.90%) than the current rate for BRS excluding Teachers (in thousands):

	City's net pension liability		
	1% Decrease (5.90%)	Current Discount Rate (6.90%)	1% Increase (7.90%)
June 30, 2025	\$ 1,984,676	\$ 1,083,036	\$ 323,420

***j. Special Legislation Retirees and Beneficiaries***

In addition to appropriation payments to cover current and future benefit payments of City employees covered by the BRS, the City funds Special Legislation retirement benefits for pensioners whose employment predates the BRS, certain veterans who meet certain state law requirements, former employees retired under Massachusetts Special Acts and families receiving killed-in-the-line-of-duty benefits. These retirees and beneficiaries receive benefits for their lifetime. For the City's Special Legislation Retirees, the City is providing such benefits to 37 pensioners; these benefits are funded on a pay-as-you-go basis with annual benefits of approximately \$4.6 million. The City's net pension liability for the Special Legislation retirees and beneficiaries is \$87.1 million as of June 30, 2025.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The actuarial valuation as of July 1, 2024 was used to determine the City's pension liability and pension expense (in thousands) as of June 30, 2025:

Total Pension liability	\$ 87,076
Plan net pension liability	\$ 87,076
Interest	\$ 4,679
Recognized portion of current year assumption changes	(17,471)
Differences between expected and actual experience	(16,879)
Pension expense (income)	\$ (29,671)

The pension expense reflects immediate recognition of the change in assumptions because the group of retirees and beneficiaries is assumed to be closed.

There are no deferred outflows/inflows of resources related to these pensions. The discount rate used to determine the total pension liability was 5.2% as of June 30, 2025 and 3.93% as of June 30, 2024, which was the high quality tax-exempt general obligation municipal bond rates (20-Bond GO Index) as published by The Bond Buyer for those dates. The mortality assumptions are the same as used in the Boston Retirement System Actuarial Valuation Report as noted in footnote 12(g).

The salary COLA assumptions were updated based on past experience and future expectations and to be consistent with the assumptions used by the Boston Retirement System and the discount rate was changed to reflect the change in the 20-Bond GO Index.

### ***k. Sensitivity of the City's Net Pension Liability***

The following presents the net pension liability of the City's Special Legislation Retirees and Beneficiaries as of June 30, 2025, calculated using a discount rate of 5.2% as well as what the City's Special Legislation Retirees and Beneficiaries' net pension liability would be if the liability was calculated using a discount rate that is 1- percentage point lower (4.2%) or 1- percentage point higher (6.2%) than the current rate:

City of Boston Special Legislation net pension liability				
	1% Decrease (4.2%)	Current Discount Rate (5.2%)	1% Increase (6.2%)	
June 30, 2025	\$ 100,370	\$ 87,076	\$ 76,515	

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**13. Other Post Employment Benefits (OPEB)*****Plan Description***

The City sponsors and participates in the Other Postemployment Benefit Trust Plan (the Plan) an agent multi-employer defined benefit OPEB plan that provides healthcare and insurance benefits, in accordance with state statute and City ordinance, to participating retirees and their beneficiaries. The Boston Public Health Commission, a discretely presented component unit, also participates and contributes to the plan. City ordinance grants the authority to the City to establish a healthcare benefit trust fund for purposes of providing retiree healthcare benefits to employees of the City and the Boston Public Health Commission.

The OPEB plan is administered by the City and issues a standalone audited financial report that can be obtained from [www.boston.gov/departments/auditing](http://www.boston.gov/departments/auditing).

## i. Benefits Provided

Medical and prescription drug benefits are provided to all eligible retirees not enrolled in Medicare through a variety of plans offered by Mass General Brigham Health Plan and Blue Cross Blue Shield of Massachusetts. Medical and prescription drug benefits are provided to retirees enrolled in Medicare through supplemental plans offered by Blue Cross Blue Shield of Massachusetts, Harvard Pilgrim HealthCare, and Tufts Health Plan. The City of Boston also pays % of the retiree life insurance premium and reimburses retirees % of their Medicare Part B premium.

Groups 1 and 2 retirees, including teachers, with at least 10 years or 20 years of creditable service are eligible at age 55 or any age, respectively. Group 4 retirees with at least 10 years or 20 years of creditable service are eligible at age 55 or any age, respectively. Retirees on accidental disability retirement are eligible at any age, while ordinary disability requires 10 years of creditable service. The surviving spouse is eligible to receive pre and post retirement death benefits, as well as medical and prescription drug coverage.

***Employees Covered by the Benefit Terms***

As of June 30, 2023, the most recent actuarial valuation date, the following employees meet the eligibility requirements as put forth in Chapter 32B of M.G.L.:

	City	PHC
Active Plan members	15,192	836
Inactive members receiving benefits	14,993	396
Total membership	30,185	1,232

***a. Contributions***

Employer and employee contribution rates are governed by the respective collective bargaining agreements. The OPEB Plan is currently funded on a pay-as-you-go basis plus periodic advance funding contributions as amounts are available. The employers and plan members share the cost of benefits. As of June 30, 2023 the valuation date, the plan members contribute 12.0% to 29.5% of the monthly premium cost, depending on the plan in which they are enrolled. The City contributes the balance of the premium cost.

***b. Basis of Accounting***

The OPEB Trust Fund Financial Statements are prepared using the accrual basis of accounting. Employer contributions to the plan are recognized when made. Benefits are recognized when due and payable in accordance with the terms of each plan.

Investments are reported at fair value. Fair value of securities held directly are based on quotations from national securities exchanges.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### *c. Investment Policy*

The provisions of Massachusetts General Laws (M.G.L) c. 44 sec 54 allows investment in securities listed on the Commonwealth's approved securities listing. The OPEB investment portfolio is managed by the City Collector Treasurer. The investment strategy is to reduce risk through the prudent diversification of the portfolio across the distinct allowable asset classes. The City Collector Treasurer aims to remain consistent in the approach and refrain from dramatically shifting asset class allocation over a short period.

### *d. Actuarial Methods and Assumptions*

The City's net OPEB liability was measured as of June 30, 2025, and the total OPEB liability used to calculate the net OPEB liability was determined by an actuarial valuation as of June 30, 2023 rolled forward to the measurement date using the following actuarial assumptions during the measurement period:

- Salary Increase. Non-teachers: 4.0 to 4.5%. Teachers: 4.0 to 7.5%
- Inflation Increase - 3.25%
- Actuarial Cost Method. Entry Age Normal - Level Percentage of Payroll.
- Mortality

#### Groups 1 and 2 (Excluding Teachers) Pre-Retirement (Non-Teachers)

Pre-Retirement (Non-Teachers): Pub-2010 General Employee Headcount-Weighted Mortality Table set forward one year projected generationally using scale MP-2021

Healthy (Non-Teachers): Pub-2010 General Healthy Retiree Headcount-Weighted Mortality Table set forward one year projected generationally using scale MP-2021

Disabled (Non-Teachers): Pub-2010 General Healthy Retiree Headcount-Weighted Mortality Table set forward one year projected generationally using scale MP-2021

Surviving Spouse (Non-Teachers): Pub-2010 General Contingent Survivor Headcount-Weighted Mortality

Table set forward one year projected generationally using scale MP-2021

#### Group 4

Pre-Retirement: Pub-2010 Safety Employee Headcount-Weighted Mortality Table projected generationally using scale MP-2021

Healthy: Pub-2010 Safety Healthy Retiree Headcount-Weighted Mortality Table projected generationally using scale MP-2021

Disabled: Pub-2010 Disabled Retiree Headcount-Weighted Mortality Table projected generationally using scale MP-2021

Surviving Spouse: Pub-2010 Safety Contingent Survivor Headcount-Weighted Mortality Table projected generationally with Scale MP-2021

#### Teachers

Pre-Retirement (Teachers): Pub-2010 Teacher Employee Headcount-Weighted Mortality Table projected generationally with Scale MP-2021

Healthy (Teachers): Pub-2010 Teacher Healthy Retiree Headcount-Weighted Mortality Table projected generationally with Scale MP-2021

Disabled (Teachers): Pub-2010 Teacher Healthy Retiree Headcount-Weighted Mortality Table projected generationally with Scale MP-2021

## NOTES TO THE BASIC FINANCIAL STATEMENTS

Surviving Spouse (Teachers): Pub-2010 Teacher Contingent Survivor Headcount-Weighted Mortality Table projected generationally with Scale MP-2021

- Non-Medicare trend rate: 7.61% for one year, then 9.12% for one year, then 8.00% decreasing by 0.25% for 14 years to an ultimate level of 4.50% per year.
- Medicare Plans - Self Insured Medical with PDP trend rate: 13.85% for one year, 5.76% for one year, then 8.00% decreasing by 0.25% for 14 years to an ultimate level of 4.50% per year.
- Medicare Plans - Fully Insured trend rate: 10.79% for one year, 3.60% for one year, then 8.00% decreasing by 0.25% for 14 years to an ultimate level of 4.50% per year.
- Medicare Part B: 4.5% per year.
- Contributions: Retiree contributions for medical and prescription drug coverage are expected to increase with health trends. Contributions are adjusted for increases in contribution percentages negotiated in the 2020-2025 PEC Agreement
- Discount Rate. The discount rate used to measure the total OPEB liability is 6.25% per annum.

The long-term expected rate of return on OPEB plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of OPEB plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Expected Real Rate of return
Domestic equity	35%	5.82%
International developed markets equity	13.5	5.91
International emerging markets equity	9.5	7.06
Core Fixed Income	21	1.81
High Yield Fixed Income	8	3.34
Real Estate	5	3.34
Hedge fund, GTAA, Risk Parity	8	2.77
Total		100%

**e. Net OPEB Liability**

The components of the net OPEB liability for the City's Plan as of June 30, 2025, presented below on the June 30, 2025 measurement date and the actuarial assumptions are outlined above (in thousands):

	City
Total OPEB Liability	\$ 4,031,719
Plan Fiduciary Net Position	(1,274,699)
Net OPEB Liability	<u>\$ 2,757,020</u>
Plan Fiduciary Net Position as a percentage of the Total OPEB Liability	<u>31.62%</u>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

*f. Change in the Net OPEB Liability*

	Total OPEB Liability	Plan Fiduciary Net Position	Net OPEB Liability
Balances at June 30, 2024	\$ 3,722,060	\$ 1,124,499	\$ 2,597,561
Changes for the year:			
Service cost	99,104	-	99,104
Interest	234,285	-	234,285
Differences between expected and actual experience	2,405	-	2,405
Changes in assumptions	121,312	-	121,312
Contributions - employer		187,447	(187,447)
Net investment income		110,200	(110,200)
Benefit payments	(147,447)	(147,447)	-
Net changes	309,659	150,200	159,459
Balances at June 30, 2025	\$ 4,031,719	\$ 1,274,699	\$ 2,757,020

Sensitivity of the net OPEB liability to changes in the discount rate. The following presents the net pension liability of the City, calculated using the discount rates disclosed as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower or 1-percentage point higher than the current rate as of June 30, 2025 (in thousands):

	5.25%	6.25%	7.25%
	1% Decrease	Current Discount Rate	1% Increase
Net OPEB liability	\$ 3,334,485	\$ 2,757,020	\$ 2,283,039

Sensitivity of the net OPEB liability to changes in the healthcare cost trend rates. The following presents the net OPEB liability of the City, as well as what the City's net OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage point lower or cost trend rates that are 1-percentage point higher than the current healthcare cost trend rates (in thousands):

	1% Decrease	Current Trend Rates	1% Increase
	1% Decrease	Rates	1% Increase
Net OPEB liability	\$ 2,168,368	\$ 2,757,020	\$ 3,499,699

*g. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to OPEB*

For the year ended June 30, 2025, the City recognized an OPEB expense of \$322 million.

At June 30, 2025, the City reported deferred outflows of resources and deferred inflows of resources related to pension amounts from the following sources (in thousands):

	Deferred Outflows of Resources	Deferred Inflows of Resources
Change in assumptions	\$ 437,547	\$ 91,059
Net difference between projected and actual earnings	-	64,254
Differences between expected and actual experience	66,421	94,900
Total	\$ 503,968	\$ 250,213

## NOTES TO THE BASIC FINANCIAL STATEMENTS

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows (in thousands):

Fiscal Year	Amount
2026	\$ 83,939
2027	19,345
2028	24,085
2029	50,069
2030	58,644
2031	17,673
Total	<u>253,755</u>

**14. Transfers**

Transfers and their purposes during the year ended June 30, 2025 were as follows (in thousands):

	General	Special revenue	Capital projects	Other governmental
	\$	\$	\$	\$
Primary government:				
Debt Service	\$ (364)	\$ -	\$ -	\$ 364
Housing 2030	(46,031)	46,031	-	-
Local Cultural Council Program	(500)	500	-	-
Mitigation Fund	(12)	12	-	-
Parking Meter Fees	-	(29,780)	29,780	-
Participatory Budgeting	(1,614)	1,614	-	-
TNC Surcharge	-	(3,556)	3,556	-
Total	<u>\$ (48,521)</u>	<u>\$ 14,821</u>	<u>\$ 33,336</u>	<u>\$ 364</u>

**15. Excess of Expenditures over Budgets**

The City had expenditures in excess of their budgeted amounts for the year ended June 30, 2025 in the following categories (in thousands):

Police Department	\$ 44,403
Fire Department	12,828
Snow & Winter Management	9,726
Execution of Courts	4,187
	<u>\$ 71,144</u>

The excess expenditures reported above are allowed under the budgetary laws governing the City.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

## 16. Fund Balance Classification Details

The components of fund balance for the City's governmental funds as of June 30, 2025 are as follows (in thousands):

	General	Special Revenue	Capital Projects	Other governmental funds
Fund Balances:				
Nonspendable	\$ -	\$ -	\$ -	\$ 21,504
Nonspendable				
Subtotal	-	-	-	21,504
Restricted for:				
Community Preservation Fund	-	28,709	-	-
General government	-	66,030	52,687	76,431
Human services	-	15,743	-	-
Other public safety	-	99,725	25,055	-
Public Works	-	12,287	30,970	-
Property and Development	-	160,280	21,743	3,994
Parks and recreation	-	13,918	33,625	33,237
Library	-	752	11,515	-
Public Health Programs	-	-	6,198	-
Schools	-	89,123	-	854
Subtotal	-	486,567	181,793	114,516
Assigned to:				
Property and development	43,639	-	-	-
Catastrophic loss	42,067	-	-	-
Housing initiative	24,815	-	-	-
Debt service	7,162	-	-	-
Employee Related Costs	137,851	-	-	-
Subsequent year budget	40,000	-	-	-
Subsequent year expenditure	264,621	-	-	-
Subtotal	560,155	-	-	-
Unassigned	1,224,613	-	-	-
Total fund balances	\$ 1,784,768	\$ 486,567	\$ 181,793	\$ 136,020

## 17. Commitments and Contingencies

a. *Encumbrances*

The City has assigned \$264.6 million in encumbrances for purchase orders, contracts, and judgments and claims in the General Fund, \$320.4 million in the Special Revenue Fund, \$353.9 million in the Capital Projects Fund, and \$4.9 million in Other Governmental Funds.

b. *Infrastructure Investment Incentive Transactions*

Infrastructure Investment Incentive transactions (I-Cubed) are governed by Chapter 293 of the Acts of 2006 (the Act). Under the Act, the funding for the projects associated with these transactions is provided through proceeds of bonds issued by the Massachusetts Development Finance Agency (MDFA) and is to be used for approved public infrastructure improvements undertaken by the developer. The debt service on these bonds will be paid by the Commonwealth through State Infrastructure Development Assistance to the extent that New State Tax Revenues generated once the project is operational offset the amounts paid to MDFA to cover the debt service. When this is not the case, the participating municipality or developer generally will be responsible for the shortfall depending on the transaction agreement. The Act provides for the establishment of a Municipal Liquidity Reserve (MLR) from which the participating municipality can draw to offset any required payments made to the Commonwealth. The MLR is generally funded by the developer either through cash or a direct pay letter of credit.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

During fiscal year 2015, the City executed two Infrastructure Development Assistance Agreements (IDAA) for I-Cubed transactions. Under the first IDAA, \$32.4 million in bonds were issued by MDFA in September 2015. Also, an MLR of \$1.2 million was established at the time of the issuance of the bonds. This reserve is equal to twice the maximum annual debt service payable in any fiscal year on the bonds issued under the indenture. The City is obligated for any shortfalls between debt service on the bonds and New State Tax Revenues. However, it has the right to assess the developer or draw from the MLR for any payments on such obligations. The City had no obligation for any shortfalls at June 30, 2025. The City also recorded \$11.2 million in donated capital assets in fiscal year 2016 for improvements to City-owned infrastructure made by the developer. These assets have been recorded at acquisition value which has been defined as "the price that would be paid to acquire an asset with equivalent service potential in an orderly market transaction at the acquisition date."

Under the second IDAA, \$10.0 million in bonds were issued by MDFA in fiscal year 2016. The City is obligated for any shortfalls between debt service on the bonds and New State Tax Revenues. However, it has the right to assess the developer or draw from the MLR for one-third of any payments on such obligations. The City had no obligation for any shortfalls at June 30, 2025.

In connection with this second I-Cubed transaction, the City has a leasehold interest in a portion of the parking garage, which represents the public infrastructure improvements under the transaction, created under a master lease and its assignments and a sublease. With the execution of the master lease and sublease agreements, along with the assignment agreements transferring the interests of the owner of the parking garage to the City through the BPDA, the City essentially becomes the lessee on the master lease and the sub-landlord on the sublease. This results in the City having no responsibility for the operation of the parking garage and having the right to collect from the sub-lessee Section 121A PILOT payments from 2015 through 2036 and then base rent from 2036 through 2055, both of which are largely based on a percentage of gross revenues of the parking garage. The City has no obligation for any payments as lessee under the master lease.

During fiscal year 2019, the City executed an Infrastructure Development Assistance Agreements (IDAA) for an I-Cubed transaction. Under the IDAA, \$30.0 million in bonds were issued by MDFA in June 2019. The City is obligated for any shortfalls between debt service on the bonds and New State Tax Revenues. However, it has the right to assess the developer or draw from the letter of credit for any payments on such obligations. The City had no obligation for any shortfalls at June 30, 2025.

### 18. Public Health System

Effective July 1, 1996, the City's Department of Health and Hospitals and Trustees of Health and Hospitals were abolished. Substantially all their assets and liabilities, including title to the City's two hospitals, BCH and Boston Specialty and Rehabilitation Hospital (BSRH), were transferred to and assumed by BPHC.

Also effective July 1, 1996, the operations of BCH and BSRH were consolidated with the operations of the Boston University Medical Center under the licensure and control of the BMC.

The BPHC receives the majority of its funding from federal and state grants, and a City appropriation. During fiscal year 2025, the City appropriated \$140.1 million to the BPHC. As described below, the BPHC uses the appropriation to pay debt service on certain general obligation bonds, for administrative purposes and to support the various public health programs run by the BPHC. The City has budgeted \$145.1 million for the BPHC for fiscal year 2026.

#### *Due from BPHC/BMC*

The BPHC is also responsible for reimbursing the City for health insurance, equipment lease payments, workers' compensation, and other miscellaneous expenses paid for by the City.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

### 19. Risk Management

The Risk Management Program focuses on a planned strategy of self-insurance, supported by strong prevention and cost reduction efforts, financial reserves and catastrophic insurance. The City is self-insured in most areas of risk including general liability, property and casualty, workers' compensation, certain employee health care costs and unemployment compensation.

The City's legal liabilities are capped per M.G.L. Chapter 258, and Corporation Counsel defends the City in any lawsuits that arise from the normal course of operations. For workers' compensation, the City is exempt from state insurance requirements per M.G.L. Chapter 152 Section 25B. The City's Workers' Compensation Division as well as the Police and Fire Departments manage employee injury claims internally. The City budgets for and funds legal claims and employee injury costs through the General Fund, and charges department budgets for a share of costs in order to promote awareness and prevention efforts.

The City provides health insurance coverage for employees and retirees through a variety of self-insured and fully-insured plans. The City budgets for and funds the premium costs for all plans through the General Fund. Self-insured plans are financially managed through the Internal Service Fund, the Health Claims Trust Fund, established in compliance with M.G.L. Chapter 32B, Section 3A. The guiding policy for the Health Claims Trust Fund states that accounting for the fund will be in accordance with generally accepted accounting principles, and will ensure that all contributions and actual costs are shared between employers and their subscribers according to predetermined ratios.

For unexpected large losses, the City maintains a catastrophic Risk Retention Reserve, which has an available balance of \$53.3 million at the end of fiscal 2025. To further protect the City's assets and finances from adverse loss, commercial insurance is purchased strategically for certain exposures. A catastrophic property insurance policy provides \$300.0 million for fire exposure and \$100.0 million for all risk protection after a \$10.0 million deductible. Boiler and machinery losses are insured up to \$50.0 million per incident, after a \$50 thousand deductible. A Fine Arts Policy provides \$150 million for risk protection after a \$1,000 deductible of fine arts and collectible objects including, but not limited to paintings, etchings, drawings, photographs, rare books and manuscripts, antiques, sculptures, memorabilia, natural history objects or historical artifacts, which are owned by the City or Library Trustees or on loan for which the City or Library Trustees have been instructed to insure. A cyber liability policy provides \$5.0 million of coverage for expenses and damages as a result of a cyber incident of exposure, after a \$250 thousand self-insured retention. The City has never had a claim or settlement that exceeded any of its insurance policy limits. Annual insurance premiums, broker fees and related insurance costs are centrally budgeted through the General Fund. In years where the budget is not fully expended, budget surplus is added to the catastrophic Risk Retention Reserve fund.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

The City has established a liability based on historical trends of previous years and attorneys' estimates of pending matters and lawsuits in which the City is involved. Changes in the self-insurance liability for the fiscal years ended June 30, 2025 and 2024 are as follows (in thousands):

<b>Internal service fund</b>			
	<b>2025</b>	<b>2024</b>	
Health and life claims, beginning of year	\$ 27,851	\$ 26,687	
Incurred claims	404,104	312,905	
Payments of claims attributable to events of both the current and prior fiscal years:			
Health and life	(386,032)	(311,741)	
Health and life claims, end of year	<u>\$ 45,923</u>	<u>\$ 27,851</u>	
<b>Government-wide statements</b>			
	<b>2025</b>	<b>2024</b>	
Judgments and claims, beginning of year	\$ 358,420	\$ 274,247	
Incurred claims	102,471	173,362	
Payments of claims attributable to events of both the current and prior fiscal years:			
Workers' compensation	(44,851)	(59,819)	
Tax abatement liability	(19,072)	(15,290)	
Court judgments	(19,977)	(14,080)	
Judgments and claims, end of year	<u>\$ 376,991</u>	<u>\$ 358,420</u>	

The liabilities above have not been discounted to their present value. Incurred claims represent the total of a provision for events of the current fiscal year and any change in the provision for events of the prior fiscal years. There are numerous pending matters and lawsuits in which the City is involved. The City attorneys' estimate that the potential claims against the City not recorded in the accompanying basic financial statements resulting from such litigation would not materially affect the basic financial statements.

## 20. Dudley Square Realty Corporation (DSRC) and Ferdinand Building Development Corporation (FBDC)

As described in note 1, the DSRC is a Qualified Active Low-Income Community Business, and is the owner and developer of the Dudley Municipal Center property. FBDC is the leverage lender of the Dudley Municipal Center property. As the project sponsor during fiscal year 2013, the City authorized and issued \$28.9 million in general obligation bonds and transferred proceeds to FBDC. FBDC, utilizing these bond proceeds, made loans totaling \$29.3 million to two investment funds. The investment funds made these proceeds and funds from additional investments available to eight leverage lenders that made loans in the aggregate amount of \$40.8 million to DSRC to finance the Dudley Municipal Center project. With the completion of Dudley Municipal Center project, FBDC is master tenant and leases the project from DSRC.

Based on the ending compliance period of the New Market Tax Credit, the Board of Directors and the City of Boston came to an agreement with all involved financial institutions to unwind the leveraged loans in November of 2019. The leveraged loans were paid via assignment of the notes and cancellation of the indebtedness.

This prompted amendments to the Master Lease and City's sublease agreements, essentially canceling all future cash flows related to the initial leases. The amendments occurred subsequent yet retroactive to year ended June 30, 2021. These activities resulted in net revenues of \$11.5 million for the wind down of debt and expenses of \$5.3 million for the lease amendments. As the City sublease was amended as a result of the wind down, there was no rental income under the City sublease.

## NOTES TO THE BASIC FINANCIAL STATEMENTS

## 21. Discretely Presented Component Units

The following presents condensed financial statements for each of the discretely presented component units:

## Condensed Statements of Net Position

June 30, 2025

(In thousands)

	BPHC	BPDA	TPL	EDIC	Total
<b>Assets:</b>					
Current assets:					
Cash and investments	\$ 115,897	\$ 49,905	\$ 1,781	\$ 59,946	\$ 227,529
Cash and investments held by trustees	-	-	37,506	-	37,506
Receivables, net					
Leases receivable, current	-	5,006	342	3,708	9,056
Other	28,932	7,162	2,177	23,960	62,231
Other assets	5,875	209	1,714	2,041	9,839
Due from primary government	691	-	-	-	691
<b>Total current assets</b>	<b>151,395</b>	<b>62,282</b>	<b>43,520</b>	<b>89,655</b>	<b>346,852</b>
Noncurrent assets:					
Cash and investments held by trustee	-	-	70,734	-	70,734
Notes and other receivables					
Notes receivable	49,825	87,501	424	-	137,750
Lease receivable, net	39,546	152,681	142	1,718,249	1,910,618
Accrued interest receivable on leases	-	3,833	-	73,528	77,361
Disposition receivable	-	26,724	-	-	26,724
OPEB Asset	-	9,560	-	-	9,560
Other	-	-	-	2,607	2,607
Capital assets:					
Nondepreciable assets	12,798	13,454	-	13,080	39,332
Depreciable, net	11,734	19,510	932	49,069	81,245
Right of use lease assets, net	1,719	5,518	855	827	8,919
Subscription IT assets, net	-	-	-	142	142
<b>Total noncurrent assets</b>	<b>115,622</b>	<b>318,781</b>	<b>73,087</b>	<b>1,857,502</b>	<b>2,364,992</b>
<b>Total assets</b>	<b>267,017</b>	<b>381,063</b>	<b>116,607</b>	<b>1,947,157</b>	<b>2,711,844</b>
<b>Deferred Outflows of Resources:</b>					
Deferred amount for pension costs	22,845	2,978	-	-	25,823
Deferred amount from OPEB	21,157	773	-	-	21,930
<b>Total deferred outflows of resources</b>	<b>\$ 44,002</b>	<b>\$ 3,751</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 47,753</b>
<b>Liabilities:</b>					
Current liabilities:					
Warrants and accounts payable	\$ 15,615	\$ 5,174	\$ 1,689	\$ 5,606	\$ 28,084
Accrued liabilities - current:					
Compensated absences	8,016	-	-	367	8,383
Deposits and other	650	300	-	602	1,552
Unearned revenue	6,881	1,804	969	3,375	13,029
Current portion of long-term bonds, notes and equipment financing payable	1,291	-	-	-	1,291
Due to primary government	2,292	302	456	-	3,050
Subscription agreement liability	-	-	554	54	608
Leases obligations/payables	813	-	-	253	1,066
<b>Total current liabilities</b>	<b>35,558</b>	<b>7,580</b>	<b>3,668</b>	<b>10,257</b>	<b>57,063</b>
Noncurrent liabilities:					
Bonds due in more than one year	1,685	7,501	-	642	9,828
Other noncurrent liabilities	4,037	129,856	-	2,561	136,454
Net OPEB Liability	87,244	-	-	-	87,244
Subscription agreement liability LT	-	-	238	-	238
Unearned revenue	49,457	26,724	-	-	76,181
Net pension liability	88,192	640	-	-	88,832
<b>Total noncurrent liabilities</b>	<b>230,615</b>	<b>164,721</b>	<b>238</b>	<b>3,203</b>	<b>398,777</b>
<b>Total liabilities</b>	<b>266,173</b>	<b>172,301</b>	<b>3,906</b>	<b>13,460</b>	<b>455,840</b>
<b>Deferred Inflows of Resources:</b>					
Deferred amount for pension costs	6,224	8,075	-	-	14,299
Deferred amount for OPEB	43,647	2,879	-	-	46,526
Deferred amount for leases	39,303	147,511	432	1,640,169	1,827,415
<b>Total deferred inflows of resources</b>	<b>89,174</b>	<b>158,465</b>	<b>432</b>	<b>1,640,169</b>	<b>1,888,240</b>
<b>Net Position:</b>					
Net investments in capital assets	22,462	31,488	995	63,119	118,064
Restricted for:	-	-	95,198	717	95,915
Unrestricted surplus (deficit)	(66,790)	22,560	16,076	229,692	201,538
<b>Total net position</b>	<b>\$ (44,328)</b>	<b>\$ 54,048</b>	<b>\$ 112,269</b>	<b>\$ 293,528</b>	<b>\$ 415,517</b>

## NOTES TO THE BASIC FINANCIAL STATEMENTS

**Condensed Statements of Revenues, Expenses, and Changes in Net Position**  
**Year ended June 30, 2025**  
*(in thousands)*

	<b>BPHC</b>	<b>BPDA</b>	<b>TPL</b>	<b>EDIC</b>	<b>Total</b>
Expenses	\$ 251,475	\$ 28,556	\$ 23,951	\$ 59,767	\$ 363,749
Program revenues:					
Charges for Services	57,733	23,784	3,341	47,834	132,692
Operating Grants and Contributions	89,069	-	16,794	21,320	127,183
Total program revenues	146,802	23,784	20,135	69,154	259,875
<b>Net program revenues (expenses)</b>	<b>(104,673)</b>	<b>(4,772)</b>	<b>(3,816)</b>	<b>9,387</b>	<b>(103,874)</b>
General revenues:					
Investment income	5,714	1,561	8,283	2,588	18,146
Investment income from leases	1,437	3,092	-	39,775	44,304
City appropriation	140,079	-	-	-	140,079
Miscellaneous	1,021	2,700	-	45	3,766
Special item - gain on sale of property	48	3,472	3,289	-	6,809
<b>Total general revenues</b>	<b>148,299</b>	<b>10,825</b>	<b>11,572</b>	<b>42,408</b>	<b>213,104</b>
<b>Change in net position</b>	<b>43,626</b>	<b>6,053</b>	<b>7,756</b>	<b>51,795</b>	<b>109,230</b>
<b>Net position - beginning of year</b>	<b>(87,954)</b>	<b>47,995</b>	<b>104,513</b>	<b>241,733</b>	<b>306,287</b>
<b>Net position - end of year</b>	<b>\$ (44,328)</b>	<b>\$ 54,048</b>	<b>\$ 112,269</b>	<b>\$ 293,528</b>	<b>\$ 415,517</b>

## REQUIRED SUPPLEMENTARY INFORMATION

Required Supplementary Information  
(Unaudited)Schedule of OPEB Contributions - OPEB  
(Amounts in thousands)

	2025	2024	2023	2022	2021	2020	2019	2018
Actuarially determined contribution	\$ 266,552	\$ 252,597	\$ 213,343	\$ 203,857	\$ 188,972	\$ 182,364	\$ 199,400	\$ 190,991
Contributions in relation to the actuarially determined contribution	187,447	183,864	167,968	172,149	170,560	164,503	176,018	159,966
Contribution surplus (deficiency)	\$ (79,105)	\$ (68,733)	\$ (45,375)	\$ (31,708)	\$ (18,412)	\$ (17,861)	\$ (23,382)	\$ (31,025)
Covered payroll	\$ 2,313,686	\$ 2,264,436	\$ 2,033,622	\$ 1,862,730	\$ 1,811,408	\$ 1,776,886	\$ 1,696,838	\$ 1,611,911
Contributions as a percentage of covered payroll	8.10%	8.12%	8.26%	9.24%	9.42%	9.26%	10.37%	9.92%

Note: Information provided for Required Supplementary Information will be provided for 10 years as it becomes available.

## Notes to Schedule:

## Valuation date:

Actuarially determined contribution for fiscal year ending June 30, 2025 was determined with the June 30, 2023 actuarial valuation. This valuation has been rolled forward to the measurement date of June 30, 2025

## Methods and assumptions used to determine contribution rates:

Actuarial cost method:	Entry Age Normal
Amortization method:	Payments increasing at 3.25% per year
Remaining amortization:	21 years as of July 1, 2024
Asset valuation method:	Fair Value
Inflation:	3.25%
Health care trend rates:	Non-Medicare trend rate: 8.0% decreasing by 0.25% for 14 years to an ultimate level of 4.5% per year Medicare Plans - Self-Insured Medical with PDP trend rate: 10.62% for one year, 11.88% for one year, then 7.5% graded by 0.25% for 12 years to ultimate level of 4.5% per year Medicare Plans - Fully Insured trend rate: 8.67% for one year, 11.09% for one year, then 7.5% graded by 0.25% for 12 years to an ultimate level of 4.5% per year Medicare Part B premiums: 4.5% per year
Salary increases:	Non-teachers: 4% to 4.5%; Teachers: 4% to 7.5%
Investment return:	6.25%
Mortality:	Pub-2010 generational table using Scale MP-2021 for non-teachers and teachers applied on a gender-specific basis.

## REQUIRED SUPPLEMENTARY INFORMATION

## Schedule of Changes in Net OPEB Liability and Related Ratios

June 30, 2025

(Amounts in thousands)

Total OPEB Liability

	2025	2024	2023	2022	2021	2020	2019	2018	2017
Service Cost	\$ 99,104	\$ 88,925	\$ 85,997	\$ 79,852	\$ 77,223	\$ 72,030	\$ 69,659	\$ 67,365	\$ 65,146
Interest	234,285	206,370	197,334	192,082	183,843	203,807	194,459	185,615	177,157
Changes of benefit terms	-	-	-	-	-	(498,655)	-	-	-
Differences between expected and actual experience	2,405	(127,937)	(5,890)	148,512	(528)	4,981	6,624	700	(1,717)
Changes of assumptions	121,312	414,729	-	(212,471)	-	261,316	-	-	-
Benefit payments, including refunds of employee contributions	(147,447)	(143,865)	(127,967)	(132,149)	(130,560)	(124,503)	(136,018)	(119,966)	(117,464)
Net Change in total OPEB liability	309,659	438,222	149,474	75,826	129,978	(81,024)	134,724	133,714	123,122
Total OPEB liability - beginning	3,722,060	3,283,838	3,134,364	3,058,538	2,928,560	3,009,584	2,874,860	2,741,146	2,618,024
Total OPEB liability - ending	4,031,719	3,722,060	3,283,838	3,134,364	3,058,538	2,928,560	3,009,584	2,874,860	2,741,146
<b>Plan Fiduciary Net Position</b>									
Contributions - employers	187,447	183,864	167,968	172,149	170,560	164,503	176,018	159,966	157,464
Net investment income, net	110,200	144,246	76,087	(77,643)	166,540	21,035	33,624	27,656	47,156
Benefit payments, including refunds of employee contributions	(147,447)	(143,865)	(127,967)	(132,149)	(130,560)	(124,503)	(136,018)	(119,966)	(117,464)
Administrative expenses	-	-	-	(5)	(5)	(5)	(4)	(12)	(5)
Net change in plan fiduciary net position	150,200	184,245	116,088	(37,648)	206,535	61,030	73,620	67,644	87,151
Plan fiduciary net position - beginning	1,124,499	940,254	824,166	861,814	655,279	594,249	520,629	452,986	365,835
Plan fiduciary net position - ending	1,274,699	1,124,499	940,254	824,166	861,814	655,279	594,249	520,630	452,986
Net OPEB liability	2,757,020	2,597,561	2,343,584	2,310,198	2,196,724	2,273,281	2,415,335	2,354,230	2,288,160
Plan fiduciary net position as a percentage of the total OPEB Liability	31.62%	30.21%	28.63%	26.29%	28.19%	22.38%	19.75%	18.11%	16.53%
Net OPEB liability as a percentage of the total covered payroll	119.16%	114.71%	115.24%	124.02%	121.27%	127.94%	142.34%	146.05%	144.57%
Covered payroll	2,313,686	2,264,436	2,033,622	1,862,730	1,811,408	1,776,886	1,696,838	1,611,911	1,582,695

Notes: Information provided for Required Supplementary Information will be provided for 10 years as it becomes available.

**Notes to Schedule:****Changes in assumptions:**

Changes as of June 30, 2025:

The trends associated with the per capita health care costs and retiree contributions were updated,

**Changes in Plan Provisions:**

Changes as of June 30, 2025: (None)

## REQUIRED SUPPLEMENTARY INFORMATION

**Schedule of City's Proportionate Share of the Net Pension Liability - Boston Retirement System***(Amounts in millions)*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
City's proportion of the net pension liability	29.52%	32.77%	36.96%	28.83%	32.80%	35.96%	36.32%	32.04%	35.66%	36.78%
City's proportionate share of the net pension liability	\$ 1,083	\$ 1,386	\$ 1,765	\$ 998	\$ 1,303	\$ 1,639	\$ 1,665	\$ 1,288	\$ 1,484	\$ 1,622
Commonwealth's proportionate share of net pension liability associated with the City	2,388	2,596	2,692	2,277	2,429	2,587	2,451	2,451	2,345	2,426
Total	\$ 3,471	\$ 3,982	\$ 4,457	\$ 3,275	\$ 3,732	\$ 4,226	\$ 4,116	\$ 3,739	\$ 3,829	\$ 4,048
City's covered payroll (for the period ended on the measurement date December 31)	\$ 2,012	\$ 1,925	\$ 1,864	\$ 1,776	\$ 1,720	\$ 1,661	\$ 1,609	\$ 1,547	\$ 1,475	\$ 1,475
City's proportionate share of the net pension liability as a percentage of covered payroll	53.82%	72.00%	94.69%	56.19%	75.76%	98.68%	103.48%	83.26%	100.61%	109.97%
BRS fiduciary net position as a percentage of the total pension liability	74.17%	69.39%	64.12%	73.26%	67.64%	61.91%	58.27%	62.73%	58.44%	55.76%

Note: Schedule is intended to show information for ten years. Historical information prior to the implementation of GASB Statement No. 68 is not required if the information is not available. Additional years will be displayed as they become available.

**Schedule of City's Contributions - Boston Retirement System***(Amounts in millions)*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	\$ 407	\$ 378	\$ 348	\$ 313	\$ 284	\$ 257	\$ 234	\$ 193	\$ 193	\$ 179
Contributions in relation to the actuarially determined contribution	407	378	348	313	284	257	234	193	205	179
Contribution surplus (deficiency)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12	\$ -
Covered payroll (for the fiscal year ended June 30)	\$ 2,269	\$ 2,222	\$ 1,993	\$ 1,826	\$ 1,777	\$ 1,741	\$ 1,609	\$ 1,467	\$ 1,467	\$ 1,467
Contributions as a percentage of covered payroll	17.94%	17.01%	17.46%	17.14%	15.98%	14.76%	14.54%	13.16%	13.16%	12.20%

Note: Schedule is intended to show information for ten years. Historical information prior to the implementation of GASB Statement No. 68 is not required if the information is not available. Additional years will be displayed as they become available.



## GENERAL FUND

The General Fund is the operating fund of the City. It is used to account for all revenues, expenditures and other financial resources except those required to be accounted for in other funds.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## GENERAL FUND

## Balance Sheet

June 30, 2025

(Amounts in thousands)

	2025
<b>ASSETS:</b>	
Cash and investments	\$ 1,977,093
Receivables:	
Property taxes	29,959
Motor vehicle / boat excise	37,340
Intergovernmental	1,412
Departmental and other	32,933
Tax title and possession	71,852
Total receivables	<u>173,496</u>
Allowance:	
Motor vehicle / boat excise	(27,969)
Tax title and possession	(71,853)
Total allowance	<u>(99,822)</u>
Net receivables	<u>73,674</u>
Due from other funds	291
Due from component units	3,050
<b>Total assets</b>	<u><b>\$ 2,054,108</b></u>
<b>LIABILITIES:</b>	
Warrants and accounts payable	\$ 64,490
Accrued liabilities:	
Payroll and related costs	132,096
Deposits and other	32,249
Total accrued liabilities	<u>164,345</u>
Due to other funds	1,053
Due to component units	691
<b>Total liabilities</b>	<u><b>230,579</b></u>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Unavailable Revenue	34,907
Leases	3,854
<b>Total deferred inflows of resources</b>	<u><b>38,761</b></u>
<b>FUND BALANCE:</b>	
Assigned	560,155
Unassigned	1,224,613
<b>Total fund balance</b>	<u><b>1,784,768</b></u>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<u><b>\$ 2,054,108</b></u>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**GENERAL FUND****Statement of Revenues, Expenditures and Changes in Fund Balance****Year Ended June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>REVENUES:</b>	
Real and personal property taxes	\$ 3,334,967
Excises	327,077
Payments in lieu of taxes	93,737
Fines	65,957
Investment income (loss)	119,019
Licenses and permits	66,911
Departmental and other	117,283
Intergovernmental	799,909
<b>Total revenues</b>	<b>4,924,860</b>
<b>EXPENDITURES:</b>	
Current:	
General government	188,494
Human services	48,096
Public safety	950,595
Public works	163,534
Property and development	164,966
Parks and recreation	40,198
Library	48,397
Schools	1,622,394
Public health programs	135,304
Judgments and claims	19,977
Retirement costs	720,591
Other employee benefits	289,092
State and district assessments	381,016
Total current expenditures	4,772,654
Capital outlays	13,156
Debt service	249,064
<b>Total expenditures</b>	<b>5,034,874</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(110,014)</b>
<b>OTHER FINANCING USES:</b>	
Leases & SBITAs GASB 87 & 96	111,025
Transfers out	(48,520)
<b>Total other financing uses</b>	<b>62,505</b>
<b>Net change in fund balances</b>	<b>(47,509)</b>
<b>Fund balance - beginning of year</b>	<b>1,832,277</b>
<b>Fund balance - end of year</b>	<b>\$ 1,784,768</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## GENERAL FUND

## Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 2025

(Amounts in thousands)

Classification	2025			Increase (Decrease) Variance
	Original Budget	Final Budget	Actual	
<b>PROPERTY TAXES</b>				
Real Estate Taxes	\$ 3,073,536	\$ 3,073,536	\$ 3,073,922	\$ 386
Real and Personal Property Taxes	251,453	251,453	251,453	-
Revenue class total	<b>3,324,989</b>	<b>3,324,989</b>	<b>3,325,375</b>	<b>386</b>
<b>MOTOR VEHICLE EXCISE</b>				
Motor Vehicle Excise - Current	39,000	39,000	45,538	6,538
Motor Vehicle Excise - Prior Years	20,000	20,000	29,639	9,639
Boat Excise - Current and Prior Years	-	-	32	32
Revenue class total	<b>59,000</b>	<b>59,000</b>	<b>75,209</b>	<b>16,209</b>
<b>OTHER EXCISE TAXES</b>				
Hotel / Motel Room Excise	134,500	134,500	147,088	12,588
Aircraft Fuel Excise	38,650	38,650	41,960	3,310
Condominium Conversion Excise	350	350	482	132
Short-Term Rental	700	700	1,491	791
Meals Tax Excise	36,000	36,000	41,342	5,342
Marijuana Local Option Sales T	2,600	2,600	2,942	342
Urban Redevelopment Ch 121A	13,250	13,250	14,061	811
Vehicle Rental Surcharge	1,250	1,250	1,429	179
Revenue class total	<b>227,300</b>	<b>227,300</b>	<b>250,795</b>	<b>23,495</b>
<b>COMMONWEALTH OF MASSACHUSETTS</b>				
State Owned Lands	722	722	722	-
Exemption - Elderly	743	743	1,385	642
Veterans Services - Local Aid	959	959	919	(40)
Unrestricted General Government Aid	233,284	233,284	233,284	-
Local Share of Racing Taxes	561	561	530	(31)
Charter School Reimbursement	43,118	43,118	37,280	(5,838)
Chapter 70 Education Aid	236,667	236,667	236,667	-
Revenue class total	<b>516,054</b>	<b>516,054</b>	<b>510,787</b>	<b>(5,267)</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**GENERAL FUND****Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)****Year Ended June 30, 2025***(Amounts in thousands)*

Classification	2025					Increase (Decrease) Variance
	Original Budget	Final Budget	Actual			
<b>DEPARTMENTAL &amp; OTHER</b>						
Penalties & Interest - Property Taxes	\$ 3,000	\$ 3,000	\$ 4,412	\$ 4,412	\$ 1,412	
Penalties & Interest - Motor Vehicle	2,100	2,100	3,661	3,661	1,561	
Penalties & Interest - Tax Title	4,000	4,000	5,868	5,868	1,868	
Other Departmental Fees & Charges	2,000	2,000	3,991	3,991	1,991	
Registry Division Fees	1,500	1,500	1,817	1,817	317	
Liens	400	400	457	457	57	
Other Departmental	3,250	3,250	3,204	3,204	(46)	
City Clerk Fees	500	500	561	561	61	
Muni Medicaid Reimbursement	6,660	6,660	10,684	10,684	4,024	
Police Services	725	725	958	958	233	
Fire Services	6,800	6,800	7,356	7,356	556	
Parking Facilities	7,000	7,000	8,419	8,419	1,419	
Street Occupancy	18,000	18,000	14,461	14,461	(3,539)	
Street and Sidewalk Permits	250	250	678	678	428	
Property Mgmt - Building Rents	1,250	1,250	1,437	1,437	187	
St Furniture Program Fixed Fees	1,500	1,500	1,500	1,500	-	
St Furniture Program Adm Fees	1,000	1,000	1,242	1,242	242	
DoIT/PWD Small Cell Revenue	1,000	1,000	1,264	1,264	264	
DOIT E-Rate	2,000	2,000	1,539	1,539	(461)	
Tuition and Transportation - Schools	2,000	2,000	3,681	3,681	1,681	
McKinney-Vento reimbursement	4,000	4,000	4,727	4,727	727	
Library Fees	9	9	5	5	(4)	
Cobra / Self-pay	150	150	218	218	68	
Affirmative Recovery Unit	300	300	671	671	371	
Fringe-Retirement	7,750	7,750	8,042	8,042	292	
Pensions and Annuities	8,400	8,400	8,863	8,863	463	
Indirect Costs Reimbursement	500	500	230	230	(270)	
3rd Party Fringe Reimbursement	100	100	161	161	61	
Third-Party Payments	1,800	1,800	2,233	2,233	433	
Prior Year Reimbursements	1,000	1,000	2,879	2,879	1,879	
Police Detail Administration Fee	3,000	3,000	6,529	6,529	3,529	
Administrative Fee 3rd Party Payments	500	500	638	638	138	
Revenue class total	<b>92,444</b>	<b>92,444</b>	<b>112,386</b>	<b>112,386</b>	<b>19,942</b>	
<b>FINES</b>						
Parking Fines	54,900	54,900	60,441	60,441	5,541	
60 Cents Surcharge	800	800	752	752	(48)	
Boots & Tows Fees	1,400	1,400	1,773	1,773	373	
Court Fines	5	5	10	10	5	
Moving Violation Fines - Court	500	500	1,050	1,050	550	
Fire Safety Fines	25	25	16	16	(9)	
Code Enforcement	1,370	1,370	1,947	1,947	577	
Revenue class total	<b>59,000</b>	<b>59,000</b>	<b>65,989</b>	<b>65,989</b>	<b>6,989</b>	
<b>PAYMENTS IN LIEU OF TAXES</b>						
Massport	23,400	23,400	23,933	23,933	533	
Miscellaneous PILOT's	31,600	31,600	38,155	38,155	6,555	
Miscellaneous Ch 121B Section 16	10,000	10,000	14,088	14,088	4,088	
Miscellaneous Ch 121A Section 6A	14,500	14,500	17,413	17,413	2,913	
Revenue class total	<b>79,500</b>	<b>79,500</b>	<b>93,589</b>	<b>93,589</b>	<b>14,089</b>	
<b>INVESTMENT INCOME</b>						
Interest on Investments	86,700	86,700	118,971	118,971	32,271	
Revenue class total	<b>86,700</b>	<b>86,700</b>	<b>118,971</b>	<b>118,971</b>	<b>32,271</b>	

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## GENERAL FUND

## Schedule of Revenues and Other Financing Sources Compared to Budget (Budgetary Basis)

Year Ended June 30, 2025

(Amounts in thousands)

Classification	2025					
	Original Budget	Final Budget	Actual	Increase (Decrease) Variance		
<b>LICENSES AND PERMITS</b>						
Building Structures and Permits	\$ 57,500	\$ 57,500	\$ 47,810	\$ (9,690)		
Weights and Measures	240	240	261	21		
Street and Curb Permits	1,250	1,250	1,925	675		
Pre-rental Inspections	2,400	2,400	2,380	(20)		
Other Departmental Licenses & Permits	1,150	1,150	1,220	70		
Health Inspections	1,550	1,550	1,826	276		
Alcoholic Beverages and Licenses	4,250	4,250	4,826	576		
Marijuana License	60	60	99	39		
Entertainment Licenses	1,700	1,700	1,964	264		
Police Firearm Permits	100	100	86	(14)		
Other Business Licenses and Permits	150	150	204	54		
Cable Television	3,350	3,350	5,179	1,829		
Dog Licenses	200	200	276	76		
Revenue class total	<b>73,900</b>	<b>73,900</b>	<b>68,056</b>	<b>(5,844)</b>		
<b>Intergovernmental</b>						
BPDA Financial Transfer	42,364	42,364	28,245	(14,119)		
Revenue class total	<b>42,364</b>	<b>42,364</b>	<b>28,245</b>	<b>(14,119)</b>		
<b>TRANSFERS AND OTHER AVAILABLE FUNDS</b>						
Appropriated Cemetery Trustee	950	950	-	(950)		
Appropriated Parking Meter Receipts	30,000	30,000	-	(30,000)		
Appropriated Funds Balance	40,000	150,000	110,000	(40,000)		
Revenue class total	<b>70,950</b>	<b>180,950</b>	<b>110,000</b>	<b>(70,950)</b>		
Total Revenues and Other financing Sources	<b>\$ 4,632,201</b>	<b>\$ 4,742,201</b>	<b>\$ 4,759,402</b>	<b>\$ 17,201</b>		

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**GENERAL FUND****Schedule of Expenditures Compared to Budget (Budgetary Basis)****Year Ended June 30, 2025***(Amounts in thousands)*

Classification	2025						Increase (Decrease) Variance
	Original Budget	Final Budget		Actual			
<b>GENERAL GOVERNMENT</b>							
Costs of Issuance - RANS	\$ 500	\$ 500	\$ 491	\$ 491			9
Annual Audit Costs	750	2,090	2,090	2,090			-
Mayor's Office	6,849	6,849	6,575	6,575			274
City Council	8,466	8,466	7,958	7,958			508
Office of New Bostonians	3,690	3,690	3,646	3,646			44
Consumer Affairs and Licensing	2,013	2,013	1,781	1,781			232
Election Department - Election Division	5,611	6,336	6,096	6,096			240
Election Department - Listing Board	865	865	832	832			33
Auditing Department	3,999	3,999	3,791	3,791			208
Assessing Department	8,400	8,400	7,220	7,220			1,180
Treasury Department - Collecting Division	3,969	3,969	3,793	3,793			176
Treasury Department - Treasury Division	2,499	2,499	2,353	2,353			146
Office of Budget Management	3,664	3,664	3,343	3,343			321
Human Resources	7,920	8,880	8,880	8,880			-
Purchasing Division	3,631	3,841	3,478	3,478			363
Office of Administration & Finance	1,614	1,614	1,383	1,383			231
Office of People Operations	1,228	1,228	1,148	1,148			80
Office of Labor Relations	1,971	1,971	1,447	1,447			524
Department of Innovation & Technology	53,821	57,758	57,757	57,757			1
Intergovernmental Relations	1,322	1,322	1,107	1,107			215
Law Department	11,152	11,152	10,793	10,793			359
Labor Compliance & Worker Prot	1,967	1,967	1,930	1,930			37
Risk Retention Reserved	3,500	3,500	3,500	3,500			-
Housing Trust Fund	618	618	589	589			29
City Clerk	1,747	1,747	1,626	1,626			121
Registry Division	1,647	1,647	1,549	1,549			98
Finance Commission	532	532	386	386			146
Office of Equity	3,291	3,291	3,212	3,212			79
Fair Housing & Equity	767	767	671	671			96
Commission for Persons with Disabilities	893	893	864	864			29
Supplier Diversity	2,355	2,355	1,563	1,563			792
Planning & Design	32,679	32,679	21,498	21,498			11,181
Language & Community Access	2,169	2,169	2,160	2,160			9
Police Accountability & Transparency	1,481	1,481	1,151	1,151			330
Neighborhood Services	5,530	5,530	5,408	5,408			122
Arts & Cultural Develop	4,522	4,522	4,040	4,040			482
Arts, Tourism & Special Events	1,902	1,902	1,726	1,726			176
Women's Commission	743	743	639	639			104
Participatory Budgeting	2,132	2,132	2,130	2,130			2
Black Male Advancement	2,093	2,126	1,900	1,900			226
Office of Food Justice	1,396	1,396	1,327	1,327			69
Office of Historic Preservatio	1,539	1,539	1,494	1,494			45
LGBTQ+ Advancement	782	782	745	745			37
Reserve for Collective Bargaining	90,255	46,938	12,100	12,100			34,838
Office of Workforce Development	7,526	7,526	6,496	6,496			1,030
<b>Function Total</b>	<b>306,000</b>	<b>269,888</b>	<b>214,666</b>	<b>214,666</b>			<b>55,222</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## GENERAL FUND

## Schedule of Expenditures Compared to Budget (Budgetary Basis)

Year Ended June 30, 2025

(Amounts in thousands)

Classification	2025						Increase (Decrease) Variance
	Original Budget	Final Budget	Actual				
<b>HUMAN SERVICES</b>							
Boston Centers for Youth & Families	\$ 30,871	\$ 30,871	\$ 28,059	\$ 28,059			2,812
Age Strong Commission	8,085	8,085	8,082	8,082			3
Office of Health & Human Service	10,130	10,130	9,658	9,658			472
Human Right Commission	465	465	320	320			145
Veterans Services Department	4,847	4,847	3,298	3,298			1,549
Function total	<b>54,398</b>	<b>54,398</b>	<b>49,417</b>	<b>49,417</b>			<b>4,981</b>
<b>PUBLIC SAFETY</b>							
Police Department	475,024	475,152	519,556	519,556			(44,404)
Fire Department	306,753	306,753	319,581	319,581			(12,828)
Mayor's Office - Emergency Preparedness	1,673	1,673	1,550	1,550			123
Transportation - Traffic Division	36,567	35,828	35,828	35,828			-
Transportation - Parking Clerk	8,143	9,013	8,878	8,878			135
Inspection Services Department	24,322	24,322	23,127	23,127			1,195
Youth Employment & Opportunity	22,630	26,998	26,996	26,996			2
Function total	<b>875,112</b>	<b>879,739</b>	<b>935,516</b>	<b>935,516</b>			<b>(55,777)</b>
<b>PUBLIC WORKS</b>							
Public Works Department	122,906	130,794	130,701	130,701			93
Central Maintenance Facility	3,361	3,794	3,794	3,794			-
Snow & Winter Management	22,469	22,469	32,195	32,195			(9,726)
Function total	<b>148,736</b>	<b>157,057</b>	<b>166,690</b>	<b>166,690</b>			<b>(9,633)</b>
<b>PROPERTY AND DEVELOPMENT</b>							
Property Management	28,704	30,977	30,976	30,976			1
Public Facilities Dept	10,873	10,873	10,600	10,600			273
Office of Eco Opp & Inclusion	7,135	7,135	6,481	6,481			654
Mayor's Office of Housing	55,146	167,209	166,924	166,924			285
Function total	<b>101,858</b>	<b>216,194</b>	<b>214,981</b>	<b>214,981</b>			<b>1,213</b>
<b>PARKS AND RECREATION</b>							
Parks and Recreation Department	32,606	34,121	34,121	34,121			-
Environment Department	5,150	5,150	4,191	4,191			959
Cemetery Division	3,059	3,071	3,071	3,071			-
Function total	<b>40,815</b>	<b>42,342</b>	<b>41,383</b>	<b>41,383</b>			<b>959</b>
<b>LIBRARY</b>							
Library Department	49,883	50,631	48,924	48,924			1,707
Function total	<b>49,883</b>	<b>50,631</b>	<b>48,924</b>	<b>48,924</b>			<b>1,707</b>
<b>SCHOOLS</b>							
Boston Public Schools	1,527,969	1,568,264	1,568,264	1,568,264			-
Function total	<b>1,527,969</b>	<b>1,568,264</b>	<b>1,568,264</b>	<b>1,568,264</b>			<b>-</b>
<b>PUBLIC HEALTH</b>							
Public Health Commission	140,120	140,279	140,279	140,279			-
Function total	<b>140,120</b>	<b>140,279</b>	<b>140,279</b>	<b>140,279</b>			<b>-</b>
<b>JUDGMENTS AND CLAIMS</b>							
Execution of Courts	2,000	2,000	6,187	6,187			(4,187)
Function total	<b>2,000</b>	<b>2,000</b>	<b>6,187</b>	<b>6,187</b>			<b>(4,187)</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**GENERAL FUND****Schedule of Expenditures Compared to Budget (Budgetary Basis)****Year Ended June 30, 2025***(Amounts in thousands)*

Classification	2025						Increase (Decrease) Variance
	Original Budget	Final Budget	Actual				
<b>OTHER EMPLOYEE BENEFITS</b>							
Medicare Payments	\$ 14,604	\$ 16,794	\$ 16,794		\$ -		-
Health Benefits & Insurance	1,217	1,226			1,140		86
Health Insurance	234,083	234,083			233,683		400
Unemployment Compensation	350	350			20		330
Workers' Compensation Fund	2,000	2,000			1,847		153
OPEB Stabilization Fund	40,000	40,000			40,000		-
Function total	<b>292,254</b>	<b>294,453</b>			<b>293,484</b>		<b>969</b>
<b>PENSION COSTS</b>							
Boston Retirement System	422,494	422,494			422,494		-
Pensions and Annuities - City	4,005	4,989			4,989		-
Function total	<b>426,499</b>	<b>427,483</b>			<b>427,483</b>		-
<b>DEBT REQUIREMENTS</b>							
Redemption of City Loans	182,573	172,785			172,785		-
City Debt and Interest Payments	90,000	74,694			74,694		-
Temporary Notes	3,000	-			-		-
MWPAT Principal	-	718			718		-
MWPAT Interest	-	285			285		-
Debt Service Sinking Funds	364	364			364		-
Function total	<b>275,937</b>	<b>248,846</b>			<b>248,846</b>		-
<b>STATE &amp; DISTRICT ASSESSMENTS</b>							
Health Insurance/Retirement	3	3			3		-
RMV Non-Renewal Surcharge	2,114	2,114			2,114		-
Mosquito Control Projects	299	299			299		-
Special Education Chapter 766	975	975			909		66
Air Pollution Districts	315	315			315		-
Metropolitan Area Planning	385	385			385		-
MBTA Assessments	97,299	97,299			97,299		-
MDC Assessments	12	12			12		-
School Choice	3,314	3,322			3,322		-
Charter School Sending Tuition	283,015	283,014			273,468		9,546
Suffolk County Jail	2,889	2,889			2,889		-
Function total	<b>390,620</b>	<b>390,627</b>			<b>381,015</b>		<b>9,612</b>
<b>Total Expenditures</b>	<b>\$ 4,632,201</b>	<b>\$ 4,742,201</b>			<b>\$ 4,737,135</b>		<b>\$ 5,066</b>

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## SPECIAL REVENUE FUND

The Special Revenue Fund is used to account for the proceeds of specific revenue sources, other than debt service, trust funds or capital projects that are legally restricted or committed for specific purposes. This fund accounts for a number of federal and state grants administered by the City's individual departments in addition to Community Preservation Act funds.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## SPECIAL REVENUE FUND

## Combining Balance Sheet

June 30, 2025

(Amounts in thousands)

	Special Revenue Fund	CPA Fund	Total	
			2025	
<b>ASSETS:</b>				
Cash and investments	\$ 494,527	\$ 50,678	\$ 545,205	
Receivables:				
Intergovernmental	244,951	-	244,951	
Departmental and other	20,555	199	20,754	
Tax title and possession	1	248	249	
Total receivables	265,507	447	265,954	
Allowance:				
Tax title and possession	-	(248)	(248)	
Net receivables	265,507	199	265,706	
Due from other funds	1,631	-	1,631	
<b>Total assets</b>	<b>\$ 761,665</b>	<b>\$ 50,877</b>	<b>\$ 812,542</b>	
<b>LIABILITIES:</b>				
Warrants and accounts payable	\$ 42,418	\$ 22,134	\$ 64,552	
Accrued liabilities:				
Payroll and related costs	712	7	719	
Deposits and other	78,661	-	78,661	
Unearned revenue	180,278	-	180,278	
Total accrued liabilities	259,651	7	259,658	
Due to other funds	781	13	794	
<b>Total liabilities</b>	<b>302,850</b>	<b>22,154</b>	<b>325,004</b>	
<b>DEFERRED INFLOWS OF RESOURCES:</b>				
Unavailable Revenue	-	14	14	
Leases	957	-	957	
<b>Total deferred inflows of resources</b>	<b>957</b>	<b>14</b>	<b>971</b>	
<b>FUND BALANCE:</b>				
Restricted	457,858	28,709	486,567	
<b>Total fund balance</b>	<b>457,858</b>	<b>28,709</b>	<b>486,567</b>	
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 761,665</b>	<b>\$ 50,877</b>	<b>\$ 812,542</b>	

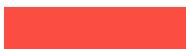
## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**SPECIAL REVENUE FUND****Combining Statement of Revenues, Expenditures and Changes in Fund Balance****Year Ended June 30, 2025**

(Amounts in thousands)

	Special Revenue Fund	CPA Fund	Total 2025
<b>REVENUES:</b>			
Real and personal property taxes	\$ -	\$ 153	\$ 153
Excises	32	-	32
Fines	9	-	9
Investment income (loss)	860	3,258	4,118
Licenses and permits	22	-	22
Departmental and other	52,691	32,106	84,797
Intergovernmental	616,698	4,975	621,673
<b>Total revenues</b>	<b>670,312</b>	<b>40,492</b>	<b>710,804</b>
<b>EXPENDITURES:</b>			
Current:			
General government	43,305	62,328	105,633
Human services	19,168	-	19,168
Public safety	40,337	-	40,337
Public works	12,961	-	12,961
Property and development	209,447	-	209,447
Parks and recreation	9,536	-	9,536
Library	5,061	-	5,061
Schools	274,112	-	274,112
Public health programs	11,623	-	11,623
Total current expenditures	625,550	62,328	687,878
Capital outlays	4,031	-	4,031
<b>Total expenditures</b>	<b>629,581</b>	<b>62,328</b>	<b>691,909</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>40,731</b>	<b>(21,836)</b>	<b>18,895</b>
<b>OTHER FINANCING SOURCES (USES):</b>			
Leases & SBITAs GASB 87 & 96	831	-	831
Premium revenue	1,660	-	1,660
Transfers in	48,157	-	48,157
Transfers out	(33,336)	-	(33,336)
<b>Total other financing sources (uses)</b>	<b>17,312</b>	<b>-</b>	<b>17,312</b>
<b>Net change in fund balances</b>	<b>58,043</b>	<b>(21,836)</b>	<b>36,207</b>
<b>Fund balance - beginning of year</b>	<b>399,815</b>	<b>50,545</b>	<b>450,360</b>
<b>Fund balance - end of year</b>	<b>\$ 457,858</b>	<b>\$ 28,709</b>	<b>\$ 486,567</b>

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## CAPITAL PROJECTS FUND

The Capital Projects Fund is used to account for financial resources to be used for the acquisition or construction of major capital facilities. Such resources are derived principally from proceeds of general obligation bonds and from federal and state grants.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CAPITAL PROJECTS FUND****Balance Sheet****June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>ASSETS:</b>	
Cash and investments	\$ 215,040
Cash and investments held by trustees	58,741
Receivables:	
Intergovernmental	51,566
<b>Total assets</b>	<b>\$ 325,347</b>
<b>LIABILITIES:</b>	
Warrants and accounts payable	\$ 100,801
Accrued liabilities:	
Payroll and related costs	5
Deposits and other	71
<b>Total accrued liabilities</b>	<b>76</b>
<b>Total liabilities</b>	<b>100,877</b>
<b>DEFERRED INFLOWS OF RESOURCES:</b>	
Unavailable Revenue	42,677
<b>Total deferred inflows of resources</b>	<b>42,677</b>
<b>FUND BALANCE:</b>	
Restricted	181,793
<b>Total fund balance</b>	<b>181,793</b>
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 325,347</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CAPITAL PROJECTS FUND****Statement of Revenues, Expenditures and Changes in Fund Balance****Year Ended June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>REVENUES:</b>	
Departmental and other	\$ 373
Intergovernmental	78,123
<b>Total revenues</b>	<b>78,496</b>
<b>EXPENDITURES:</b>	
Capital outlays	561,709
<b>Total expenses</b>	<b>561,709</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(483,213)</b>
<b>OTHER FINANCING SOURCES (USES):</b>	
Leases & SBITAs GASB 87 & 96	6,212
Revenue from bond sale	464,170
Lease purchase - revenue	38,452
Premium revenue	35,830
Transfers in	33,336
<b>Total other financing sources (uses)</b>	<b>578,000</b>
<b>Net change in fund balances</b>	<b>94,787</b>
<b>Fund balance - beginning of year</b>	<b>87,006</b>
<b>Fund balance - end of year</b>	<b>\$ 181,793</b>

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## OTHER GOVERNMENTAL FUNDS

Other Governmental Funds are those funds that are not defined as major funds.

Permanent Funds, established by GASB Statement No. 34, is used to report resources that are legally restricted to the extent that only earnings, and not principal, may be used for purposes that support the reporting government's programs, that is, for the benefit of the government or its citizenry. The permanent funds are composed of the following pools:

Pool#1 is a co-mingled investment fund and is used for the maintenance and improvement of the City's parks and cemeteries and the erection and maintenance of statues and monuments for the use and enjoyment of City residents.

Pool#2 is a co-mingled investment fund and is used for scholarship awards, the purchase of educational equipment, and the aid of needy students.

Pool#7 is a co-mingled investment fund of various non-testamentary pooled funds of the City of Boston. The expendable portion of the fund is composed of donations/contributions from either individuals or organizations. Donations/contributions are to be expended in conformity with their respective trust instruments.

Debt Service Fund is used to account for resources accumulating for principal and interest for the 2009 Qualified Construction School Bond.

Dudley Square Realty Corporation (DSRC) and Ferdinand Building Development Corporation (FBDC) – The DSRC and FBDC are non-profit organizations qualified as tax-exempt entities under Section 501(c)(3) of the Internal Revenue Code. Although legally separate, both DSRC and FBDC provide services entirely, or almost entirely, to the City and thus have been reported as blended component units. DSRC and FBDC are used to account for the construction and financing of the Dudley Municipal Center.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## OTHER GOVERNMENTAL FUNDS

## Combining Balance Sheet

June 30, 2025

(Amounts in thousands)

	Permanent Funds						Ferdinand Building Development Corp.		Total Other Governmental Funds	
				Debt Service Fund	Dudley Square Realty Corp.					
	Pool 1	Pool 2	Pool 7					2025		
<b>ASSETS:</b>										
Cash and investments held by trustees	\$ 98,988	\$ 995	\$ 33,571	\$ -	\$ 1,163	\$ 2,781	\$ 137,498			
Receivables:										
Departmental and other	62	3	113	-	-	5	183			
Due from other funds	-	-	-	-	72	-	72			
<b>Total assets</b>	<b>\$ 99,050</b>	<b>\$ 998</b>	<b>\$ 33,684</b>	<b>\$ -</b>	<b>\$ 1,235</b>	<b>\$ 2,786</b>	<b>\$ 137,753</b>			
<b>LIABILITIES:</b>										
Warrants and accounts payable	\$ 1,259	\$ -	\$ 269	\$ -	\$ -	\$ -	\$ 1,528			
Accrued liabilities:										
Payroll and related costs	-	-	32	-	-	-	32			
Deposits and other	-	-	-	-	-	26	26			
Total accrued liabilities	-	-	32	-	-	26	58			
Due to other funds	-	-	147	-	-	-	147			
<b>Total liabilities</b>	<b>1,259</b>	<b>-</b>	<b>448</b>	<b>-</b>	<b>-</b>	<b>26</b>	<b>1,733</b>			
<b>FUND BALANCE:</b>										
Nonspendable	21,360	144	-	-	-	-	21,504			
Restricted	76,431	854	33,236	-	1,235	2,760	114,516			
<b>Total fund balance</b>	<b>97,791</b>	<b>998</b>	<b>33,236</b>	<b>-</b>	<b>1,235</b>	<b>2,760</b>	<b>136,020</b>			
<b>Total liabilities, deferred inflows of resources and fund balances</b>	<b>\$ 99,050</b>	<b>\$ 998</b>	<b>\$ 33,684</b>	<b>\$ -</b>	<b>\$ 1,235</b>	<b>\$ 2,786</b>	<b>\$ 137,753</b>			

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## OTHER GOVERNMENTAL FUNDS

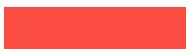
## Combining Statement of Revenues, Expenditures and Changes in Fund Balance

Year Ended June 30, 2025

(Amounts in thousands)

	Permanent Funds			Debt Service Fund	Capital Projects Fund	Special Revenue Fund	Total Other Governmental Funds	
	Pool 1	Pool 2	Pool 7				2025	
<b>REVENUES:</b>								
Investment income (loss)	\$ 11,916	\$ 101	\$ 8,144	\$ -	\$ 3	\$ 131	\$ 20,295	
Departmental and other	207	-	6,753	-	-	105	7,065	
<b>Total revenues</b>	<b>12,123</b>	<b>101</b>	<b>14,897</b>	<b>-</b>	<b>3</b>	<b>236</b>	<b>27,360</b>	
<b>EXPENDITURES:</b>								
Current:								
General government	7,337	54	9,847	-	-	8	17,246	
Debt service	-	-	-	20,000	-	-	20,000	
<b>Total expenditures</b>	<b>7,337</b>	<b>54</b>	<b>9,847</b>	<b>20,000</b>	<b>-</b>	<b>8</b>	<b>37,246</b>	
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>4,786</b>	<b>47</b>	<b>5,050</b>	<b>(20,000)</b>	<b>3</b>	<b>228</b>	<b>(9,886)</b>	
<b>OTHER FINANCING SOURCES (USES):</b>								
Transfers in	-	-	-	363	-	-	-	363
<b>Total other financing sources (uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>363</b>	<b>-</b>	<b>-</b>	<b>363</b>	
Net change in fund balances	4,786	47	5,050	(19,637)	3	228	(9,523)	
<b>Fund balance - beginning of year</b>	<b>93,005</b>	<b>951</b>	<b>28,186</b>	<b>19,637</b>	<b>1,232</b>	<b>2,532</b>	<b>145,543</b>	
<b>Fund balance - end of year</b>	<b>\$ 97,791</b>	<b>\$ 998</b>	<b>\$ 33,236</b>	<b>\$ -</b>	<b>\$ 1,235</b>	<b>\$ 2,760</b>	<b>\$ 136,020</b>	

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## INTERNAL SERVICE FUND

Internal Service Fund accounts for the City's self-insurance for health benefits provided by Blue Cross Blue Shield of Massachusetts and Mass General Brigham Health Plan for City employees, their dependents and retirees. The Internal Service Fund is included in the governmental activities column in the government-wide financial statements.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## INTERNAL SERVICE FUND

## Statement of Net Position

June 30, 2025

(amounts in thousands)

	2025
<b>ASSETS:</b>	
Current assets:	
Cash and cash equivalents	\$ 69,029
<b>Total assets</b>	<b>69,029</b>
<b>LIABILITIES:</b>	
Current liabilities:	
Accrued liabilities	57,446
<b>Total liabilities</b>	<b>57,446</b>
<b>NET POSITION:</b>	
Unrestricted	11,583
<b>Total net position</b>	<b>\$ 11,583</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**INTERNAL SERVICE FUND****Statement of Revenues, Expenses and Changes in Net Position****Year Ended June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>OPERATING REVENUES:</b>	
Employee contributions	\$ 104,371
Employer contributions	232,159
<b>Total operating revenues</b>	<b>336,530</b>
<b>OPERATING EXPENSES:</b>	
Health benefits	386,032
<b>Total operating expenses</b>	<b>386,032</b>
<b>Change in net position</b>	<b>(49,502)</b>
<b>Net position - beginning of year</b>	<b>61,085</b>
<b>Net position - end of year</b>	<b>\$ 11,583</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

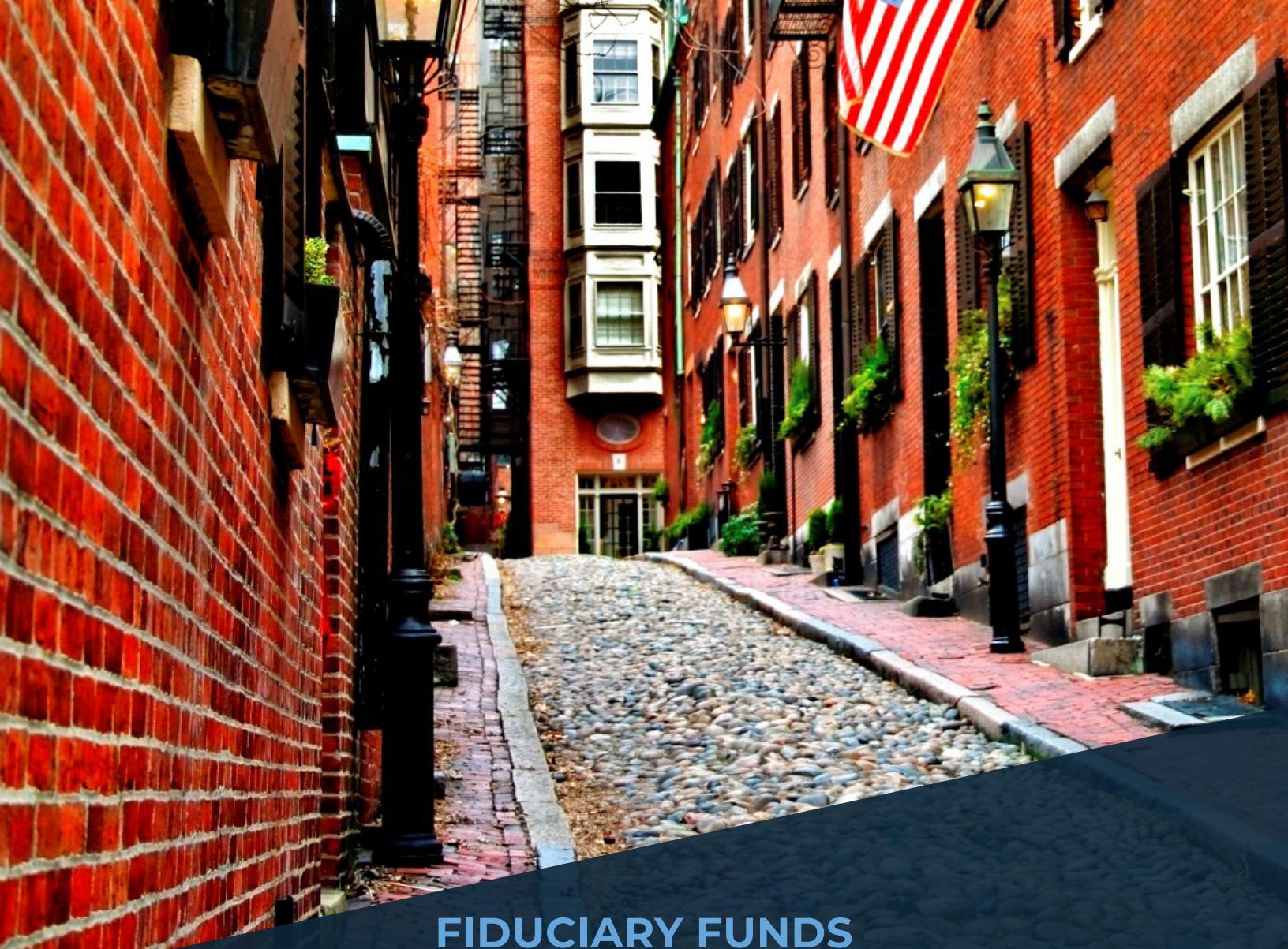
## INTERNAL SERVICE FUND

## Statement of Cash Flows

Year Ended June 30, 2025

(Amounts in thousands)

	2025
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>	
Cash received from employees and employer	\$ 337,641
Cash paid to vendors	(360,476)
<b>Net cash provided by operating activities</b>	<b>(22,835)</b>
 Cash and cash equivalents, beginning of year	 91,864
<b>Cash and cash equivalents, end of year</b>	<b>\$ 69,029</b>
 <b>RECONCILIATION OF OPERATING LOSS TO NET CASH PROVIDED BY OPERATING ACTIVITIES:</b>	
Operating income (loss)	\$ (49,502)
Adjustments to reconcile operating income (loss) to cash provided by (used in) operating activities	
Changes in operating assets and liabilities:	
Other assets	768
Due from component units/receivables	1,110
Accrued liabilities	24,789
<b>Net cash provided by operating activities</b>	<b>\$ (22,835)</b>



## FIDUCIARY FUNDS

### EMPLOYEE RETIREMENT PLAN

Boston Retirement System is a defined benefit contributory retirement plan covering employees of the City of Boston, Boston Public Health Commission, Boston Housing Authority, Boston Redevelopment Authority, and the Boston Water and Sewer Commission. The System is subject to benefit provisions and financing requirements set forth primarily in Chapter 32 of the Massachusetts General Laws.

### OPEB TRUST FUND

The OPEB Trust Fund is an irrevocable trust fund established for other postemployment benefits. The assets are appropriated from the General Fund and accumulate to reduce the unfunded actuarial liability for health care and other postemployment benefits.

### PRIVATE PURPOSE TRUST FUNDS

Private purpose trust funds are used to report any trust arrangement not otherwise classified as pension or benefit trusts, or an investment trust fund, "under which principal and income benefit individuals, private organizations, or other governments."

Pool#1 is a co-mingled investment fund of various trust funds of the City. A number of the Pool#1 trust funds are for the maintenance and improvement of the City's parks and cemeteries for the use and enjoyment of City residents. The other portion of Pool#1 trust funds lack a general government purpose and are therefore classified here as private purpose trust funds.

Pool#2 is a co-mingled investment fund and is used for scholarship awards, the purchase of educational equipment, and the aid of needy students.

Pool#5 is formed by the will of George R. White dated May 21, 1920. The will requires that the fund's income be used for the creation of public utility and beauty for the use and enjoyment of the inhabitants of the City.

Pool#7 is a co-mingled investment fund of various non-testamentary trust funds of the City of Boston. The expendable portion of the fund is composed of donations/contributions from either individuals or organizations. Donations/contributions are to be expended in conformity with their respective trust instruments.

### LAW ENFORCEMENT TRUST FUND

Law Enforcement Trust Fund accounts for proceeds from property seized from illegal drug-related activities. Funds can be used to defray the costs of protracted investigations, to provide technical equipment or expertise, and to provide matching funds for federal grants.

### STUDENT ACTIVITY CUSTODIAL FUND

Student activity accounts are accounts set up for the express purpose of conducting student activities. Student activities for this purpose are broadly defined to be co-curricular in nature, contingent on a fee or fundraising, and for the sole benefit of students. Funds collected for student activities belong to the students. Funds may be received and expended by school leaders on behalf of the students through the student activity account.

### BEFORE & AFTER SCHOOL PROGRAMS

The City of Boston has created a dedicated Citizens Bank account for Before/After School Accounts, known as the "Custodial Account." Participating schools will receive their own unique deposit slips. These funds will be solely used for before and after school programs.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## PENSION AND OPEB TRUST FUNDS

## Combining Statement of Plan Net Position

December 31, 2024 (Pension) and June 30, 2025 (OPEB)

(Amounts in thousands)

	Pension Trust Fund	OPEB Trust Fund	Total
<b>ASSETS:</b>			
Cash and cash equivalents	\$ 10,554,208	\$ 1,331,767	\$ 11,885,975
Receivables:			
Interest and dividends	17,729	-	17,729
Securities sold	13,264	-	13,264
Employer contributions	20,830	-	20,830
Other	13,338	-	13,338
Total receivables	65,161	-	65,161
Prepaid expenses	1,387	-	1,387
Securities lending short-term collateral investment pool	211,181	-	211,181
<b>Total assets</b>	<b>\$ 10,831,937</b>	<b>\$ 1,331,767</b>	<b>\$ 12,163,704</b>
<b>LIABILITIES:</b>			
Accounts payable, accrued expenses and other liabilities	\$ 43,310	\$ -	\$ 43,310
Securities purchased	42,746	-	42,746
Collateral held on securities lending	210,783	-	210,783
<b>Total liabilities</b>	<b>\$ 296,839</b>	<b>\$ -</b>	<b>\$ 296,839</b>
<b>NET POSITION RESTRICTED FOR:</b>			
Pension Benefits	10,535,098	-	10,535,098
OPEB Benefits	-	1,331,767	1,331,767
<b>Total net position</b>	<b>\$ 10,535,098</b>	<b>\$ 1,331,767</b>	<b>\$ 11,866,865</b>

See accompanying independent auditor's report.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**BOSTON RETIREMENT SYSTEM****Statement of Plan Net Position****December 31, 2024***(Amounts in thousands)*

	Total Boston Retirement System
	2024
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 10,554,208
Receivables:	
Interest and dividends	17,729
Securities sold	13,264
Employer contributions	20,830
Other	13,338
Total receivables	65,161
Prepaid expenses	1,387
Securities lending short-term collateral investment pool	211,181
<b>Total assets</b>	<b>\$ 10,831,937</b>
<b>LIABILITIES:</b>	
Accounts payable, accrued expenses and other liabilities	\$ 43,310
Securities purchased	42,746
Collateral held on securities lending	210,783
<b>Total liabilities</b>	<b>296,839</b>
<b>NET POSITION RESTRICTED FOR:</b>	
Pension Benefits	10,535,098
<b>Total net position</b>	<b>\$ 10,535,098</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**OPEB TRUST FUND****Statement of Plan Net Position****June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>ASSETS:</b>	
Cash and cash equivalents	\$ 1,331,767
<b>Total assets</b>	<b>\$ 1,331,767</b>
<b>NET POSITION RESTRICTED FOR:</b>	
OPEB Benefits	\$ 1,331,767
<b>Total net position</b>	<b>\$ 1,331,767</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## PRIVATE PURPOSE TRUST FUNDS

## Combining Statement of Net Position

June 30, 2025

(Amounts in thousands)

	Pool 1	Pool 2	Pool 5	Pool 7	Total Private Purpose Trust Funds	2025
<b>ASSETS:</b>						
Cash and cash equivalents	\$ 46,535	\$ 774	\$ 28,464	\$ 103,584	\$ 179,357	
Receivables:						
Lease receivable	-	-	2,145	-		2,145
Other	137	2	59	1,031		1,229
Total receivables	137	2	2,204	1,031		3,374
<b>Total assets</b>	<b>\$ 46,672</b>	<b>\$ 776</b>	<b>\$ 30,668</b>	<b>\$ 104,615</b>	<b>\$ 182,731</b>	
<b>LIABILITIES:</b>						
Accounts payable, accrued expenses and other liabilities	\$ 185	\$ -	\$ 191	\$ 2,483	\$ 2,859	
<b>Total liabilities</b>	<b>185</b>	<b>-</b>	<b>191</b>	<b>2,483</b>	<b>2,859</b>	
<b>DEFERRED INFLOWS OF RESOURCES:</b>						
Deferred amount for leases	-	-	2,082	-		2,082
<b>Total deferred inflows of resources</b>	<b>-</b>	<b>-</b>	<b>2,082</b>	<b>-</b>	<b>2,082</b>	
<b>NET POSITION RESTRICTED FOR:</b>						
Other Purposes	46,487	776	28,395	102,132		177,790
<b>Total net position</b>	<b>\$ 46,487</b>	<b>\$ 776</b>	<b>\$ 28,395</b>	<b>\$ 102,132</b>	<b>\$ 177,790</b>	

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CUSTODIAL FUNDS****Combining Statement of Net Position****June 30, 2025***(Amounts in thousands)*

	Law Enforcement Trust Fund	Student Activity Fund	Before and After School Fund	Total Custodial Funds
				2025
<b>ASSETS:</b>				
Cash and cash equivalents	\$ 11,736	\$ 786	\$ 273	\$ 12,795
<b>Total assets</b>	<b>\$ 11,736</b>	<b>\$ 786</b>	<b>\$ 273</b>	<b>\$ 12,795</b>
<b>NET POSITION RESTRICTED FOR:</b>				
Other Purposes	\$ 11,736	\$ 786	\$ 273	\$ 12,795
<b>Held for Others</b>	<b>\$ 11,736</b>	<b>\$ 786</b>	<b>\$ 273</b>	<b>\$ 12,795</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**PENSION AND OPEB TRUST FUNDS****Combining Statement of Changes in Plan Net Position****Years Ended December 31, 2024 (Pension) and June 30, 2025 (OPEB)***(Amounts in thousands)*

	Pension Trust Fund	OPEB Trust Fund	Total
<b>ADDITIONS:</b>			
Contributions:			
Employers	\$ 485,960	\$ 195,605	\$ 681,565
Commonwealth of Massachusetts (nonemployer)	261,107	-	261,107
Employees	233,792	-	233,792
Total contributions	980,859	195,605	1,176,464
Investment earnings:			
Net appreciation in fair value of investments	247,232	95,622	342,854
Investment income (loss)	611,666	22,228	633,894
Less investment expenses	(67,403)	(2,722)	(70,125)
Net investment earnings	791,495	115,128	906,623
Securities lending activities:			
Securities lending income	14,668	-	14,668
Borrower rebates and fees	(13,387)	-	(13,387)
Net income from securities lending activities	1,281	-	1,281
Total net investment income	792,776	115,128	907,904
Intergovernmental	15,635	-	15,635
Miscellaneous income	(109)	-	(109)
<b>Total additions</b>	<b>1,789,161</b>	<b>310,733</b>	<b>2,099,894</b>
<b>DEDUCTIONS:</b>			
Benefits	760,596	153,354	913,950
Reimbursements	11,385	-	11,385
Refunds of contributions	58,887	-	58,887
Administrative expenses and other	9,626	-	9,626
<b>Total deductions</b>	<b>840,494</b>	<b>153,354</b>	<b>993,848</b>
<b>Change in net position</b>	<b>948,667</b>	<b>157,379</b>	<b>1,106,046</b>
<b>Net position - beginning of year</b>	<b>9,586,431</b>	<b>1,174,388</b>	<b>10,760,819</b>
<b>Net position - end of year</b>	<b>\$ 10,535,098</b>	<b>\$ 1,331,767</b>	<b>\$ 11,866,865</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## BOSTON RETIREMENT SYSTEM

## Statement of Changes in Plan Net Position

Year Ended December 31, 2024

(Amounts in thousands)

	2024
<b>ADDITIONS:</b>	
Contributions:	
Employers	\$ 485,960
Commonwealth of Massachusetts (nonemployer)	261,107
Employees	233,792
Total contributions	<u>980,859</u>
Investment earnings:	
Net appreciation in fair value of investments	247,232
Investment income (loss)	611,666
Less investment expenses	(67,403)
Net investment earnings	<u>791,495</u>
Securities lending activities:	
Securities lending income	14,668
Borrower rebates and fees	(13,387)
Net income from securities lending activities	<u>1,281</u>
Total net investment income	<u>792,776</u>
Intergovernmental	15,635
Miscellaneous income	(109)
<b>Total additions</b>	<b><u>1,789,161</u></b>
<b>DEDUCTIONS:</b>	
Benefits	760,596
Reimbursements	11,385
Refunds of contributions	58,887
Administrative expenses and other	9,626
<b>Total deductions</b>	<b><u>840,494</u></b>
<b>Change in net position</b>	<b><u>948,667</u></b>
<b>Net position - beginning of year</b>	<b><u>9,586,431</u></b>
<b>Net position - end of year</b>	<b><u>\$ 10,535,098</u></b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**OPEB TRUST FUND****Statement of Changes in Plan Net Position****Year Ended June 30, 2025***(Amounts in thousands)*

	<b>2025</b>
<b>ADDITIONS:</b>	
Contributions:	
Employers	\$ 195,605
Total contributions	195,605
Investment earnings:	
Net appreciation in fair value of investments	95,621
Investment income (loss)	22,228
Less investment expenses	(2,722)
Net investment earnings	115,128
Total net investment income	115,128
<b>Total additions</b>	<b>310,732</b>
<b>DEDUCTIONS:</b>	
Benefits	153,353
<b>Total deductions</b>	<b>153,353</b>
<b>Change in net position</b>	<b>157,379</b>
<b>Net position - beginning of year</b>	<b>1,174,388</b>
<b>Net position - end of year</b>	<b>\$ 1,331,767</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## PRIVATE PURPOSE TRUST FUNDS

## Combining Statement of Changes in Net Position

Year Ended June 30, 2025

(Amounts in thousands)

	Pool 1	Pool 2	Pool 5	Pool 7	Total Private Purpose Trust Funds
					2025
<b>ADDITIONS:</b>					
Contributions:					
Donations and other	\$ 1,507	\$ -	\$ 220	\$ 15,669	\$ 17,396
Investment earnings:					
Investment income (loss)	4,395	71	3,017	6,037	13,520
<b>Total additions</b>	<b>5,902</b>	<b>71</b>	<b>3,237</b>	<b>21,706</b>	<b>30,916</b>
<b>DEDUCTIONS:</b>					
Administrative expenses and other	2,935	44	2,425	12,465	17,869
<b>Total deductions</b>	<b>2,935</b>	<b>44</b>	<b>2,425</b>	<b>12,465</b>	<b>17,869</b>
<b>Change in net position</b>	<b>2,967</b>	<b>27</b>	<b>812</b>	<b>9,241</b>	<b>13,047</b>
<b>Net position - beginning of year</b>	<b>43,521</b>	<b>749</b>	<b>27,582</b>	<b>92,891</b>	<b>164,743</b>
<b>Net position - end of year</b>	<b>\$ 46,488</b>	<b>\$ 776</b>	<b>\$ 28,394</b>	<b>\$ 102,132</b>	<b>\$ 177,790</b>

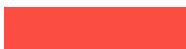
## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

**CUSTODIAL FUNDS****Statement of Changes in Net Position****Year ended June 30, 2025**

(Amounts in thousands)

	Law Enforcement Trust Fund	Student Activity Fund	Before and After School Fund	Total
<b>ADDITIONS:</b>				
Contributions:				
Donations and other	\$ 1,956	\$ 277	\$ 2,557	\$ 4,790
<b>Total additions</b>	<b>\$ 1,956</b>	<b>\$ 277</b>	<b>\$ 2,557</b>	<b>\$ 4,790</b>
<b>DEDUCTIONS:</b>				
Administrative expenses and other	1,434	329	2,534	4,297
<b>Total deductions</b>	<b>1,434</b>	<b>329</b>	<b>2,534</b>	<b>4,297</b>
<b>Change in net position</b>	<b>522</b>	<b>(52)</b>	<b>23</b>	<b>493</b>
Net position - beginning of year	11,214	838	250	12,302
Net position - end of year	<b>\$ 11,736</b>	<b>\$ 786</b>	<b>\$ 273</b>	<b>\$ 12,795</b>

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## DISCRETELY PRESENTED COMPONENT UNITS

Discretely presented component units are legally separate from the City but are included because the City is financially accountable for the organizations.

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## DISCRETELY PRESENTED COMPONENT UNITS

Combining Statements of Net Position  
June 30, 2025

(Amounts in thousands)

	Boston Public Health Commission	Boston Planning & Development Agency
<b>Assets:</b>		
Current assets:		
Cash and investments	\$ 115,897	\$ 49,905
Cash and investments held by trustees	-	-
Receivables, net		
Leases receivable, current	-	5,006
Other	28,932	7,162
Other assets	5,875	209
Due from primary government	691	-
<b>Total current assets</b>	<b>151,395</b>	<b>62,282</b>
Noncurrent assets:		
Cash and investments held by trustee	-	-
Notes and other receivables		
Notes receivable	49,825	87,501
Lease receivable, net	39,546	152,681
Accrued interest receivable on leases	-	3,833
Disposition receivable	-	26,724
OPEB Asset	-	9,560
Other	-	-
Capital assets:		
Nondepreciable assets	12,798	13,454
Depreciable, net	11,734	19,510
Right of use lease assets, net	1,719	5,518
Subscription IT assets, net	-	-
<b>Total noncurrent assets</b>	<b>115,622</b>	<b>318,781</b>
<b>Total assets</b>	<b>267,017</b>	<b>381,063</b>
<b>Deferred outflows of resources:</b>		
Deferred amount for pension costs	22,845	2,978
Deferred amount from OPEB	21,157	773
<b>Total deferred outflows of resources</b>	<b>\$ 44,002</b>	<b>\$ 3,751</b>
<b>Liabilities:</b>		
Current liabilities		
Warrants and accounts payable	\$ 15,615	\$ 5,174
Accrued liabilities - current:		
Compensated absences	8,016	-
Deposits and other	650	300
Unearned revenue	6,881	1,804
Current portion of long-term bonds, notes and equipment financing payable	1,291	-
Due to primary government	2,292	302
Subscription agreement liability	-	-
Leases obligations/payables	813	-
<b>Total current liabilities</b>	<b>35,558</b>	<b>7,580</b>
Noncurrent liabilities:		
Bonds due in more than one year	1,685	7,501
Other noncurrent liabilities	4,037	129,856
Net OPEB Liability	87,244	-
Subscription agreement liability LT	-	-
Unearned revenue	49,457	26,724
Net pension liability	88,192	640
<b>Total noncurrent liabilities</b>	<b>230,615</b>	<b>164,721</b>
<b>Total liabilities</b>	<b>266,173</b>	<b>172,301</b>
<b>Deferred inflows of resources:</b>		
Deferred amount for pension costs	6,224	8,075
Deferred amount for OPEB	43,647	2,879
Deferred amount for leases	39,303	147,511
<b>Total deferred inflows of resources</b>	<b>89,174</b>	<b>158,465</b>
<b>Net Position:</b>		
Net investments in capital assets	22,462	31,488
Restricted for:		
Non Expendable Trust	-	-
Unrestricted surplus (deficit)	(66,790)	22,560
<b>Total net position</b>	<b>\$ (44,328)</b>	<b>\$ 54,048</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

## DISCRETELY PRESENTED COMPONENT UNITS

## Combining Statements of Activities

Year Ended June 30, 2025

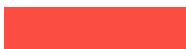
(Amounts in thousands)

	Boston Public Health Commission	Boston Planning & Development Agency
<b>Expenses</b>	<b>\$ 251,475</b>	<b>\$ 28,556</b>
<b>Program revenues:</b>		
Charges for Services	57,733	23,784
Operating Grants and Contributions	89,069	-
<b>Total program revenues</b>	<b>146,802</b>	<b>23,784</b>
<b>Net expenses</b>	<b>(104,673)</b>	<b>(4,772)</b>
<b>General revenues:</b>		
Investment income	5,714	1,561
Investment income from leases	1,437	3,092
City appropriation	140,079	-
Miscellaneous	1,021	2,700
Special item - gain on sale of property	48	3,472
<b>Total general revenues</b>	<b>148,299</b>	<b>10,825</b>
<b>Change in net position</b>	<b>43,626</b>	<b>6,053</b>
<b>Net position - beginning of year</b>	<b>(87,954)</b>	<b>47,995</b>
<b>Net position - end of year</b>	<b>\$ (44,328)</b>	<b>\$ 54,048</b>

## COMBINING, INDIVIDUAL FUND STATEMENTS AND SCHEDULES

Trustees of the Public Library the City of Boston	Economic Development and Industrial Corporation of Boston		Total Discretely Presented Component Units 2025				
	\$	23,951		\$	59,767	\$	363,749
3,341		47,834		132,692			
16,794		21,320		127,183			
<b>20,135</b>		<b>69,154</b>	<b>\$</b>	<b>259,875</b>			
<b>(3,816)</b>		<b>9,387</b>	<b>\$</b>	<b>(103,874)</b>			
8,283		2,588		18,146			
-		39,775		44,304			
-		-		140,079			
-		45		3,766			
3,289		-		6,809			
<b>11,572</b>		<b>42,408</b>		<b>213,104</b>			
7,756		51,795		109,230			
<b>104,513</b>		<b>241,733</b>		<b>306,287</b>			
<b>\$</b>	<b>112,269</b>	<b>\$</b>	<b>293,528</b>	<b>\$</b>	<b>415,517</b>		

# B



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A large American flag banner hangs from a stone archway, partially obscuring a modern skyscraper. The banner is draped in a flowing, dynamic style. The archway is part of a larger building with classical architectural details. The sky is blue with some white clouds.

# STATISTICAL SECTION

Annual Comprehensive Financial Report 2025

# B



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## Statistical Section (Unaudited)

This part of the City of Boston's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the government's overall financial health.

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<p><i>These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time (See accompanying Management's Discussion and Analysis, Statement of Net Position, and Statement of Activities):</i></p>	
General Government Expenditures by Function (GAAP Basis) – Last Ten Fiscal Years	
General Government Revenues by Source (GAAP Basis) – Last Ten Fiscal Years	
Net Position by Component – Last Ten Fiscal Years	
Changes in Net Position – Last Ten Fiscal Years	
Fund Balances of Governmental Funds – Last Ten Fiscal Years	
Changes in Fund Balances of Governmental Funds – Last Ten Fiscal Years	
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<p><i>These schedules contain information to help the reader assess the government's most significant revenue source, the property tax:</i></p>	
Assessed and Estimated Actual Value of All Taxable Property – Last Ten Fiscal Years	
Property Tax Rates – Direct and Overlapping Governments – Last Ten Fiscal Years	
Largest Principal Taxpayers – Current Year and Nine Years Ago	
Property Tax Levies and Collections – Last Ten Fiscal Years	
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<p><i>These schedules present information to help the reader assess the affordability of the government's current levels of outstanding debt and the government's ability to issue additional debt in the future (See accompanying note 10 of the basic financial statements):</i></p>	
Ratios of Outstanding Debt by Type – Last Ten Fiscal Years	
Ratio of Net General Obligation Bonded Debt to Assessed Value and Net Bonded Debt Per Capita – Last Ten Fiscal Years	
Legal Debt Margin Information – Last Ten Fiscal Years	
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<p><i>These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place:</i></p>	
Demographic and Economic Statistics – Last Ten Fiscal Years	
Principal Employers – Current Year and Nine Years Ago	
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<p><i>These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report relates to the services the government provides and the activities it performs:</i></p>	
Full-time Equivalent City Government Employees by Department – Last Ten Fiscal Years	
Operating Indicators by Function – Last Ten Fiscal Years	
Capital Asset Statistics by Department – Last Ten Fiscal Years	
<p>Sources: Unless otherwise noted, the prior year information in these schedules is derived from the annual comprehensive financial reports for the relevant year.</p>	

**GENERAL GOVERNMENT EXPENDITURES BY FUNCTION****(GAAP Basis)\*****Last Ten Fiscal Years***(Amounts in thousands)*

FUNCTION	Fiscal Year				
	2025	2024	2023	2022	2021
<b>General Government</b>	\$ 188,494	\$ 157,070	\$ 154,252	\$ 123,041	\$ 122,106
% of Total	3.7	3.5	3.7	3.1	3.3
% Change	20.0	1.8	25.4	0.8	4.2
<b>Public Safety</b>	\$ 950,595	\$ 914,787	\$ 809,042	\$ 797,386	\$ 735,254
% of Total	18.9	20.5	19.5	20.0	19.8
% Change	3.9	13.1	1.5	8.5	(3.7)
<b>Public Works</b>	\$ 163,534	\$ 136,535	\$ 125,102	\$ 130,807	\$ 116,862
% of Total	3.2	3.1	3.0	3.3	3.1
% Change	19.8	9.1	(4.4)	11.9	5.0
<b>Library</b>	\$ 48,397	\$ 46,966	\$ 44,041	\$ 41,098	\$ 39,422
% of Total	1.0	1.1	1.1	1.0	1.1
% Change	3.0	6.6	7.2	4.3	3.0
<b>Schools</b>	\$ 1,622,394	\$ 1,362,179	\$ 1,357,011	\$ 1,324,486	\$ 1,234,353
% of Total	32.2	30.5	32.6	33.3	33.3
% Change	19.1	0.4	2.5	7.3	4.9
<b>Retirement Costs</b>	\$ 720,591	\$ 657,255	\$ 565,815	\$ 502,585	\$ 473,494
% of Total	14.3	14.7	13.6	12.6	12.8
% Change	9.6	16.2	12.6	6.1	5.9
<b>Employee Benefits</b>	\$ 289,092	\$ 262,055	\$ 259,465	\$ 258,112	\$ 260,997
% of Total	5.7	5.9	6.2	6.5	7.0
% Change	10.3	1.0	0.5	(1.1)	0.6
<b>State &amp; District Assessments</b>	\$ 381,016	\$ 370,830	\$ 354,900	\$ 332,586	\$ 320,220
% of Total	7.6	8.3	8.5	8.4	8.6
% Change	2.7	4.5	6.7	3.9	6.8
<b>Property &amp; Development</b>	\$ 164,966	\$ 53,176	\$ 41,491	\$ 37,327	\$ 32,631
% of Total	3.3	1.2	1.0	0.9	0.9
% Change	210.2	28.2	11.2	14.4	0.0
<b>Other</b>	\$ 505,795	\$ 498,511	\$ 448,073	\$ 429,654	\$ 376,539
% of Total	10.0	11.2	10.8	10.8	10.1
% Change	1.5	11.3	4.3	14.1	(1.4)
<b>Total Expenditures</b>	\$ 5,034,874	\$ 4,459,364	\$ 4,159,192	\$ 3,977,082	\$ 3,711,878
% of Total	100.0	100.0	100.0	100.0	100.0
% Change	12.9	7.2	4.6	7.1	2.3

\*General fund only

Fiscal Year							FUNCTION
2020	2019	2018	2017	2016			
\$ 117,152	\$ 112,998	\$ 90,076	\$ 85,855	\$ 80,684			<b>General Government</b>
3.2	3.3	2.8	2.8	2.7			% of Total
3.7	25.4	4.9	6.4	38.5			% Change
\$ 763,381	\$ 726,406	\$ 689,929	\$ 643,100	\$ 610,233			<b>Public Safety</b>
21.0	21.1	21.1	20.6	20.6			% of Total
5.1	5.3	7.3	5.4	(3.7)			% Change
\$ 111,346	\$ 106,504	\$ 111,772	\$ 106,059	\$ 101,157			<b>Public Works</b>
3.1	3.1	3.4	3.4	3.4			% of Total
4.5	(4.7)	5.4	4.8	(18.3)			% Change
\$ 38,270	\$ 38,597	\$ 36,025	\$ 35,791	\$ 33,870			<b>Library</b>
1.1	1.1	1.1	1.1	1.1			% of Total
(0.8)	7.1	0.7	5.7	(0.3)			% Change
\$ 1,176,493	\$ 1,118,332	\$ 1,087,192	\$ 1,048,987	\$ 1,016,412			<b>Schools</b>
32.4	32.5	33.2	33.6	34.3			% of Total
5.2	2.9	3.6	3.2	5.9			% Change
\$ 447,159	\$ 400,973	\$ 356,251	\$ 347,402	\$ 309,083			<b>Retirement Costs</b>
12.3	11.6	10.9	11.1	10.4			% of Total
11.5	12.6	2.5	12.4	9.4			% Change
\$ 259,420	\$ 264,832	\$ 261,377	\$ 247,965	\$ 236,661			<b>Employee Benefits</b>
7.2	7.7	8.0	7.9	8.0			% of Total
(2.0)	1.3	5.4	4.8	2.9			% Change
\$ 299,740	\$ 283,360	\$ 267,205	\$ 244,320	\$ 234,450			<b>State &amp; District Assessments</b>
8.3	8.2	8.2	7.8	7.9			% of Total
5.8	6.0	9.4	4.2	8.8			% Change
\$ 32,618	\$ 41,483	\$ 39,022	\$ 42,460	\$ 33,870			<b>Property &amp; Development</b>
0.9	1.2	1.2	1.4	1.1			% of Total
(21.4)	6.3	(8.1)	25.4	(4.8)			% Change
\$ 381,936	\$ 350,195	\$ 335,108	\$ 317,804	\$ 311,077			<b>Other</b>
10.5	10.2	10.2	10.2	10.5			% of Total
9.1	4.5	5.4	2.2	10.1			% Change
\$ 3,627,515	\$ 3,443,680	\$ 3,273,957	\$ 3,119,743	\$ 2,967,497			<b>Total Expenditures</b>
100.0	100.0	100.0	100.0	100.0			% of Total
5.3	5.2	4.9	5.1	3.9			% Change

**GENERAL GOVERNMENT REVENUES BY SOURCE****(GAAP Basis)\*****Last Ten Fiscal Years***(Amounts in thousands)*

SOURCE	Fiscal Year				
	2025	2024	2023	2022	2021
<b>Property Taxes</b>	\$ 3,334,967	\$ 3,168,381	\$ 2,988,917	\$ 2,819,651	\$ 2,650,040
% of Total	67.7	67.0	67.3	69.7	72.5
% Change	5.3	6.0	6.0	6.4	6.1
<b>Motor Vehicle Excises</b>	\$ 75,177	\$ 72,656	\$ 59,835	\$ 60,803	\$ 54,184
% of Total	1.5	1.5	1.3	1.5	1.5
% Change	3.5	21.4	(1.6)	12.2	(13.7)
<b>Other Excises</b>	\$ 251,900	\$ 255,662	\$ 236,044	\$ 150,005	\$ 60,227
% of Total	5.1	5.4	5.3	3.7	1.6
% Change	(1.5)	8.3	57.4	149.1	(66.3)
<b>Departmental &amp; Other</b>	\$ 117,283	\$ 108,173	\$ 109,001	\$ 124,563	\$ 60,555
% of Total	2.4	2.3	2.5	3.1	1.7
% Change	8.4	(0.8)	(12.5)	105.7	(41.5)
<b>State Distributions</b>	\$ 799,909	\$ 738,321	\$ 690,938	\$ 649,471	\$ 619,709
% of Total	16.2	15.6	15.6	16.0	16.9
% Change	8.3	6.9	6.4	4.8	(1.3)
<b>Payment in Lieu of Taxes</b>	\$ 93,737	\$ 87,286	\$ 103,315	\$ 92,008	\$ 88,615
% of Total	1.9	1.8	2.3	2.3	2.4
% Change	7.4	(15.5)	12.3	3.8	22.5
<b>Fines</b>	\$ 65,957	\$ 60,429	\$ 60,429	\$ 61,591	\$ 52,302
% of Total	1.3	1.3	1.4	1.5	1.4
% Change	9.1	-	(1.9)	17.8	(22.4)
<b>Investment Income</b>	\$ 119,019	\$ 162,717	\$ 88,404	\$ 4,482	\$ 3,615
% of Total	2.4	3.4	2.0	0.1	0.1
% Change	(26.9)	84.1	1,872.4	24.0	(87.7)
<b>Licenses &amp; Permits</b>	\$ 66,911	\$ 78,625	\$ 102,244	\$ 84,825	\$ 67,977
% of Total	1.4	1.7	2.3	2.1	1.9
% Change	(14.9)	(23.1)	20.5	24.8	(23.0)
<b>Total Revenues</b>	\$ 4,924,860	\$ 4,732,250	\$ 4,439,127	\$ 4,047,399	\$ 3,657,224
% of Total	100.0	100.0	100.0	100.0	100.0
% Change	4.1	6.6	9.7	10.7	(1.9)

\*General fund only

Fiscal Year							SOURCE
2020	2019	2018	2017	2016			
\$ 2,498,435	\$ 2,344,686	\$ 2,221,877	\$ 2,079,693	\$ 1,967,687			<b>Property Taxes</b>
67.0	66.1	65.9	65.7	64.4			% of Total
6.6	5.5	6.8	5.7	5.4			% Change
\$ 62,792	\$ 66,026	\$ 52,040	\$ 52,061	\$ 67,686			<b>Motor Vehicle Excises</b>
1.7	1.9	1.5	1.6	2.2			% of Total
(4.9)	26.9	-	(23.1)	27.9			% Change
\$ 178,976	\$ 190,203	\$ 191,541	\$ 160,736	\$ 168,577			<b>Other Excises</b>
4.8	5.4	5.7	5.1	5.5			% of Total
(5.9)	(0.7)	19.2	(4.7)	(4.2)			% Change
\$ 103,476	\$ 97,442	\$ 98,287	\$ 87,985	\$ 86,791			<b>Departmental &amp; Other</b>
2.8	2.7	2.9	2.8	2.8			% of Total
6.2	(0.9)	11.7	1.4	0.5			% Change
\$ 627,590	\$ 577,458	\$ 570,753	\$ 554,661	\$ 543,683			<b>State Distributions</b>
16.8	16.3	16.9	17.5	17.8			% of Total
8.7	1.2	2.9	2.0	3.9			% Change
\$ 72,349	\$ 87,018	\$ 84,940	\$ 80,501	\$ 90,215			<b>Payment in Lieu of Taxes</b>
1.9	2.5	2.5	2.5	3.0			% of Total
(16.9)	2.4	5.5	(10.8)	13.9			% Change
\$ 67,367	\$ 73,792	\$ 63,206	\$ 63,046	\$ 60,953			<b>Fines</b>
1.8	2.1	1.9	2.0	2.0			% of Total
(8.7)	16.7	0.3	3.4	1.4			% Change
\$ 29,472	\$ 30,408	\$ 15,390	\$ 2,329	\$ 184			<b>Investment Income</b>
0.8	0.9	0.5	0.1	-			% of Total
(3.1)	97.6	560.8	1,165.8	201.6			% Change
\$ 88,272	\$ 82,658	\$ 74,144	\$ 84,470	\$ 70,005			<b>Licenses &amp; Permits</b>
2.4	2.3	2.2	2.7	2.3			% of Total
6.8	11.5	(12.2)	20.7	(1.7)			% Change
\$ 3,728,729	\$ 3,549,691	\$ 3,372,178	\$ 3,165,482	\$ 3,055,781			<b>Total Revenues</b>
100.0	100.0	100.0	100.0	100.0			% of Total
5.0	5.3	6.5	3.6	4.8			% Change

## NET POSITION BY COMPONENT

### Government-wide Financial Statements

#### Last Ten Fiscal Years

(Amounts in thousands)

	Fiscal Year				
	2025	2024	2023	2022	2021
<b>Governmental/primary government activities:</b>					
Net investment in capital assets	\$ 1,431,788	\$ 1,362,313	\$ 1,206,883	\$ 1,101,116	\$ 1,058,576
Restricted	674,152	259,018	157,701	118,324	113,881
Unrestricted	<u>(2,216,445)</u>	<u>(1,838,812)</u>	<u>(1,978,608)</u>	<u>(2,035,104)</u>	<u>(2,249,008)</u>
<b>Total governmental/primary government activities net position</b>	<b>\$ (110,505)</b>	<b>\$ (217,481)</b>	<b>\$ (614,024)</b>	<b>\$ (815,664)</b>	<b>\$ (1,076,551)</b>

Fiscal Year					
2020	2019	2018	2017	2016	
\$ 950,089	\$ 802,391	\$ 685,036	\$ 648,786	\$ 557,142	
72,436	98,106	75,098	52,746	53,200	
(2,183,384)	(2,675,142)	(2,501,770)	(1,206,488)	(1,159,303)	
<b>\$ (1,160,859)</b>	<b>\$ (1,774,645)</b>	<b>\$ (1,741,636)</b>	<b>\$ (504,956)</b>	<b>\$ (548,961)</b>	

## CHANGES IN NET POSITION

### Government-wide Financial Statements

#### Last Ten Fiscal Years

(Amounts in thousands)

	Fiscal Year			
	2025	2024	2023	2022
<b>EXPENSES:</b>				
Governmental activities:				
General government	\$ 344,667	\$ 313,301	\$ 260,589	\$ 209,435
Human services	83,905	74,625	69,950	65,555
Public safety	1,411,105	1,352,812	1,262,121	1,172,308
Public works	222,494	188,081	171,610	173,842
Property and development	437,723	311,713	324,015	291,461
Parks and recreation	76,751	71,805	67,172	54,430
Library	76,707	70,882	71,312	57,149
Schools	2,712,719	2,584,364	2,575,648	2,123,695
Public health programs	160,543	159,213	148,884	142,341
Interest on long-term debt	2,114	52,049	45,056	36,821
Total governmental activities expenses	<u>5,528,728</u>	<u>5,178,845</u>	<u>4,996,357</u>	<u>4,327,037</u>
<b>Total primary government expenses</b>	<b>\$ 5,528,728</b>	<b>\$ 5,178,845</b>	<b>\$ 4,996,357</b>	<b>\$ 4,327,037</b>
<b>PROGRAM REVENUES:</b>				
Governmental activities:				
Charges for services:				
Public safety	146,752	145,144	172,392	178,866
Public works	18,953	21,181	33,230	23,003
Schools	10,577	18,556	11,821	15,165
Other	108,741	91,582	57,829	87,842
Operating grants and contributions	1,092,807	1,201,443	1,129,258	864,380
Capital grants and contributions	108,440	57,678	57,370	42,584
Total governmental activities program revenues	<u>1,486,270</u>	<u>1,535,584</u>	<u>1,461,900</u>	<u>1,211,840</u>
<b>Total primary government program revenues</b>	<b>\$ 1,486,270</b>	<b>\$ 1,535,584</b>	<b>\$ 1,461,900</b>	<b>\$ 1,211,840</b>

Fiscal Year						
	2021	2020	2019	2018	2017	2016
\$	217,654	\$ 202,347	\$ 175,161	\$ 156,670	\$ 128,465	\$ 128,288
	56,814	47,648	57,359	58,494	49,974	52,056
1,112,320	968,853	1,113,749	1,048,825	962,654	941,313	
158,722	161,598	160,918	163,337	130,182	139,816	
186,903	140,930	146,886	137,296	168,276	118,582	
53,824	52,148	48,804	48,861	41,236	39,769	
58,717	51,348	55,944	55,626	51,397	49,959	
2,083,935	1,874,077	2,026,241	1,931,452	1,833,105	1,803,331	
123,473	99,414	91,468	86,228	81,859	96,083	
36,213	47,039	39,562	44,263	42,321	40,995	
	<u>4,088,575</u>	<u>3,645,402</u>	<u>3,916,092</u>	<u>3,731,052</u>	<u>3,489,469</u>	<u>3,410,192</u>
\$	<u>4,088,575</u>	<u>\$ 3,645,402</u>	<u>\$ 3,916,092</u>	<u>\$ 3,731,052</u>	<u>\$ 3,489,469</u>	<u>\$ 3,410,192</u>
128,307	184,364	158,455	139,793	147,471	133,656	
19,760	30,192	28,609	31,120	28,268	24,269	
10,996	9,444	11,385	4,275	5,163	10,540	
67,914	81,892	37,547	46,350	36,647	34,730	
770,430	788,801	822,932	788,666	760,230	746,277	
54,589	38,382	36,224	64,548	52,348	39,381	
1,051,996	1,133,075	1,095,152	1,074,752	1,030,127	988,853	
\$	<u>1,051,996</u>	<u>\$ 1,133,075</u>	<u>\$ 1,095,152</u>	<u>\$ 1,074,752</u>	<u>\$ 1,030,127</u>	<u>\$ 988,853</u>

## CHANGES IN NET POSITION (CONTINUED)

### Government-wide Financial Statements

#### Last Ten Fiscal Years

(Amounts in thousands)

	Fiscal Year		
	2025	2024	2023
<b>NET EXPENSE:</b>			
Governmental activities	\$ (4,042,458)	\$ (3,643,261)	\$ (3,534,457)
<b>Total primary government net expense</b>	<b>\$ (4,042,458)</b>	<b>\$ (3,643,261)</b>	<b>\$ (3,534,457)</b>
<b>GENERAL REVENUES AND OTHER CHANGES IN NET POSITION</b>			
Governmental activities:			
Taxes:			
Property taxes, levied for general purposes	3,308,765	3,157,677	2,959,106
Excises	318,184	331,367	295,941
Payment in lieu of taxes	93,737	87,286	103,315
Grants and contributions not restricted	273,914	268,947	266,455
Investment income	146,887	194,527	109,546
Miscellaneous	7,947	-	1,734
Special items	-	-	-
<b>Total governmental activities</b>	<b>4,149,434</b>	<b>4,039,804</b>	<b>3,736,097</b>
<b>Total primary government</b>	<b>\$ 4,149,434</b>	<b>\$ 4,039,804</b>	<b>\$ 3,736,097</b>
<b>CHANGES IN NET POSITION:</b>			
Governmental activities	\$ 106,976	\$ 396,543	\$ 201,640
<b>Total primary government</b>	<b>\$ 106,976</b>	<b>\$ 396,543</b>	<b>\$ 201,640</b>

Fiscal Year							
2022	2021	2020	2019	2018	2017	2016	
\$ (3,115,197)	\$ (3,036,579)	\$ (2,512,327)	\$ (2,820,940)	\$ (2,656,300)	\$ (2,459,342)	\$ (2,421,339)	
<u>\$ (3,115,197)</u>	<u>\$ (3,036,579)</u>	<u>\$ (2,512,327)</u>	<u>\$ (2,820,940)</u>	<u>\$ (2,656,300)</u>	<u>\$ (2,459,342)</u>	<u>\$ (2,421,339)</u>	
2,810,807	2,630,781	2,520,908	2,338,507	2,219,700	2,087,659	1,967,021	
211,520	103,720	240,908	264,703	239,005	213,198	224,052	
92,007	88,615	72,349	87,018	84,940	80,501	90,215	
245,625	233,771	245,559	208,839	214,106	201,013	199,835	
11,264	32,659	43,280	46,405	31,417	19,588	15,753	
4,861	3,867	3,109	3,011	2,121	3,738	6,058	
-	-	-	57,000	-	-	-	
3,376,084	3,093,413	3,126,113	3,005,483	2,791,289	2,605,697	2,502,934	
<u>\$ 3,376,084</u>	<u>\$ 3,093,413</u>	<u>\$ 3,126,113</u>	<u>\$ 3,005,483</u>	<u>\$ 2,791,289</u>	<u>\$ 2,605,697</u>	<u>\$ 2,502,934</u>	
\$ 260,887	\$ 56,834	\$ 613,786	\$ 184,543	\$ 134,989	\$ 146,355	\$ 81,595	
<u>\$ 260,887</u>	<u>\$ 56,834</u>	<u>\$ 613,786</u>	<u>\$ 184,543</u>	<u>\$ 134,989</u>	<u>\$ 146,355</u>	<u>\$ 81,595</u>	

## FUND BALANCES OF GOVERNMENTAL FUNDS

### Last Ten Fiscal Years

(Amounts in thousands)

	Fiscal Year			
	2025	2024	2023	2022
<b>General Fund</b>				
Assigned	\$ 560,155	\$ 489,483	\$ 320,733	\$ 320,733
Unassigned	1,224,613	1,342,794	994,535	994,535
<b>Total general fund</b>	<b>\$ 1,784,768</b>	<b>\$ 1,832,277</b>	<b>\$ 1,315,268</b>	<b>\$ 1,315,268</b>
<b>All other Governmental Funds</b>				
Nonspendable	\$ 21,504	\$ 21,504	\$ 21,504	\$ 21,504
Restricted	782,876	247,413	331,132	331,132
Assigned	-	413,992	295,901	295,901
<b>Total all other governmental funds</b>	<b>\$ 804,380</b>	<b>\$ 682,909</b>	<b>\$ 648,537</b>	<b>\$ 648,537</b>

Fiscal Year						
2021	2020	2019	2018	2017	2016	
\$ 313,001	\$ 359,789	\$ 392,000	\$ 300,652	\$ 283,208	\$ 266,222	
898,161	911,690	794,610	781,402	702,080	682,781	
<b>\$ 1,211,162</b>	<b>\$ 1,271,479</b>	<b>\$ 1,186,610</b>	<b>\$ 1,082,054</b>	<b>\$ 985,288</b>	<b>\$ 949,003</b>	
\$ 21,504	\$ 10,041	\$ 10,041	\$ 10,041	\$ 10,041	\$ 4,974	
243,913	239,978	434,893	322,950	240,172	204,810	
255,852	211,308	196,634	199,537	220,359	203,134	
<b>\$ 521,269</b>	<b>\$ 461,327</b>	<b>\$ 641,568</b>	<b>\$ 532,528</b>	<b>\$ 470,572</b>	<b>\$ 412,918</b>	

## CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS

### Last Ten Fiscal Years

(Amounts in thousands)

	Fiscal Year			
	2025	2024	2023	2022
<b>REVENUES:</b>				
Real and personal property taxes	\$ 3,335,120	\$ 3,168,503	\$ 2,989,006	\$ 2,819,773
Excises	327,109	328,319	298,106	210,808
Payments in lieu of taxes	93,737	87,286	103,315	92,008
Fines	65,966	60,430	60,429	61,591
Investment Income	143,432	189,179	104,899	4,686
Licenses and permits	66,933	78,651	102,278	84,859
Departmental and other	209,518	188,104	192,862	193,580
Intergovernmental	1,499,705	1,510,128	1,346,974	1,208,707
<b>Total revenues</b>	<b>5,741,520</b>	<b>5,610,600</b>	<b>5,197,869</b>	<b>4,676,012</b>
<b>EXPENDITURES:</b>				
General government	311,373	201,627	218,842	192,291
Human services	67,264	59,331	58,023	53,501
Public safety	990,932	963,328	844,981	826,121
Public works	176,495	145,974	133,269	136,647
Property and development	374,413	281,508	285,144	242,249
Parks and recreation	49,734	44,802	38,816	35,117
Library	53,458	51,377	48,353	44,419
Schools	1,896,506	1,744,089	1,637,892	1,509,522
Public health programs	146,927	148,637	140,380	136,193
Judgments and claims	19,977	14,080	27,031	30,239
Retirement costs	720,591	657,255	565,815	502,585
Other employee benefits	289,092	262,055	259,465	258,112
State and district assessments	381,016	370,830	354,900	332,586
Capital outlays	578,896	606,825	410,688	394,480
Debt service:				
Principal	193,503	171,957	139,768	138,878
Interest	75,561	70,104	60,955	49,583
<b>Total Expenditures</b>	<b>6,325,738</b>	<b>5,793,779</b>	<b>5,224,322</b>	<b>4,882,523</b>
<b>Excess (deficiency) of revenues over (under) expenditures</b>	<b>(584,218)</b>	<b>(183,179)</b>	<b>(26,453)</b>	<b>(206,511)</b>
<b>OTHER FINANCING SOURCES (USES):</b>				
Long-term debt and leases issued	118,068	312,558	397,383	375,675
Issuance of refunding bonds	464,170	-	-	-
Payments to refunded bonds escrow agent	38,452	-	-	-
Proceeds from sale of property	-	-	-	-
Premiums on long-term debt issued	37,490	-	51,072	62,210
<b>Total other financing sources (uses)</b>	<b>658,180</b>	<b>312,558</b>	<b>448,455</b>	<b>437,885</b>
<b>Net change in fund balances</b>	<b>\$ 73,962</b>	<b>\$ 129,379</b>	<b>\$ 422,002</b>	<b>\$ 231,374</b>
<b>Debt Service as a percentage of noncapital expenditures</b>	<b>4.61%</b>	<b>4.64%</b>	<b>4.35%</b>	<b>4.38%</b>

Fiscal Year										
	2021		2020		2019		2018		2017	2016
\$	2,650,094	\$	2,498,435	\$	2,344,686	\$	2,221,877	\$	2,079,693	\$ 1,967,687
114,411		241,768		256,229		243,581		212,797		236,263
88,615		72,349		87,018		84,940		80,501		90,215
52,302		67,367		73,792		63,279		63,046		65,223
26,216		34,230		35,974		21,534		10,396		1,713
68,272		88,471		82,881		74,356		84,682		70,191
143,001		186,826		177,945		176,731		154,333		134,701
1,022,654		961,630		894,522		874,737		856,911		827,100
<b>4,165,565</b>		<b>4,151,076</b>		<b>3,953,047</b>		<b>3,761,035</b>		<b>3,542,359</b>		<b>3,393,093</b>
181,583		207,793		130,774		106,048		99,007		92,429
45,211		41,561		42,909		43,976		39,751		40,482
773,699		787,128		750,072		711,621		677,471		640,599
123,469		118,424		113,236		121,834		114,593		116,787
169,778		125,180		125,199		127,027		136,177		102,751
31,096		33,104		28,313		30,130		24,509		23,378
43,491		41,624		40,734		38,477		38,971		36,641
1,374,621		1,302,764		1,271,813		1,237,390		1,188,114		1,143,249
117,678		95,853		88,527		83,269		79,369		80,525
11,477		11,670		1,202		7,693		3,766		1,100
473,494		447,159		400,973		356,251		347,402		309,083
262,997		259,420		264,832		261,377		247,965		236,661
320,220		299,740		283,360		267,205		244,320		234,450
356,601		275,339		263,416		233,995		233,690		234,126
124,514		126,553		126,469		122,041		117,527		109,825
51,495		57,032		56,256		54,199		53,604		54,883
<b>4,461,424</b>		<b>4,230,344</b>		<b>3,988,085</b>		<b>3,802,533</b>		<b>3,646,236</b>		<b>3,456,969</b>
<b>(295,859)</b>		<b>(79,268)</b>		<b>(35,038)</b>		<b>(41,498)</b>		<b>(103,877)</b>		<b>(63,876)</b>
205,418		15,998		165,836		176,698		181,935		181,193
91,405		82,590		-		-		58,370		8,100
(95,934)		(82,481)		-		-		(65,799)		(9,487)
-		-		57,000		-		-		-
34,910		-		25,798		23,522		23,310		23,059
<b>235,799</b>		<b>16,107</b>		<b>248,634</b>		<b>200,220</b>		<b>197,816</b>		<b>202,865</b>
<b>\$ (60,060)</b>		<b>\$ (63,161)</b>		<b>\$ 213,596</b>		<b>\$ 158,722</b>		<b>\$ 93,939</b>		<b>\$ 138,989</b>
4.48%		4.87%		5.16%		5.20%		5.28%		5.39%

## ASSESSED AND ESTIMATED ACTUAL VALUE OF ALL TAXABLE PROPERTY

### Last Ten Fiscal Years

(Amounts in thousands)

Fiscal Year	Real Property			Personal Property		Total Direct Tax Rate (b) (c)
	Residential Value (a)	Commercial Value	Industrial Value	Assessed Value	Total Assessed Value <sup>(1)</sup>	
2025	\$ 154,028,711	\$ 61,184,889	\$ 1,475,114	\$ 9,686,180	\$ 226,374,894	16.18
2024	147,244,423	63,034,630	1,403,467	9,170,651	220,853,171	15.69
2023	141,541,580	60,779,084	1,427,979	8,468,831	212,217,474	15.38
2022	131,900,982	56,788,448	1,313,021	7,824,465	197,826,916	15.58
2021	127,136,166	54,632,351	1,251,386	7,633,024	190,652,927	15.29
2020	115,818,106	51,958,596	1,153,868	7,268,332	176,198,902	15.48
2019	107,628,598	49,035,301	1,206,341	6,643,880	164,514,120	15.52
2018	99,885,328	46,615,297	1,187,339	6,237,993	153,925,958	15.65
2017	93,462,191	43,571,094	1,103,888	5,804,774	143,941,947	15.77
2016	83,719,423	38,031,832	908,352	5,387,474	128,047,081	16.47

<sup>(1)</sup> Represents assessed values determined as of January 1 prior to the start of the fiscal year. For example, fiscal 2023 assessed values are as of January 1, 2022.

(a) Exempt residential properties not included.

(b) Tax rates are per \$1,000 of assessed value and are reported in whole dollars in the above table.

(c) Total direct tax rate is the weighted average calculation of the residential, commercial, and industrial values.

Source: City of Boston Assessing Department

**PROPERTY TAX RATES DIRECT AND OVERLAPPING GOVERNMENTS <sup>(1)(2)</sup>****Last Ten Fiscal Years**

Fiscal Year	Class	City General	Total	% Change		Total Direct <sup>(3)</sup>
2025	Residential	\$ 11.58	\$ 11.58	0.7 %	0.7 %	15.68
	C.I.P.	25.96	25.96			
2024	Residential	10.90	10.90	0.2 %	0.6 %	15.68
	C.I.P.	25.27	25.27			
2023	Residential	10.74	10.74	(0.1) %	(0.3) %	15.38
	C.I.P.	24.68	24.68			
2022	Residential	10.88	10.88	0.2 %	0.4 %	15.58
	C.I.P.	24.98	24.98			
2021	Residential	10.67	10.67	0.1 %	(0.4) %	15.29
	C.I.P.	24.55	24.55			
2020	Residential	10.56	10.56	0.2 %	(0.3) %	15.48
	C.I.P.	24.92	24.92			
2019	Residential	10.54	10.54	0.6 %	(0.8) %	15.52
	C.I.P.	25.00	25.00			
2018	Residential	10.48	10.48	(1.0) %	(0.7) %	15.65
	C.I.P.	25.20	25.20			
2017	Residential	10.59	10.59	(3.7) %	(5.4) %	15.77
	C.I.P.	25.37	25.37			
2016	Residential	11.00	11.00	(9.2) %	(9.2) %	15.77
	C.I.P.	26.81	26.81			

<sup>(1)</sup> Per the initiatives of Proposition 2 1/2 adopted by the Commonwealth of Massachusetts, the City cannot levy more than 2.5 percent of the total full and fair cash value of all taxable real and personal property. The City's levy is also limited in that it cannot increase more than 2.5 percent from the prior year, with certain exceptions for new growth or through overrides and exclusions adopted by City voters

<sup>(2)</sup> Real and personal property tax rates are per \$1,000 of assessed value.

<sup>(3)</sup> Total direct tax rate is the weighted average calculation of the residential, commercial, and industrial values. C.I.P. = Commercial, Industrial, and Personal Property.

Source: City of Boston Assessing Department

**LARGEST PRINCIPAL TAXPAYERS (1) (2)****Current and Nine Years Ago**

Taxpayer	2025			2016		
	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value	Taxable Assessed Value	Rank	% of Total Taxable Assessed Value
Boston Properties	4,448,992,386	2	2.36%	\$ 2,822,105,870	1	2.55%
Eversource	-		1.63%	1,904,698,160	3	1.72%
Oxford Properties	2,163,947,450	3	1.07%			
Rockpoint Group	1,730,672,160	6	0.93%			
Tishman Speyer Properties	1,973,284,396	4	0.93%	968,373,900	5	0.87%
Nuveen	1,540,667,610	7	0.82%			
Equity Residential	1,747,314,520	5	0.82%			
PGIM Real Estate fka Fort Hill Associates	-		0.68%	741,407,690	6	0.67%
WS Development	1,443,159,337	8	0.63%			
Samuels & Associates	1,352,184,650	10	0.62%			
Blackstone Real Estate Partners				2,381,052,430	2	2.15%
Teacher's Insurance and Annuity Association				986,561,000	4	0.89%
Fallon Company/MA						
Mutual				669,169,400	7	0.60%
Liberty Mutual				519,264,177	9	0.47%
John Hancock Financial				527,727,020	8	0.48%
Beacon Capital				506,317,390	10	0.46%
National Grid	4,741,467,627	1				
Related Beal	1,424,383,668	9				
	\$ 22,566,073,804		10.50%	\$ 12,026,677,037		10.86%

(1) The methodology used in creating the table involves the search of the title holder(s) of all major parcels of property in the City, and then further researching to identify common ownership of subsidiaries. This methodology does not necessarily locate all parcels owned by affiliates. If common ownership of a property is identified that value is assigned by allocating the property equally to all owners (e.g. three owners are each assumed to own 33%).

(2) Pursuant to Chapter 59 of the General Laws, Section 4, personal property consists of movable physical items not permanently attached to real estate. Many items of personal property are exempt from taxation in Massachusetts. There are three general types of personal property that are taxable: business and professional furnishings, machinery used in the conduct of business, and personal property of public utilities.

Source: City of Boston Assessing and Treasury Departments

## PROPERTY TAX LEVIES AND COLLECTIONS

### Last Ten Fiscal Years

(amounts in millions)

Fiscal Year	Tax Levy			Tax Levy Collected within Year of Levy			Tax Levy Net of Refunds Collected as of June 30, 2025		
	Gross		% Net Gross	Gross	% Gross Amount	% Net Levy	Net	% Gross Levy	Net % Levy
	Gross <sup>(1)</sup>	Net		Amount	Amount	Levy	Amount		
2025	\$ 3,358.5	\$ 3,325.5	99.0%	\$ 3,337.4	99.4%	100.4%	\$ 3,328.5	99.9%	100.1%
2024	3,188.9	3,136.9	98.4	3,173.3	99.5	101.2	3,163.1	99.2	100.8
2023	2,996.1	2,966.3	99.0	3,001.1	100.2	101.2	2,971.1	99.2	100.2
2022	2,826.2	2,793.0	98.8	2,809.3	99.4	100.6	2,801.0	99.1	100.3
2021	2,678.1	2,674.4	99.9	2,665.8	99.5	99.7	2,647.5	98.9	99.0
2020	2,512.0	2,464.7	98.1	2,496.0	99.4	101.3	2,480.8	98.8	100.7
2019	2,364.7	2,331.4	98.6	2,362.2	99.9	101.3	2,347.7	99.3	100.7
2018	2,223.2	2,192.6	98.6	2,216.2	99.7	101.1	2,207.1	99.3	100.7
2017	2,093.9	2,055.2	98.2	2,083.3	99.5	101.4	2,075.4	99.1	101.0
2016	1,963.1	1,924.8	98.0	1,958.4	99.8	101.7	1,949.3	99.3	101.3

<sup>(1)</sup> Includes omitted assessments billed in June of each fiscal year and subsequently reduced through residential exemption.

Source: City of Boston Treasury Department

## RATIOS OF OUTSTANDING DEBT BY TYPE

### Last Ten Fiscal Years

(Amounts in thousands, except per capita amount)

Fiscal Year	Governmental Activities						Subscription IT Arrangements	
	General		Equipment		Leases			
	Obligation Bonds	Notes Payable <sup>(1)</sup>	Financing Payable					
2025	\$ 2,203,613	\$ 16,117	\$ 80,615	\$ 109,128	\$ 17,846			
2024	1,947,532	17,110	76,948	21,520	15,210			
2023	1,907,077	18,069	74,545	15,587	12,521			
2022	1,661,956	20,286	67,863	16,372	-			
2021	1,418,056	21,725	61,608	-	-			
2020	1,348,339	23,308	56,410	-	-			
2019	1,491,091	65,822	64,096	-	-			
2018	1,457,450	67,398	69,626	-	-			
2017	1,416,971	74,266	69,465	-	-			
2016	1,395,367	76,619	62,266	-	-			

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

<sup>(1)</sup> Includes Bond Anticipation Notes, MCWT Notes, and Other Notes.

<sup>(2)</sup> See page 151 for the City's total personal income data.

<sup>(3)</sup> See page 151 for the City's population data.

Total Primary Government	% of Total Personal Income <sup>(2)</sup>	Per Capita <sup>(3)</sup>
\$ 2,427,319	3.6%	3,388.62
2,078,320	6.54	3,178.67
2,027,799	5.36	2,932.33
1,766,477	5.15	2,530.77
1,501,389	4.42	2,171.11
1,428,057	4.73	2,052.02
1,621,009	5.37	2,329.28
1,594,474	5.28	2,291.15
1,560,702	5.41	2,285.02
1,534,252	5.55	2,280.26

## RATIOS OF GENERAL OBLIGATION BONDED DEBT TO ASSESSED VALUE AND BONDED DEBT PER CAPITA

### Last Ten Fiscal Years

(Amounts in thousands, except per capita amount)

Calendar Year	General Bonded Debt Outstanding	Assessed Value <sup>(1)</sup>	Ratio of General Bonded Debt to Assessed Value	General Bonded Debt per Capita <sup>(2)</sup>
2025	\$ 2,203,613	\$ 226,374,894	1.0%	\$ 3,076.32
2024	1,947,532	220,853,171	0.9	2,816.26
2023	1,907,077	212,217,474	0.9	2,757.76
2022	1,661,956	197,826,916	0.8	2,403.30
2021	1,418,056	190,652,927	0.7	2,050.60
2020	1,348,339	176,198,902	0.8	1,937.47
2019	1,491,091	164,514,120	0.9	2,142.60
2018	1,457,450	153,925,958	1.0	2,094.26
2017	1,416,971	143,941,947	1.0	2,074.58
2016	1,395,367	128,047,081	1.1	2,073.85

<sup>(1)</sup> See page 141 for the City's total assessed value of property.

<sup>(2)</sup> See page 151 for the City's population data.

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## LEGAL DEBT MARGIN INFORMATION

### Last Ten Fiscal Years

(Amounts in thousands)

	2025	2024	2023	2022	2021
Debt limit	\$ 11,318,383	\$ 11,318,383	\$ 11,318,383	\$ 10,194,726	\$ 10,194,726
Total net debt applicable to limit	3,692,465	4,223,827	3,455,346	3,071,258	2,869,764
Legal debt margin	\$ 7,625,918	\$ 7,094,556	\$ 7,863,037	\$ 7,123,468	\$ 7,324,962
Total net debt applicable to the limit as a percentage of debt limit	32.62%	37.32%	30.53%	30.13%	28.15%

### Legal Debt margin Calculation for Fiscal Year 2024

Fiscal year 2023 equalized valuation, 2024 <sup>(1)</sup>	\$ 226,367,657
Debit limit (5% of assessed value) <sup>(2)</sup>	11,318,383
Debit applicable to limit:	
General obligation bonds	(1,480,334)
Total authorized/unissued	(1,789,512)
Total debt outstanding plus authorized/unissued	(3,269,846)
Less new authorization adjustments approved through June 30, 2023	(422,619)
Amount within debt limit	-
Debt incurring capacity as of June 30, 2025	\$ 7,625,918

<sup>(1)</sup> Includes the value of Chapter 121A tax agreement properties

<sup>(2)</sup> The laws of the Commonwealth of Massachusetts provide for general debt limits for the City, consisting of a Normal Debt Limit and a Double Debt Limit. The Normal Debt Limit is 5.0% of the assessed valuation of taxable property in the City as last equalized by the State Department of Revenue, and may authorize debt up to this limit without State approval. The City may also authorize debt up to twice this amount (the Double Debt Limit) with the approval of the State Commonwealth's Secretary of Administration and Finance.

<sup>(3)</sup> The debt authorized but unissued as of June 30, 2024 and City Council authorizations during fiscal year 2025 are reported for purposes of the computation of legal debt margin within the Normal Debt Limit.

Source: City of Boston Office of Budget Management

2020	2019	2018	2017	2016
\$ 8,989,652	\$ 8,989,652	\$ 7,178,810	\$ 7,178,810	\$ 5,540,530
2,470,631	2,311,238	2,122,823	1,913,350	1,809,054
\$ 6,519,021	\$ 6,678,414	\$ 5,055,987	\$ 5,265,460	\$ 3,731,476
27.48%	25.71%	29.57%	26.65%	32.65%

## DEMOGRAPHIC AND ECONOMIC STATISTICS

### Last Ten Calendar Years

Fiscal Year	Population <sup>(1)</sup>	Total Personal Income (in thousands) <sup>(2)</sup>	Per Capita Personal Income	Unemployment Rate <sup>(3)</sup>
2025	716,314	N/A	N/A	N/A
2024	712,413	673,458	N/A	3.9
2023	653,833	31,790,129	48,622	3.2
2022	650,706	37,822,286	58,125	3.6
2021	654,776	32,959,460	50,337	5.8
2020	691,531	*N/A	*N/A	9.2
2019	694,295	34,005,181	48,978	2.6
2018	695,926	30,180,223	43,367	3
2017	683,015	28,847,822	42,236	3.4
2016	672,840	27,625,465	40,237	3.4

N/A = Information not available for this fiscal year

<sup>(1)</sup>

Source: U.S. Census Bureau, Population Estimates Program, Vintage 2019 Population Estimates (for 2011-2019), 2020 Decennial Census (for 2020) and Vintage 2022 Population Estimates (for 2021-2022); Planning Department Research Division Analysis.

<sup>(2)</sup>

Source: U.S. Census Bureau, 2011-2022 1-year American Community Survey estimates; Planning Department Research Division Analysis. Converted to 2022 dollars using the Consumer Price Index.

<sup>(3)</sup>

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics; Planning Department Research Division Analysis.

\*

**Note that the 2020 Census and subsequent American Community Surveys significantly undercount Boston's population.**

## PRINCIPAL EMPLOYERS

Current and Nine Years Ago

Employer	2025			2016		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Massachusetts General Hospital	19,418	1	2.84%	16,485	1	2.18%
Brigham and Women's Hospital	14,858	2	2.18%	12,070	2	1.59%
Boston University	10,674	3	1.56%	9,980	3	1.32%
Boston Children's Hospital	10,006	4	1.47%	7,910	4	1.04%
Beth Israel Deaconess Medical Center	8,835	5	1.29%	7,355	6	0.97%
Northeastern University*	7,982	6	1.17%	5,295	8	0.70%
Boston Medical Center	7,500	7	1.10%	4,395	10	0.58%
Dana-Farber Cancer Institute	6,754	8	0.99%			
Harvard University Graduate Schools	6,331	9	0.93%	5,680	7	0.75%
Fidelity Investments	6,310	10	0.92%	5,100	9	0.67%
State Street Bank & Trust Company	-		0.00%	7,500	5	0.99%
<b>Total</b>	<b>98,668</b>		<b>14.45%</b>	<b>81,770</b>		<b>10.79%</b>
<b>Total Boston Employment **</b>	<b>682,756</b>					

Source: Bureau of Economic Analysis; Center for Medicare and Medicaid Services, Form CMS-2552-10; National Center for Education Statistics; Harvard University Fact Book; Direct Contact with Employers; Boston Business Journal; Planning Department Research Division Analysis. Estimates reflect most recent data available.

Note: State Street Bank also has significant employment in Boston; however, it has not provided data on employment levels.

Fidelity reports employment by state, not by city.

\* Boston's total payroll and non-payroll employment for 2023

**FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY DEPARTMENT<sup>(1)</sup>****Last Ten Fiscal Years**

	Fiscal Year				
	2025	2024	2023	2022	2021
<b>CITY-FUNDED:</b>					
Public safety <sup>(2)</sup>	4,335	4,330	4,287	4,369	4,460
Public works	325	305	308	331	349
Other city departments <sup>(3)</sup>	3,223	2,900	2,755	2,641	2,727
Boston Public Health Commission <sup>(4)</sup>	936	862	824	857	872
Schools	10,609	10,050	9,623	9,559	9,528
<b>Total city-funded</b>	<b>19,428</b>	<b>18,447</b>	<b>17,797</b>	<b>17,757</b>	<b>17,936</b>
<b>GRANT-FUNDED:</b>					
Schools	784	1,394	1,096	756	621
All others <sup>(5)</sup>	431	345	343	284	299
<b>Total grant-funded</b>	<b>1,215</b>	<b>1,739</b>	<b>1,439</b>	<b>1,040</b>	<b>920</b>
<b>Total employees</b>	<b>20,643</b>	<b>20,186</b>	<b>19,236</b>	<b>18,797</b>	<b>18,856</b>

<sup>(1)</sup> The methodology used in compiling this data was established jointly by the City and the Boston Municipal Research Bureau.<sup>(2)</sup> Public Safety includes the Police Department and the Fire Department and starting in FY15 the Office of Emergency Management<sup>(3)</sup> Includes Boston State Retirement System funded solely from the investment income account of the system.<sup>(4)</sup> Boston Public Health Commission employees are funded by the City, but are not employees of the City.<sup>(5)</sup> All Suffolk County Registry of Deedsemployees became employees of theCommonwealth as of July 1, 1999.<sup>(6)</sup> Does not include grants managed by the Boston Public Health Commission.

Source: City of Boston Office of Budget Management

<b>Fiscal Year</b>				
<b>2020</b>	<b>2019</b>	<b>2018</b>	<b>2017</b>	<b>2016</b>
4,518	4,476	4,442	4,501	4,456
358	357	362	373	377
2,715	2,708	2,730	2,688	2,650
847	832	845	827	777
9,303	9,249	9,005	8,782	8,746
<b>17,741</b>	<b>17,622</b>	<b>17,384</b>	<b>17,171</b>	<b>17,006</b>
654	636	595	610	656
287	270	358	385	370
<b>941</b>	<b>906</b>	<b>953</b>	<b>995</b>	<b>1,026</b>
<b>18,682</b>	<b>18,528</b>	<b>18,337</b>	<b>18,166</b>	<b>18,032</b>

## OPERATING INDICATORS BY FUNCTION

### Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2025	2024	2023	2022	2021
Police					
Service calls answered	248,826	572,844	634,765	572,844	598,470
Moving/traffic violations	22,594	14,027	19,640	26,354	28,519
Parking violations as of June 30	1,088,917	994,836	1,004,736	1,080,858	908,581
Fire					
Calls answered	94,663	96,823	93,301	85,572	75,346
Inspections conducted	12,144	13,435	23,804	22,530	21,614
Library					
Personnel full-time	469	452	445	407	400
Personnel part-time	34	37	36	28	38
Central and branch libraries	26	26	26	26	26
Books, audio and video materials, newspapers, and magazines in circulation	4,769,297	4,129,864	4,148,898	4,382,562	3,898,416
Library cards in force	578,743	497,557	450,902	590,793	504,138
Schools					
Student enrollment as of June 30	48,946	46,583	48,927	49,970	51,434
Streets, sidewalks, and bridges					
Streets in miles	988	988	988	988	988
Hospitals					
Births as of June 30	9,973	10,069	20,303	21,015	20,340
Deaths as of June 30	4,339	4,098	8,001	8,561	8,347

Source: City of Boston Auditing Department

Fiscal Year				
2020	2019	2018	2017	2016
568,707	497,728	494,226	516,741	408,144
61,731	103,485	92,111	95,865	107,204
1,067,501	1,289,023	1,414,184	1,358,385	1,346,400
84,357	83,173	86,103	85,598	82,438
21,350	25,896	24,009	24,332	25,519
416	410	411	411	413
36	43	45	45	50
26	26	25	25	24
3,629,323	4,223,612	3,806,215	3,796,379	3,707,607
383,240	332,468	292,763	281,439	268,275
53,094	54,300	55,594	56,433	56,531
988	988	988	988	988
20,532	20,217	20,686	20,089	20,968
8,771	7,763	7,790	7,526	7,383

## CAPITAL ASSET STATISTICS BY DEPARTMENT

### Last Ten Fiscal Years

Function/Program	Fiscal Year				
	2025	2024	2023	2022	2021
Police					
Officers and personnel	2,923	2,828	2,754	2,857	2,883
Stations	11	11	11	11	11
Fire					
Officers and personnel	1,535	1,522	1,604	1,650	1,644
Stations	34	33	35	34	34
Parks and Recreation					
Personnel (Parks Division)	362	236	212	253	255
Neighborhood (city) parks	294	285	266	258	258
Neighborhood (city) playgrounds – Tot Lots	144	144	140	137	137
Community Centers – (BCYF operated)	28	28	29	29	30
Golf courses	2	2	2	2	2
Swimming pools (BCYF operated)	18	18	18	18	20
Tennis courts	68	71	70	64	64
Public Education					
Total number of Boston Public Schools employees	13,486	13,283	10,386	9,987	10,149
Total number of schools	114	115	115	121	123
Public Works					
Traffic signals (signalized intersections)	900	900	896	886	883
Parking meters (approximately)	5,689	5,812	6,018	5,960	6,258
Bridges	39	39	40	40	40
Hospitals					
Number of hospitals	18	20	20	20	20
Patient beds	6,116	6,234	6,234	6,152	6,140

Source: City of Boston Auditing Department

Fiscal Year				
2020	2019	2018	2017	2016
2,754	2,936	2,869	2,896	2,895
11	11	11	11	11
1,855	1,649	1,652	1,623	1,618
34	34	34	35	35
298	274	269	280	251
257	257	257	258	251
137	137	132	131	129
28	36	36	30	29
2	2	2	2	2
17	19	19	18	18
55	58	65	65	65
10,380	10,695	10,344	10,255	9,634
125	125	125	124	125
847	872	866	859	854
6,603	6,736	6,722	6,420	7,626
40	40	40	40	40
20	19	19	20	20
6,113	6,108	6,053	6,021	5,227