



CITY OF BOSTON • MASSACHUSETTS

MARTIN J. WALSH
MAYOR

April 9, 2018

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith my Fiscal Year 2019 Recommended Budget for the City of Boston. This budget is balanced, sustainable and proactive in investing in the needs of our growing City. The Recommended Operating Budget totals \$3.29 billion and represents an increase of \$137 million or 4.3% over FY18.

I put forth these recommendations for an FY19 budget that builds on our Administration's first four years of strong fiscal management and invests in all of our neighborhoods. The FY19 recommended budget contains historic levels of funding for public education in our schools, new investments in public safety, continued efforts to create affordable and middle income housing, expanded services for residents struggling with substance use and addiction disorders, and new initiatives that will transform the future of transportation in Boston.

My Administration has made investing in public education a top priority since 2014. We have increased the Boston Public Schools budget by more than \$170 million, and we are making targeted investments that continue building on our commitment to provide access to quality education and close achievement gaps. As state aid continues to decline rapidly, assessments for Charter Schools will increase by \$20 million, requiring the City to again step in to cover the gaping charter reimbursement shortfall. This budget supports the nearly 1,000 new K1 seats added since 2014, funds extended learning time for 23,000 students and 57 schools, and expands proven programs like Excellence for All and Becoming a Man. In recognition of the breadth and complexity of needs facing students, we have also prioritized \$2 million in new funding to add 20 social emotional wellness professionals in Boston Public Schools, including eight new nurses and seven psychologists, to support the emotional health and well-being of all our students.

Beyond education, one of the most vital services our city provides is protecting the safety of all of our residents and visitors. In this budget, we propose adding new public safety personnel, including police, EMTs and firefighters, to keep our residents safe and to respond to the City's increase of new residents and commuters. These investments will enable us to drive down EMS response times and enhance community policing efforts across the city. Additionally, we will continue our commitment to building a diverse police force reflective of our City by adding a class of 20 cadets. While specifics of its implementation are pending the results of a Northeastern University analysis to be completed in June, we have budgeted \$2 million toward a phase-in of police body worn cameras. This proposal also invests in new fire engines and houses to ensure the nation's first public fire department is a model 21st century operation.

The FY19 budget also proposes creating and preserving additional affordable housing in the City of Boston. This budget proposes to increase funding for programming promoting moderate and middle income

homeownership by providing access to zero-interest loans for down payments and closing costs for income-eligible homebuyers. It also leverages non-operating budget revenue sources to invest in programs that create more affordable rental and homeownership opportunities, as the City further ramps up investment in housing through Community Preservation Act funding.

The national scourge of substance use and addiction continues to impact our region. To that end, we are proposing funding for the engagement center in Newmarket Square, and investing new resources into prevention programs for Boston's youth. However, lasting progress on these issues will require comprehensive approaches to programming and services, such as those that will eventually be provided on Long Island once it is again open for use. This budget contains funding to rebuild the bridge to Long Island within three years, and begins the planning process for the recovery services that will be located on the island.

The FY19 budget and the FY19-FY23 capital plan contain transformational investments in transportation to help our residents move throughout the City. This investment in staff, construction and equipment will dramatically accelerate our implementation of Go Boston 2030 projects and policies by providing for new bike and rapid bus lanes, intersection redesigns, and improved traffic signals across the City.

Recent storms are a grim reminder that climate change is real, requiring us to take action locally and work together globally. In this budget, we are proposing investments in the near term to prepare for next year's storms - addressing flooding citywide - and providing the roadmap for our ongoing response, by updating the City's award-winning Climate Action Plan.

At the same time we are proposing historic investments, we continue to maintain our record of strong fiscal management. This budget ensures that we are living within our means. We fully fund our commitments to fixed costs, such as pension, debt service and state assessments while maintaining the level of City reserves to guard against future instability. We are also working to spend every dollar effectively to move our city forward and to grow and strengthen our middle class.

However, frustrating declines in state support and the continued uncertainty surrounding federal aid and the President's proposed cuts to programs that support our most vulnerable put increased pressures on municipalities. In Boston, we are creating new jobs and spurring development, allowing us to continue to invest in our City while we grapple with these uncertainties. Our commitment to disciplined financial practices has enabled us to continue to provide critical, quality services to our residents despite these gaps in state and federal funding. We will need to work together to advocate for greater investment by our partners at the state and federal levels to ensure continued prosperity for the City and the state.

This budget is a reflection of Boston's position of leadership in addressing inequality and creating opportunity by providing for affordable housing, creating educational opportunity, fostering economic mobility, and ensuring public safety for all across our City. We are investing in our neighborhoods, our people and our future by building new schools, libraries and fire stations, designing safer streets, spurring affordable housing development, creating economic opportunity and tackling the City's evolving coastal challenges.

I look forward to working with you during the budget process, and I respectfully request your favorable action on the FY19 Operating Budget and the Five Year Capital Plan for FY19 to FY23.

Sincerely,



Martin J. Walsh
Mayor of Boston

**CITY OF BOSTON
IN CITY COUNCIL**

**Appropriation and Tax Order for the fiscal year
Commencing July 1, 2018 and ending June 30, 2019**

ORDERED:

I. That to meet the current expenses of the City of Boston, in the fiscal year commencing July 1, 2018 and ending June 30, 2019, the respective sums of money specified in the schedules hereinafter set out, be, and the same hereby are, appropriated for expenditure under the direction of the respective boards and officers severally specified, for the several specific purposes hereinafter designated and, except for transfers lawfully made, for such purposes only said appropriations, to the extent they are for the maintenance and operation of parking meters, and the regulation of parking and other activities incident thereto (which is hereby determined to be \$22,500,000), being made out of the income from parking meters and, to the extent they are for other purposes, being made out of the proceeds from the sale of tax title possessions and receipts from tax title redemptions in addition to the total real and personal property taxes of prior years collected from July 1, 2017 up to and including March 31, 2018, as certified by the City Auditor under Section 23 of Chapter 59 of the General Laws, and out of available funds on hand, (which is hereby determined to be \$40,000,000) as certified by the Director of Accounts under said Section 23, and the balance of said appropriations to be raised by taxation pursuant to Section 23 of Chapter 59 of the General Laws:

CITY DEPARTMENTS

Mayor's Office

	Personnel Services	Contractual Services	Supplies & Materials	Current Charges & Obligations	Equipment	Special Appropriation	Structures & Improvements	Non-Structural Improvement	Land	Total
111 Mayor's Office	4,185,726	291,978	53,233	43,068	25,000	-	-	-	-	4,599,005
121,128 Election Department	3,199,647	577,250	493,206	133,250	328,617	-	-	-	-	4,731,970
151 Law Department	5,553,683	2,074,715	23,325	149,080	-	-	-	-	-	7,800,803
417 Women's Advancement	262,510	1,425	900	200	-	-	-	-	-	265,035

Operations

150 Intergovernmental Relations	927,270	189,251	6,200	187,680	-	-	-	-	-	1,310,401
180 Property Management	7,836,202	9,068,193	430,013	141,856	117,440	-	-	-	-	17,593,704
181 Public Facilities Department	6,474,592	246,935	40,508	4,836	5,800	-	-	-	-	6,772,671

Civic Engagement

412 Neighborhood Services	3,163,689	221,348	16,800	4,779	1,600	-	-	-	-	3,408,216
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Arts & Culture

414 Office of Arts & Culture	897,148	569,867	18,022	1,015	3,088	-	-	-	-	1,489,140
110 Library Department	25,041,225	8,128,390	2,925,008	338,810	377,934	-	-	35,000	-	36,846,367

Economic Development

182 Office of Economic Development	2,193,700	686,320	30,865	20,740	4,000	-	-	-	-	2,935,625
114 Consumer Affairs & Licensing	1,121,149	14,105	25,050	13,202	-	-	-	-	-	1,173,506
416 Office of Tourism	865,838	237,753	17,372	60,600	2,000	238,285	-	-	-	1,421,848

Environment, Energy & Open Space

303 Environment Department	2,082,972	804,363	28,000	2,665	-	-	-	-	-	2,918,000
260 Inspectional Services Dept	16,898,191	1,491,818	237,503	770,504	81,436	-	-	-	-	19,419,452
300,400 Parks & Recreation Department	14,017,437	4,689,828	996,177	533,901	762,753	70,000	-	1,494,937	-	22,565,033

Administration & Finance

144 Administration & Finance	762,679	329,075	2,000	2,508	-	-	-	-	-	1,096,262
136 Assessing Department	7,000,965	443,860	60,220	108,900	-	-	-	-	-	7,613,945
131 Auditing Department	2,814,191	34,019	12,147	33,972	-	-	-	-	-	2,894,329
141 Budget Management	2,405,429	949,095	6,100	139,335	2,400	-	-	-	-	3,502,359
333 Execution of Courts	-	-	-	-	-	5,000,000	-	-	-	5,000,000
148 Health Insurance	-	-	-	220,979,251	-	-	-	-	-	220,979,251
142 Human Resources	3,796,402	225,475	71,430	986,220	-	-	-	-	-	5,019,527
139 Medicare Payments	11,000,000	-	-	-	-	-	-	-	-	11,000,000
147 Labor Relations	856,056	-	-	-	-	-	-	-	-	856,056
374 Pensions & Annuities - City	4,100,000	551,838	3,700	35,154	-	-	-	-	-	4,689,692
749 Pensions & Annuities - County	100,000	-	-	-	-	-	-	-	-	100,000
149 Purchasing Division	1,748,471	43,919	12,125	4,625	42,623	-	-	-	-	1,851,763
163 Registry Division	1,015,282	37,140	21,020	890	1,780	-	-	-	-	1,076,112
137,138 Treasury Department	3,505,255	201,625	804,698	19,500	20,000	-	-	-	-	4,551,078
199 Unemployment Compensation	350,000	-	-	-	-	-	-	-	-	350,000
341 Workers' Compensation Fund	-	-	-	-	-	2,200,000	-	-	-	2,200,000

Health & Human Services

385 Boston Centers for Youth & Families	22,554,990	4,248,587	236,679	156,500	99,556	-	-	-	-	27,295,312
404 Commission for Persons with Disabilities	451,238	14,600	7,500	-	-	-	-	-	-	473,338
387 Elderly Commission	2,938,981	208,855	190,903	61,950	33,353	-	-	-	-	3,434,042
403 Fair Housing & Equity	282,617	10,548	8,000	1,740	-	-	-	-	-	302,905
113 Office of Immigrant Advancement	397,665	31,300	6,000	950	-	-	-	-	-	435,915
620 Public Health Commission	-	-	-	-	-	84,881,543	-	-	-	84,881,543
741 Boston VETS	1,021,251	101,992	71,900	3,497,050	-	-	-	-	-	4,692,133
448 Youth Engagement & Employment	5,850,172	60,080	88,500	1,600	4,500	562,500	-	-	-	6,547,352

CITY DEPARTMENTS	Personnel Services	Contractual Services	Supplies & Materials	Current Charges & Obligations	Equipment	Special Appropriation	Structures & Improvements	Land Non-Structural Improvement	Total
Housing & Neighborhood Development									
188 Neighborhood Development	3,607,648	1,446,945	55,720	136,181	8,755	8,965,452	-	-	14,220,701
Information & Technology									
149 Department of Innovation & Technology	14,031,321	5,011,495	44,750	10,076,944	1,279,894	-	-	-	30,444,344
Public Safety									
231 Emergency Management	130,037	220,943	6,000	342,740	-	-	-	-	699,720
221 Fire Department	211,329,724	9,023,157	5,104,048	4,277,668	6,477,048	-	-	-	236,231,645
211 Police Department	361,579,212	17,191,638	7,616,764	5,083,050	8,705,009	-	-	20,000	400,175,673
Streets									
321 Central Fleet Management	2,169,899	329,383	140,457	12,850	323,931	-	-	-	2,976,520
310 Office of Streets	2,021,712	13,238	8,762	1,610	2,652	-	-	-	2,047,974
311 Public Works Department	23,648,801	57,109,753	1,760,595	589,140	2,500,554	-	400,000	-	85,906,843
331 Snow Removal	-	23,554,855	57,000	-	456,020	-	-	-	24,067,875
251,253 Transportation Department	26,032,587	8,950,847	1,685,430	347,755	907,111	-	-	-	37,923,730
Non-Mayoral Departments									
112 City Council	5,126,921	170,940	42,224	23,100	31,000	-	-	-	5,394,185
161 City Clerk	1,189,596	87,178	17,450	8,130	-	-	-	-	1,302,354
193 Finance Commission	276,200	4,050	525	250	2,125	-	-	-	283,150
Other									
158 Risk Retention Reserve	-	-	-	-	-	3,000,000	-	-	3,000,000
159 Housing Trust Fund	-	-	-	-	-	550,000	-	-	550,000
999 Reserves for Collective Bargaining	41,000,000	-	-	-	-	-	-	-	41,000,000
TOTAL	859,596,281	159,899,909	23,463,829	249,335,749	22,607,919	105,467,780	400,000	1,549,937	1,422,321,404

**CITY OF BOSTON
IN CITY COUNCIL**

FURTHER ORDERED:

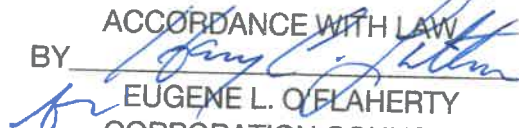
II. That to meet so much of the expenses of maintaining, improving and embellishing in the fiscal period commencing July 1, 2018 and ending June 30, 2019, cemeteries owned by the City of Boston, or in its charge, as is not met by the income of deposits for perpetual care on hand December 31, 2017, the respective sum of money specified in the subjoined schedule be, and the same hereby is, appropriated out of the fund set up under Chapter 13 of the Acts of 1961 the same to be expended under the direction of the Commissioner of Parks and Recreation:

400100

Cemetery Division
Parks and Recreation Department
\$950,000

I HEREBY CERTIFY THAT
THE FOREGOING, IF PASSED IN
THE ABOVE FORM, WILL BE IN
ACCORDANCE WITH LAW

BY


EUGENE L. O'FLAHERTY
CORPORATION COUNSEL