

# FY27 BUDGET HEARING: Auditing, Assessing, Treasury

*May 26, 2026*

CITY OF BOSTON



FINANCE CABINET

# AUDITING DEPARTMENT

*FY27 Budget Overview*

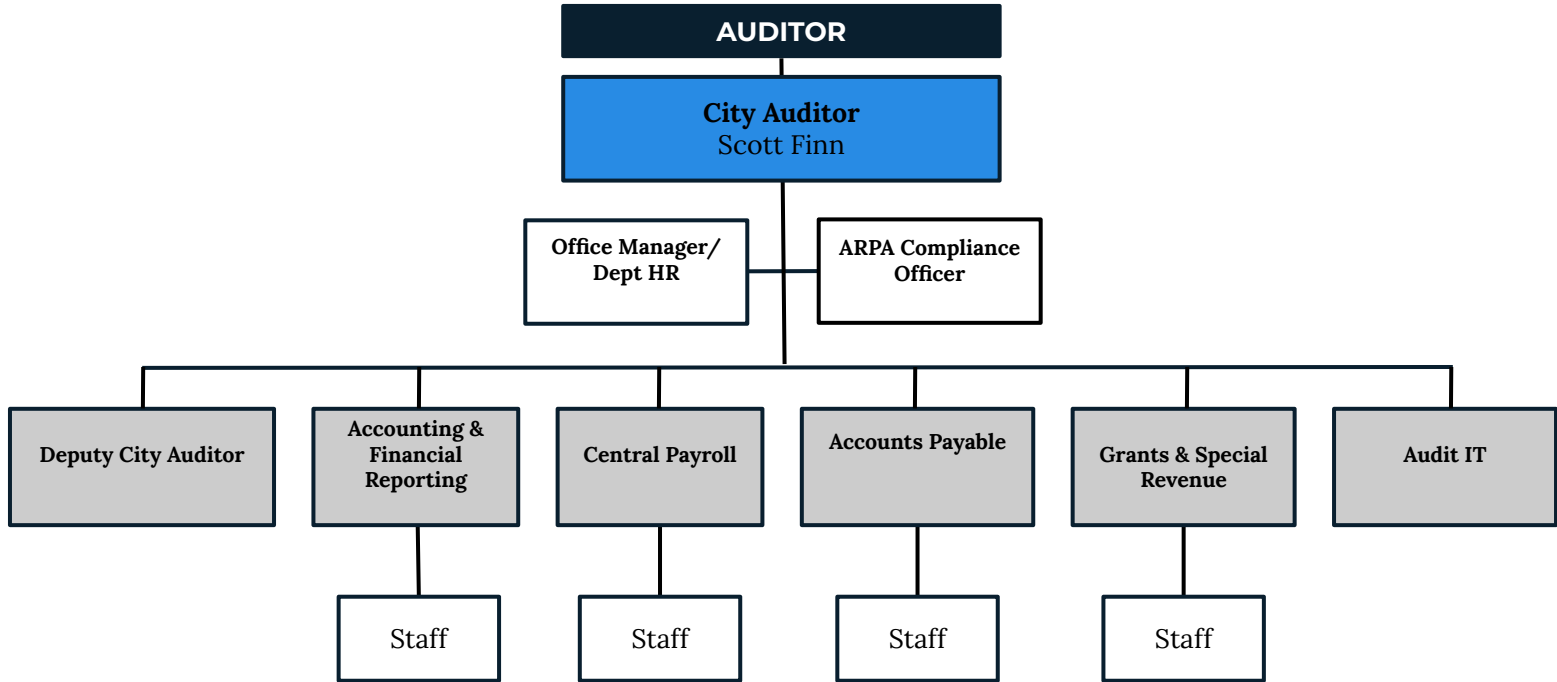




## AUDITING DEPARTMENT

*The mission of the Auditing Department is to present a complete and accurate statement of the City's financial condition.*

- We prepare the City's **annual financial statements**, review and process all financial transactions for accuracy and compliance, and implement **fiscal controls** over departmental spending.
- We approve procurement documents and process **vendor payments** on a timely basis.
- We process **payroll** for all employees and ensure compliance with local, state, and federal laws, as well as collective bargaining agreements.
- We provide **technical assistance** to financial staff across the City.
- We prepare the City's **annual single audit**, ensure special revenue funds are appropriately managed in the City's financial system, and assist in any federal, state, or local reporting requirements.



# FY25 HIGHLIGHTS: FULL YEAR

*The Auditing Department's work is incredibly varied. For example, in FY25, the department:*

- Processed **146,788** vouchers on behalf of over **11,353** vendors
- Reviewed and approved over **2,200** contracts
- Processed payroll for approximately **29,800** eligible employees totalling **\$2.46B**
- Processed **9** retroactive pay adjustments, resulting in **\$6.1M** for **2,100** employees
- Published the **Annual Comprehensive Financial Report** for FY24,
- Published the **Single Audit** for FY24 in accordance with the Uniform Guidance, auditing **12 federal programs** received by the City
- Provided technical assistance to City finance staff across over **60 departments**

# FY26 HIGHLIGHTS: YEAR-TO-DATE

*At this point in FY26, the department has:*

- Processed nearly **129,000** vouchers on behalf of over **10,200** vendors
- Reviewed and approved **1,886** contracts
- Processed payroll for over **29,500** eligible employees totalling **\$1.37B**
- Processed **4** retroactive pay adjustments, resulting in **\$31.6M** for **11,600** employees
- Published the **Annual Comprehensive Financial Report** for FY25
- Published the **Single Audit** for FY25 in accordance with the Uniform Guidance, auditing **8 federal programs** received by the City
- Provided technical assistance to City finance staff across over **60 departments**

# ASSESSING DEPARTMENT

*FY27 Budget Overview*



## FUNCTIONAL OVERVIEW

*Assessing's primary responsibility is the annual valuation of the real estate and personal property located in the City of Boston.*

- The City has over **190,000** real estate parcel and personal property accounts with a combined value **exceeding \$295 billion**.
- Property taxes generated over **\$3.5 billion** in revenue in FY26.
- The department is responsible for a high level of constituent services, providing information around the valuation process as well as our various exemption programs.
- Over **75,000** properties received a residential exemption in FY26.
- The department is responsible for Motor Vehicle Excise, administering tax agreements, and administering the PILOT program.

# STRUCTURE

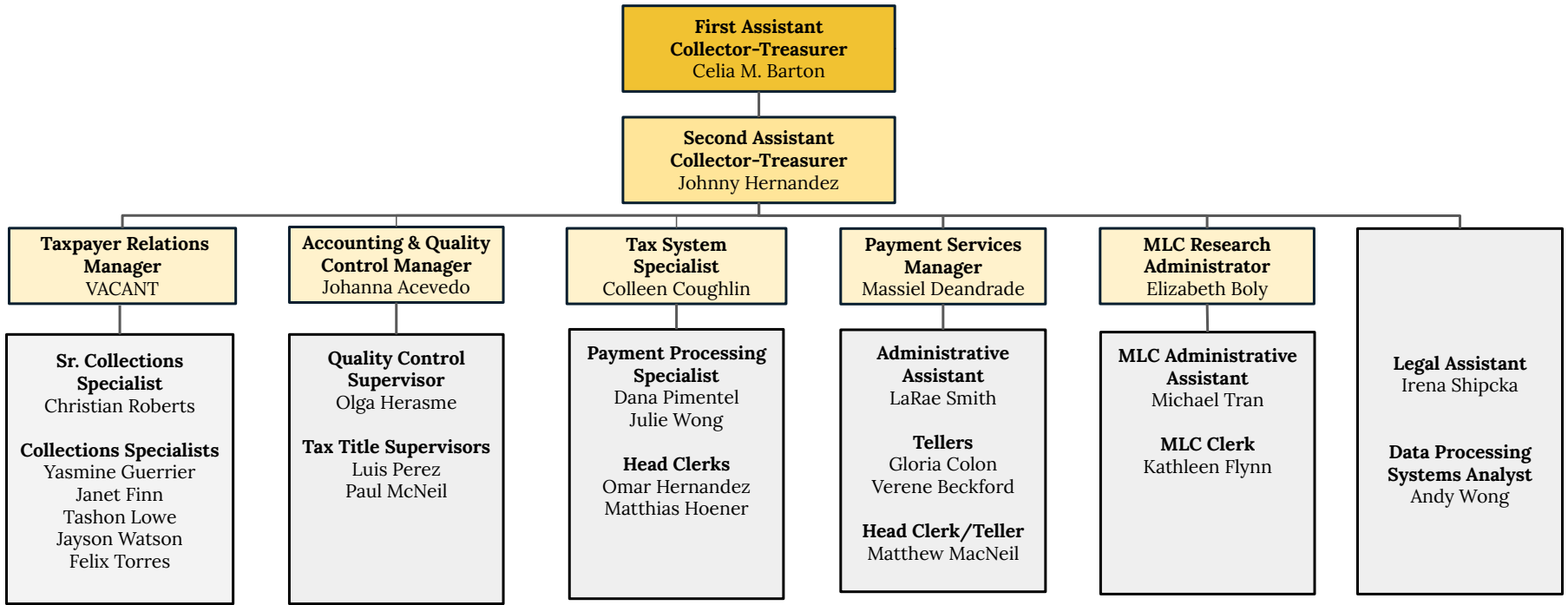
- Executive Division
  - Commissioner, Board of Review, Legal, Administrative Support
- Valuation Division
  - Commercial, Residential, Condominiums, Personal Property, Research, Clerical Data Processing
- Operations Division
  - Operations (Budget and Procurement), Human Resources, Information Technology, Information Systems, Land Records, Taxpayer Data Administration, Taxpayer Referral and Assistance Center

# TREASURY - COLLECTING DIVISION

*FY27 Budget Overview*



# TREASURY - COLLECTING DIVISION



# MISSION STATEMENT



- Collect property taxes and all other revenues owed to the City while providing professional, courteous, and responsive service to taxpayers.
- Maintain the highest collection rate possible and actively pursue all collection remedies allowed under statute:
  - FY25 - 99.1%
  - FY24 - 99.2%
  - FY23 - 99.2%



# GENERAL MANAGEMENT



## What we do:

- Responsible for hiring, training, and supervising Collection Division staff and maintenance of collection systems.
- Continuing to enhance collection features such as Pay-by-Phone, the online payment portal, partial online payments, and QR codes on tax bills to ensure the most efficient taxpayer experience.



# SPECIAL COLLECTIONS



## What we do:

- Responsible for collecting past due real estate, personal property and motor vehicle excise taxes.
- Work alongside with the Law Department on special projects, account research, and petitions.
- Collaborate with City departments—including the Mayor’s Office of Housing, Home Center, and Age Strong—to ensure taxpayers are informed about all available City resources.
- Assist in drafting courtesy letters and emails, and making phone calls to taxpayers, utilizing research tools and resources to provide accurate information and support regarding property tax bills.
- Work on special projects for 2025 to reduce tax takings by 700 parcels.
- Prepares and file tax takings as necessary.



## What we do:

- Issue all current tax notices to taxpayers and financial institutions.
- Process all payments received from taxpayers, ensuring accurate recording and proper allocation of funds.
- Receive and processes all City department deposits such as parking, permits, public works and licensing fees.
- Process special assessments.
- Reconcile daily collections for deposit by the Treasurer.



## What we do:

- Maintain the financial records of the Collections Division and manage the database used to monitor and control division activities.
- Collect and disburse assessments on behalf of the Business Improvement Districts.
- Identify, investigate, conduct outreach, and process overpayments, refunds, and misapplied payments.
- Reconcile all collections in coordination with the City Auditor to ensure financial accuracy and compliance.



## What we do:

- Ensure the accurate recording of all City revenue, including the verification, reconciliation, and timely posting of transactions to permanent records and the City's primary financial database.
- Maintain, monitor, and update electronic data systems, including but not limited to web-based services, online payment processing platforms, leasing documentation, bank lockbox transactions, and other electronic and manual payment methods.
- Coordinate with internal departments and external financial institutions to resolve discrepancies, ensure data accuracy, and maintain audit-ready financial documentation.

# UPDATES & FUTURE PROJECTS



## Updates:

- Implemented a new data software to improve service outreach on delinquent accounts.
- Amount recovered:
  - FY25 - \$26.1 Million
  - FY24 - \$25.5 Million
  - FY23 - \$19.6 Million

## Future projects:

- Improve and modernize web service payment systems and digital forms to align with current technological trends, ensure security, and enhance the overall user experience.
- Integrate QR codes on all real estate and personal property bills to streamline payment access, improve user convenience, and enhance customer satisfaction.

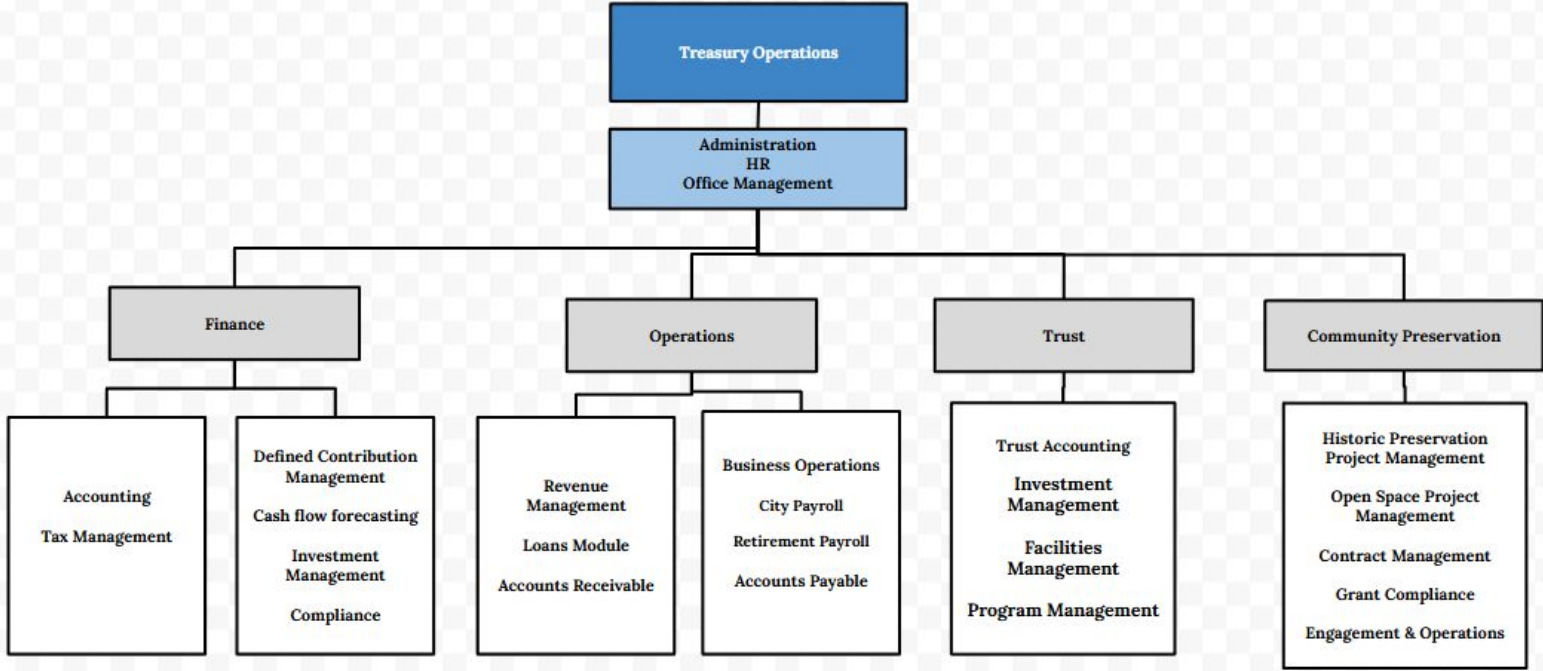


# TREASURY - TREASURY DIVISION

*FY27 Budget Overview*



# TREASURY DEPARTMENT



## WHAT WE DO

*The mission of the Treasury Department is to collect and transfer all funds due to the City. The department also deposits and invests City funds, manages the City's borrowings, and makes all disbursements.*

- Stewards of the City of Boston cash and investments
- Oversees the collection and disbursement of City funds
- Manages the City's financial operations and debt obligations
- Cash flow forecasting
- Defined contribution plans
- Maintains banking, investing, and other financial relationships
- Oversees the Trust Office
- Oversees the Community Preservation Office

# FINANCIAL OPERATIONS

- Process over \$115M per month in City of Boston payroll
- Process over \$65M per month for retirees
- Print 55k checks and advices per month for employees, vendors and retirees
- Pay over \$200M per month in vendor payments
- Pay over \$32M per month in state and federal taxes
- Process and submit over 22k W2s per year
- Transmit 1099 for vendors and retirees
- Process and collect receivables and grants
- Maintain fraud controls and prevention processes



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**THANK YOU**