



CITY OF BOSTON • MASSACHUSETTS

OFFICE OF THE MAYOR
THOMAS M. MENINO

April 7, 2009

TO THE CITY COUNCIL

Dear Councilors:

I transmit herewith my Fiscal Year 2010 Recommended Budget for the City of Boston. The Recommended Operating Budget totaling \$2.4 billion is \$5.0 million, or 0.2%, more than the Fiscal Year 2009 Budget.

The FY10 budget development process was one of the most challenging of the past few decades. While property tax continues to grow in FY10, most other revenue accounts decline. As the Commonwealth of Massachusetts struggles with its own revenue challenges, State Aid to the City of Boston will decline sharply in FY10. The City has used a prudent estimate of a loss of \$62.2 million in net State Aid for FY10. However, it is important to note that State Aid could be reduced even further as the state completes its budget deliberations.

The combination of declining revenue and rising costs resulted in an initial projection of a gap of over \$140 million. Every effort was made to reduce expenses outside of departmental appropriations. The City successfully renegotiated health insurance premiums, saving nearly \$5 million from initial projections. Over the past four months, staff across all departments and all layers of management joined together to devise strategies to balance the budget. In particular, I want to acknowledge the shared sacrifice made by the employees of 22 unions that have agreed to delay their FY10 wage increases.

The wage deferral by all non-union and half of the City's bargaining units, together with targeted resources from the American Recovery and Reinvestment Act, and countless accomplishments of service contract negotiations, debt refinancing, streamlining of management positions, and modernization of operations has resulted in a budget that preserves frontline services for the people of Boston in the context of an unprecedented global economic downturn. In addition, the City will use a prudent allocation of \$40 million in reserves in FY10.

While this has been an extremely difficult year for budget development, I remain confident that the decisions contained within the City's plan appropriately address the most critical issues for our City's future.

Despite significant challenges, the FY10 Budget continues our commitments to investing in youth, strengthening our neighborhoods and improving our economy. In the coming year we will expand community learning sites, increase the number of pilot schools and respond to parents' interest in supporting K-8 learning communities by increasing those offerings for students. Continuing our efforts to improve the health of residents and of our environment, the City will advance projects that reduce the carbon footprint of City assets and support those that enable residents to do the same. The City will remain at the forefront of the nation's efforts on foreclosure prevention, investing in counseling, foreclosure reclamation programs, and homelessness prevention activities. In the face of global financial constraints, we will support Boston's entrepreneurial spirit by increasing the Boston Invests in Growth business loan fund and by helping businesses take advantage of bulk purchasing through Boston Buying Power.

As we face the current economic upheaval, the City of Boston stands on a firm foundation built through years of sound management practice, and we will continue to make the investments that will serve the City well when the economy improves.

I look forward to working with you during the budget review process, and I respectfully request your favorable action on the FY10 Operating Budget and the Five Year Capital Plan for FY10 to FY14.

Sincerely,

A handwritten signature in black ink, appearing to read "Thomas M. Menino". The signature is stylized with a large, sweeping flourish over the first name and a similar flourish over the last name.

Thomas M. Menino
Mayor of Boston

**CITY OF BOSTON
IN CITY COUNCIL**

**Appropriation and Tax Order for the fiscal year
Commencing July 1, 2009 and ending June 30, 2010**

ORDERED:

I That to meet the current expenses of the City of Boston, in the fiscal year commencing July 1, 2009 and ending June 30, 2010, 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 \$12,000,000), 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, 2008 up to and including March 31, 2009, 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 proceeds from the sale of surplus property to be transferred in an amount not to exceed \$5,979,000 pursuant to the provisions of Section 24 of Chapter 190 of the Acts of 1982 as amended by Section 4 of Chapter 701 of the Acts of 1986, and the balance of said appropriations to be raised by taxation pursuant to Section 23 of Chapter 59 of the General Laws:

CITY DEPARTMENTS	Personnel Services	Contractual Services	Supplies & Materials	Current Charges & Obligations	Equipment	Special Appropriation	Structures & Improvements	Non-Structural Improvement	Land	Total
Mayor's Office										
111 Mayor's Office	1,955,715	143,997	30,524	6,200	5,988	0	0	0	0	2,142,424
113 Office of New Bostonians	317,460	15,106	1,735	100	0	0	0	0	0	334,401
150 Intergovernmental Relations	649,394	179,231	9,200	198,600	0	0	0	0	0	1,036,425
151 Law Department	3,177,886	2,197,511	21,176	110,000	17,920	0	0	0	0	5,524,493
231 Office of Emergency Preparedness	216,202	111,738	6,000	5,800	0	0	0	0	0	339,740
411 Public Information	1,026,310	47,615	10,250	37,900	38,570	0	0	0	0	1,160,645
412 Neighborhood Services	1,217,956	55,279	8,300	450	0	0	0	0	0	1,281,985
Administration & Finance										
144 Office of Administration & Finance	744,646	99,750	2,000	400	0	0	0	0	0	846,796
131 Auditing Department	2,172,778	77,800	12,900	5,450	12,328	0	0	0	0	2,281,256
136 Assessing Department	5,611,432	512,896	53,823	92,300	8,546	0	0	0	0	6,278,997
141 Budget Management	1,681,737	609,415	6,600	185,350	0	0	0	0	0	2,483,102
333 Execution of Courts	0	0	0	0	0	3,500,000	0	0	0	3,500,000
145 Graphic Arts Department	958,111	193,998	8,050	4,400	52,066	61,000	0	0	0	1,277,625
148 Health Insurance	0	0	0	197,076,530	0	0	0	0	0	197,076,530
142 Human Resources	3,029,548	69,850	27,350	145,685	8,454	0	0	0	0	3,280,887
147 Labor Relations	739,136	592,710	5,427	33,000	0	0	0	0	0	1,370,273
110 Library Department	20,327,555	6,600,745	2,619,527	208,657	112,256	0	0	25,000	0	29,893,740
139 Medicare Payments	6,595,000	0	0	0	0	0	0	0	0	6,595,000
374 Pensions & Annuities - City	4,100,000	0	0	0	0	0	0	0	0	4,100,000
749 Pensions & Annuities - County	100,000	0	0	0	0	0	0	0	0	100,000
143 Purchasing Division	1,155,275	65,082	10,200	1,962	2,493	0	0	0	0	1,235,012
163 Registry Division	919,128	39,800	17,750	1,050	0	0	0	0	0	977,728
137,138 Treasury Department	2,868,775	212,943	517,900	17,300	1,000	0	0	0	0	3,617,918
199 Unemployment Compensation	50,000	0	0	0	0	0	0	0	0	50,000
341 Workers' Compensation Fund	0	0	0	0	0	1,900,000	0	0	0	1,900,000
Chief Information Officer										
149 Management & Information Services	9,535,464	4,773,619	99,540	3,965,713	426,640	0	0	0	0	18,800,976
Public Safety										
221 Fire Department	142,039,983	5,283,217	3,010,271	2,582,933	1,044,952	0	0	0	0	153,961,356
211 Police Department	249,336,021	12,653,011	7,613,353	4,333,095	4,240,852	0	0	0	0	278,176,332
Economic Development										
156 Small/Local Business	593,508	8,650	1,500	750	0	0	0	0	0	604,408
157 Boston Residents Job Policy	443,777	1,500	1,500	0	0	0	0	0	0	446,777
Public Property										
416 Arts, Tourism & Special Events	1,050,706	344,820	14,772	4,165	5,460	224,738	0	0	0	1,644,661
114 Consumer Affairs & Licensing	416,889	27,194	10,000	1,125	0	0	0	0	0	455,208
121,128 Department of Voter Mobilization	2,278,816	525,444	339,000	58,350	65,437	0	0	0	0	3,267,047
300 Parks & Recreation Department	8,615,180	2,843,763	663,300	349,697	209,621	75,000	0	400,000	0	13,146,561
180 Property & Construction Mgmt	10,938,890	7,952,515	659,443	47,778	137,695	0	0	0	0	19,736,321

CITY DEPARTMENTS	Personnel Services	Contractual Services	Supplies & Materials	Current Charges & Obligations	Equipment	Special Appropriation	Structures & Improvements	Land & Non-Structural Improvement	Total
Public Works & Transportation									
251,253 Transportation Department	19,708,294	8,397,147	1,221,426	143,433	1,558,769	0	0	0	31,029,069
310 Chief of Public Works & Transportation	1,458,460	10,800	16,800	0	9,334	0	0	0	1,495,394
311 Public Works Department	18,181,820	61,944,772	2,448,900	300,789	401,151	0	200,000	0	83,477,432
321 Central Fleet Maintenance	1,568,813	181,536	203,200	30,000	21,375	0	0	0	2,004,924
331 Snow Removal	0	15,737,362	0	0	206,344	0	0	0	15,943,706
Environment and Energy									
303 Environment Department	1,110,560	196,612	13,000	1,240	1,869	0	0	0	1,323,281
260 Inspectional Services Dept	13,379,277	1,222,958	168,683	855,845	280,941	0	0	0	15,907,704
Human Services									
385 Boston Centers for Youth & Families	18,432,342	3,035,631	110,980	50,435	11,945	0	0	0	21,641,333
387 Elderly Commission	2,637,368	163,068	86,400	4,062	0	0	0	0	2,890,898
403 Civil Rights	289,115	28,020	1,000	0	0	0	0	0	318,135
406 Emergency Shelter Commission	256,332	303,536	2,259	1,000	0	0	0	0	563,127
417 Women's Commission	154,875	3,525	700	0	0	0	0	0	159,100
448 Youth Fund	237,123	15,280	42,540	3,680	0	4,339,750	0	0	4,638,373
741 Veterans Services Department	928,444	85,767	26,125	3,254,411	0	0	0	0	4,294,747
Public Health									
620 Public Health Commission	0	0	0	0	0	70,500,000	0	0	70,500,000
Housing & Neighborhood Development									
188 Neighborhood Development	2,379,538	915,584	53,079	28,893	5,280	0	0	0	3,382,374
189 Affordable Housing-Leading the Way	0	4,979,000	0	0	0	0	0	0	4,979,000
Non-Mayoral Departments									
112 City Council	4,308,073	169,500	29,750	15,800	15,000	0	0	0	4,538,123
161 City Clerk	917,227	38,192	10,195	7,650	5,284	0	0	0	978,548
193 Finance Commission	188,586	5,450	575	1,675	700	0	0	0	196,986
252 Licensing Board	682,570	45,550	8,900	11,700	0	0	0	0	718,720
Other									
158 Risk Retention Reserve	0	0	0	0	0	1,000,000	0	0	1,000,000
159 Housing Trust Fund	0	0	0	0	0	330,000	0	0	330,000
199 Reserve for Collective Bargaining	16,863,000	0	0	0	0	0	0	0	16,863,000
TOTAL	588,515,095	143,718,489	20,215,903	214,185,353	8,908,270	81,930,488	200,000	425,000	1,058,098,598

**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, 2009 and ending June 30, 2010, 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, 2008, 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
\$2,079,153

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



**WILLIAM F. SINNOTT
CORPORATION COUNSEL**