



III.

OPERATING BUDGET

Operating Budget

OVERVIEW

The FY27 annual operating budget includes \$4.9 billion in spending, a year-over-year increase of \$29 million or 0.6%. However, when adjusted for a set of one-time FY26 year-end supplementals including one for extraordinary snow and winter management costs, the year-over-year increase is \$99 million or 2.1%. This budget balances fiscal discipline with a steadfast commitment to core operations. It provides sustained, multi-year funding for key priorities, including essential city services, housing, and robust support for youth and immigrant communities.

Similar to past years, property tax will drive a majority of revenue growth over the previous year. In FY27, the City also expects a measured increase in local receipts (see Figure 1A). Net state aid (gross state aid revenue less assessments) is budgeted to increase by \$1 million, with the increased cost of public charter school tuition assessments outpacing state aid revenue growth.

Funding for public education, which includes both the Boston Public Schools (BPS) and charter school tuition assessment (see Figure 1B), totals \$2 billion or 41% of the total budget. The next biggest grouping of the budget is for public safety that totals \$882 million or 17% of total budget.

This section lays out the FY27 budget and discusses trends in each category of the budget summary table (Table 1). An overview of the City's revenues is followed by a detailed explanation of appropriations and personnel trends and a review of major externally funded services. An all funds budget is also presented.

On the expenditure side of the budget, after adjusting for FY26 one-time budget supplementals, total appropriations increase by \$99 million or 2.1% and fixed costs decrease by \$26.1 million or -2.2%. Selected FY27 budgeted appropriations compare with FY26 projections as follows: adjusted city appropriations increase by \$27 million or 1.5%, the Boston Public Health Commission (PHC) increases by \$2.5 million or 1.7%; and the adjusted School Department (BPS) increases \$87.3 million or 5.3%. All three of these appropriations are impacted by the growth in healthcare (net increase). In addition, a collective bargaining reserve at \$21.9 million has been set aside. When outstanding collective bargaining agreements are negotiated, these reserves will be used to cover those increased costs in City departments, BPHC and BPS. City appropriations also consist of 11 central appropriations, including a large one for health insurance totaling \$295 million, which is an increase of 17% over FY26.

FY27 budgeted fixed costs are decreasing by \$26.2 million over FY26. By strategically managing long-term pension and debt liabilities, the City will realize \$37.8 million (4.9%) in FY27 savings in

aggregate across these two appropriations. These efficiencies are critical, as they mitigate the need for deeper budget cuts to essential city services and departmental operations.

Figure 1A: FY27 Estimated Revenue

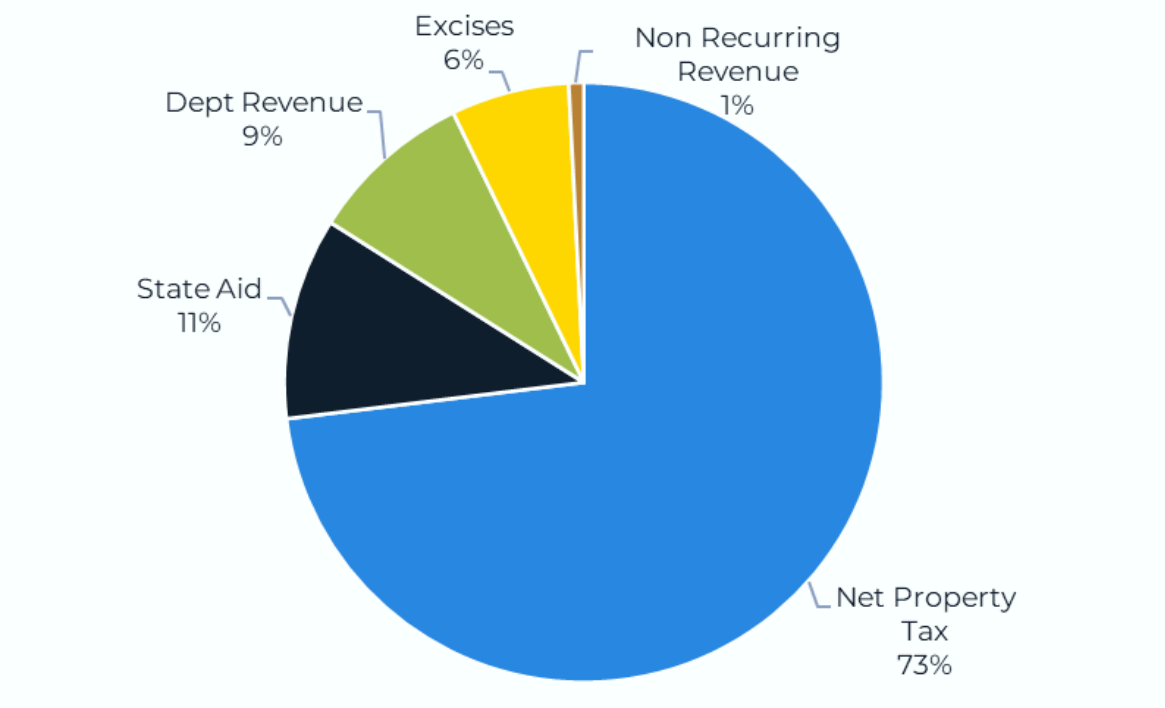


Figure 1B: FY27 Estimated Expenditures

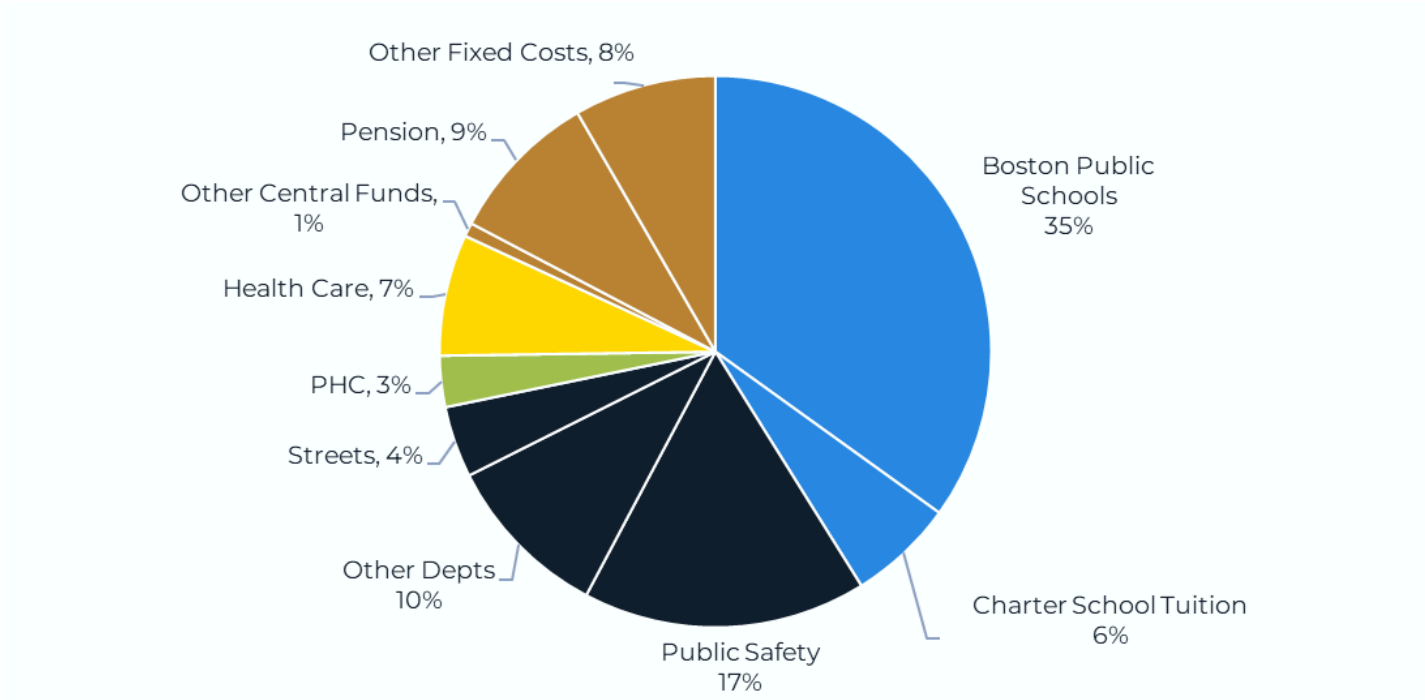


Table 1: Budget Summary
(in thousands of dollars)

	FY24 Actual	FY25 Actual	FY26 Budget	FY27 Budget
REVENUES (1)				
Property Tax	3,188.9	3,358.4	3,521.3	3,649.4
Property Tax Overlay	(52.0)	(33.0)	(36.0)	(38.0)
Excises	314.0	311.9	311.0	315.1
Fines	60.3	66.0	63.8	63.5
Payments in Lieu of Taxes	57.6	62.1	58.2	59.7
Intergovernmental Revenue	-	28.2	46.1	46.1
Interest On Investments	162.7	119.0	79.6	39.8
Urban Redev Chapter 121A	45.3	45.6	42.2	37.9
Department Revenue	93.4	98.4	84.1	78.7
Licenses & Permits	81.5	68.1	67.4	54.8
Penalties & Interest	14.4	13.9	10.3	10.5
Available Funds	-	-	31.0	47.0
State Aid	503.0	510.8	524.0	538.1
Total Recurring Revenue	4,469.0	4,649.4	4,803.0	4,902.4
Budgetary Fund Balance	0.0	110.0	110.0	40.0
Total Revenues	4,469.0	4,759.4	4,913.0	4,942.4
EXPENDITURES				
City Appropriations (2)	1,720.8	1,923.6	1,864.4	1,844.2
Boston Public Health Commission (2)	131.6	140.3	145.9	148.4
Boston School Department (2)	1,445.8	1,568.3	1,662.1	1,726.6
Reserve for Collective Bargaining	4.6	12.1	13.1	21.9
Other Post-Employment Benefits	40.0	40.0	40.0	40.0
Total Appropriations	3,342.8	3,684.3	3,725.5	3,781.1
Pensions	422.6	422.5	467.7	443.0
Debt Service	239.4	249.3	310.0	296.9
Charter School Tuition	265.5	273.5	296.4	306.2
MBTA	95.3	97.3	100.4	103.1
Other State Assessments	7.2	7.4	8.7	9.2
Suffolk County Sheriff Dept	2.9	2.9	2.9	2.9
Reserve	5.5	0.0	1.4	0.0
Total Fixed Costs	1,038.4	1,052.8	1,187.4	1,161.3
Total Expenditures	4,381.1	4,737.1	4,913.0	4,942.4
Surplus (Deficit)	87.9	22.3	0	0

(1) All revenues displayed are part of the City's general fund that support expenditures displayed in the bottom half of the table.

(2) See General Fund Appropriations by Cabinet & Department table for breakdown by cabinet and functional unit. Numbers may not add.

The remaining fixed costs seeing significant increases include the charter school tuition state assessment that is increasing by \$9.8 million or 3.3% and the state assessment for the Massachusetts Transit Authority (MBTA) expected to increase by \$2.7 million or 2.7%. The FY27 budget will see pension budget savings since the Boston Retirement System (BRS) adopted an optimized glide path pension schedule that preserves the FY28 full funding target while establishing a resilient framework for post-liability economic shifts. This updated plan reduces the City's central pension appropriation by \$24.7 million (5.3%) in FY27 and grants \$5 million in budgetary relief to the Public Health Commission. Additionally, the City has restructured its debt schedule and initiated a refinancing plan for existing obligations. This strategy preserves a vital funding stream—representing 83% of capital plan revenue—while achieving a \$13.1 million (4.2%) reduction in the City's central debt service appropriation for FY27.

THE GENERAL FUND

The City's entire \$4.9 billion budget is funded through the general fund. All revenues discussed below are deposited into the City's general fund pursuant to state law and are reflected on a fiscal year basis July 1- June 30.

REVENUE

The City's revenue budget can be divided into five categories: property tax, state aid, departmental, excise, and non-recurring revenue. Over the past two decades, the City's revenue structure has shifted significantly towards property tax, while state aid has decreased as a share of the budget. Departmental and excise revenues that were significantly impacted by the COVID-19 pandemic have recovered and represent another 15% of the budget. Finally, 1% of the budget is derived from non-recurring revenues which cover a portion of other post-employment benefits (OPEB). A more detailed discussion of City revenues is provided in the "Revenue Estimates and Analysis" chapter of this volume.

Property Tax Levy

The property tax levy has always been the City's largest and most dependable source of revenue. The net property tax levy (levy less a reserve for abatements) in FY26 is estimated to total \$3.49 billion and accounts for 72.0% of budgeted revenues. In FY27 the net property tax levy totals \$3.61 billion, providing 73.1% of the City's revenue.

In Massachusetts, Proposition 2 ½ constrains the amount of property tax revenue the City can raise each year from its existing tax base. Since FY85, the City has increased its levy annually by the 2.5% allowable under the limits set forth in Proposition 2 ½.

An exception to the 2.5% property tax levy limit is the dynamic of value added called "new growth." New construction, renovations, or other increases to property value not attributed to

market value changes that make up new growth increase the tax levy above the 2.5% limit. Due in part to efforts to attract business development to Boston and grow its housing stock, Boston has experienced unprecedented new growth. Between FY17 and FY26 new growth added almost \$900 million to the property tax levy. New growth is budgeted at \$40 million in FY27, roughly 54% below the new growth average over the previous 10 years. The City is budgeting new growth conservatively due to economic uncertainty related to price inflation and high interest rates impacting real estate development.

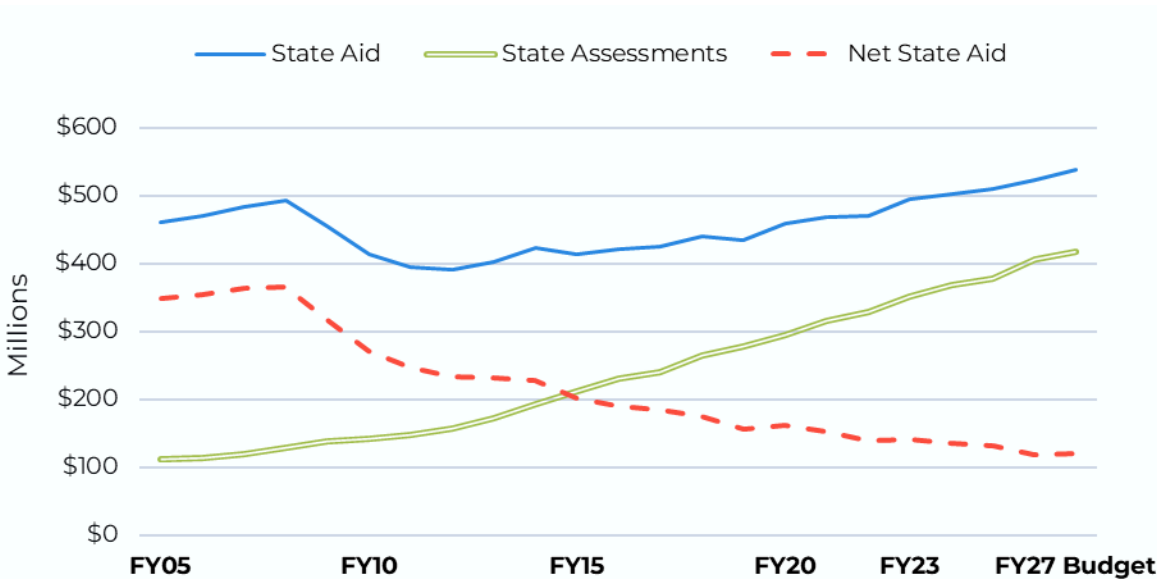
State Aid

The primary sources of aid from the State to municipalities are education aid (Chapter 70) and unrestricted general government aid (UGGA). The state also distributes aid for libraries and provides some other reimbursements to municipalities.

Total state aid has experienced little growth over the past two decades (see Figure 2). Since its peak in FY08, net state aid (defined as state aid revenues less than state assessments) to the City has been reduced by \$243.9 million or 77%. Across all General Fund sources, the City expects to receive \$538 million in state aid in FY27, 10.9% of the City’s budget. This percentage is largely in line with the share of the City’s budget represented by state aid in the FY26 appropriation.

Net state aid, which is state aid revenue less state assessments, has been consistently decreasing since FY08. This is driven primarily by increases in the state assessment for charter school tuition and a decrease in the reimbursable portion of that assessment. Despite this trend, net state aid is projected to increase by \$1 million, or 0.9%, compared to the FY26 appropriation.

Figure 2: State Aid, State Assessments and Net State Aid (in millions), FY05-FY27



Local Receipts

A combined 15.2% of the City's budgeted revenue in FY27 consists of excise taxes, fines, payments in lieu of taxes, Chapter 121A payments, investment income, intergovernmental revenue, departmental revenue, licenses and permits, penalties and interest, and available funds. To forecast these receipts, the City analyzes trends in historical collections and incorporates available economic data into its assumptions.

The FY27 revenue budget includes \$753.0 million in local receipt revenue, a decrease of \$40.7 million from FY26, or 5.1%. This reduction is mostly driven by lower projections in investment income and permit revenues.

Available Funds

The City has historically allocated \$30 million per year from the Parking Meter Fund to supplement parking-related expenses within the operating budget. In years where there have been surplus revenues, the City has elected to not appropriate those funds. In putting together the FY27 budget, the City recognizes that, due to lagging local receipts, and significant growth in certain costs, the City may need to utilize a one-time "bridge" to help close the budget gap. Therefore, the FY27 recommended budget contains an increase in the size of the Parking Meter appropriation, to \$46 million.

Budgetary Fund Balance

Fund balance can be appropriated for use during the fiscal year. Budgetary fund balance, more commonly referred to as "Free Cash," is the portion of available reserves, which the City can responsibly appropriate for spending. It is generated to a considerable degree by annual operating surpluses. The FY27 budget uses \$40 million in budgetary fund balance to fund the appropriation for OPEB. In FY26 a year-end supplemental appropriation of almost \$70 million in Free Cash was adopted in order to address deficits driven by extraordinary snow and winter management costs, bringing the total budgetary fund balance appropriated in FY26 to roughly \$110 million. See the "Financial Management" chapter for more detail on this revenue source.

EXPENDITURES

Expenditures are broken down into two primary groups: (1) appropriations directly related to departmental services and (2) fixed and mandated costs. FY27 appropriations are subdivided into three subgroups as follows:

- City appropriations: All operating department appropriations, centrally budgeted costs such as health insurance and Medicare, a risk retention reserve and a set-aside for tax title and annual audit expenses
- BPHC: The City appropriation for the quasi-independent authority and successor to the Department of Health and Hospitals

- School Department: The City appropriation for BPS.

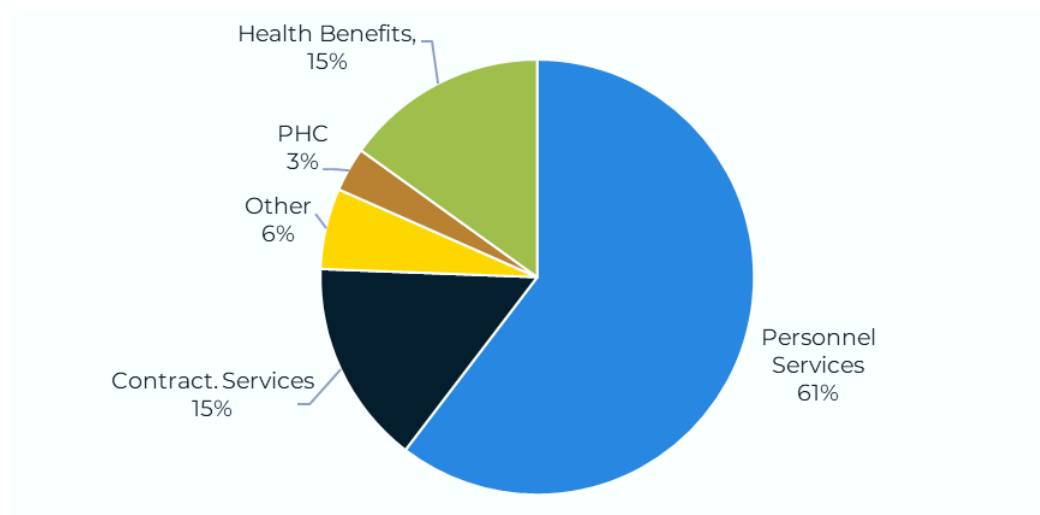
Appropriations are also presented by expenditure category across the three subgroups already listed (see Figure 3).

Personnel services include salaries, overtime, unemployment compensation and workers' compensation, and collective bargaining reserves for estimated wage increases for union employees whose agreements are not settled.

The health benefits category includes the cost of health, dental and life insurance for City, BPS, and BPHC employees and retirees, employer Medicare payroll taxes, and the appropriation for OPEB.

The contractual services category includes expenditures for communications; repairs and service to buildings, equipment, and vehicles; transportation; and trash collection and disposal as well as outside legal, advertising, and printing expenses.

Figure 3: FY27 Appropriations by Category



Included in the “other” category are supplies and materials such as gasoline, uniform allowances, office supplies, workers' compensation medical expenses, medical indemnification in the fire and police departments, legal liabilities, and aid to veterans. Also included in this category are appropriations for equipment, vehicles, a risk retention reserve, the Housing Trust Fund, tax title, and funding for the City's outside audit.

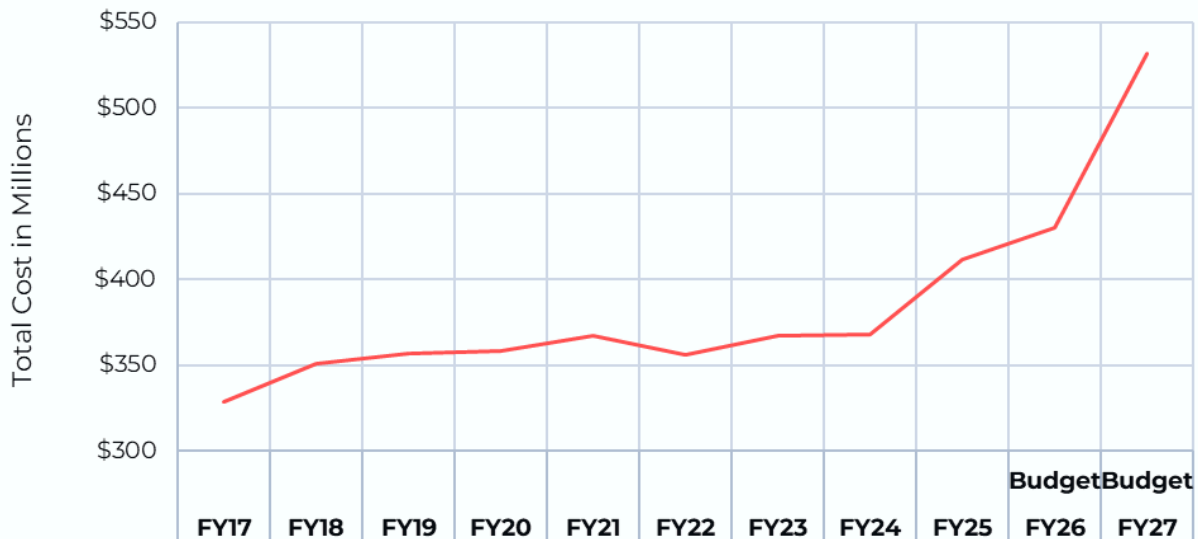
Health Benefits

Healthcare costs constitute a significant portion of the City's budget and fund critical benefits for City employees and retirees.

The FY27 budget includes \$532 million for all health benefits-related costs for the City's employees and retirees, comprising 11% of total City expenditures, compared to 9% in FY26. This represents the City, BPS and BPHC contribution for current health, dental and life insurance premiums, as well as employer share of Medicare payroll taxes. There is an additional \$40 million of OPEB liabilities which are not included here but are discussed in more detail in the following section.

As shown in Figure 4, these costs grew from \$329 million in FY17 to \$532 million in FY27, an increase of 62% over the last 10 years. Over the same period, all other City costs increased 66%. From FY17 to FY24, health care costs increased at an average of 2% per year. There was a large increase to the health benefits budget in FY25, when health benefits for the Planning employees were included in the City budget for the first time. Since FY25, the City's health care costs have increased at a much higher rate, largely driven by an increase in claims costs for the City's self-insured health plans. From FY26 to FY27, the budget increased by nearly 24%.

Figure 4: Health Care Costs (\$ Mil)
Health, Dental, Life Premiums and Medicare Tax



Health Plans

Since FY21, the City of Boston has offered three non-Medicare health insurance plans. This includes two health maintenance organization (HMO) plans – a value network HMO and standard HMO – as well as a preferred provider organization (PPO) plan. The City plans are shared with BPS, BPHC, and Boston Water and Sewer Commission (BWSC).

Medicare Plans

Municipal health care reform legislation, passed by the state legislature in 2011, provided municipalities more freedom in health plan design. It also mandated that all Medicare-eligible municipal retirees enroll in Medicare Part B and a City sponsored Medicare supplement plan. Benefits for these plans are comparable to non-Medicare plans but costs are lower due to Medicare reimbursements.

City retirees and their beneficiaries are eligible for Medicare through payment of Medicare payroll taxes during their working career. Medicare taxes are paid for all City employees who were hired after March 1986. The City's share of 50% Medicare taxes, totaling \$33 million in the FY27 budget, has increased an average of 7% annually since FY17. This growth is due to both increases in total payroll and the increasing percentage of total employees hired after March 1986 who have retired.

The total number of City, BPS, and quasi-independent agency (BPHC and BWSC) employees and retirees who are enrolled in health plans is listed below in Table 2.

Table 2: Number of Health Plan Subscribers September 2026

	Active	Retiree	Total
Non-Medicare	16,694	2,869	19,563
Medicare	-	12,326	12,326
Total	16,694	15,195	31,889
*Budget estimates			

City - Union Partnership

In FY12, assisted by 2011 Municipal Health Care Reform, the City adopted Massachusetts General Law Chapter 32B, Section.19 and began working closely with its 36 unions, as represented through the Public Employee Committee (PEC), to make health care changes. Through the terms of the City's and PEC's three agreements, City employees and retirees are now paying a higher share of total health care costs through increased premium share, and higher out-of-pocket costs for co-payment and deductibles.

The FY21-FY25 agreement included the addition of a value network plan consisting of lower-cost, high-quality providers; small deductibles for the PPO and standard HMO plans; and new

co-payments for hospitalization and advanced imaging. The agreement also increased current co-payment charges and the share of premiums paid by employees and retirees. An agreement signed in November 2024 between the City and PEC continues the FY21-FY25 plan structure through the end of FY27.

Since FY24, healthcare costs have increased exponentially compared to previous years. In an effort to curb this unsustainable cost escalation, the City and the PEC reached an agreement in March 2026 to implement utilization management for non-specialty prescription drugs on the City's PPO and standard HMO plans starting in FY27, bringing these plans in line with the value HMO plan and with industry standards. Utilization management will help limit the number of high-cost prescription claims.

Self-insurance

Pursuant to M.G.L. c. 32B, § 3A, the City of Boston established a Health Claims Trust Fund ("Trust Fund") which authorizes the City to operate certain health benefit plans on a self-insured basis. Currently, the City self-funds all three non-Medicare health insurance plans (Mass General Brigham Health Plan value HMO, Blue Cross Blue Shield standard HMO, and Blue Cross Blue Shield PPO) and two Medicare supplemental plans. Employee, retiree, and City monthly contributions fund the Trust Fund. The City hires an actuarial firm to calculate new premium rates each year to cover the projected claims expenses and meet Trust Fund reserve goals.

Expanded wellness and disease management programs

The City, through the PEC agreement, annually contributes \$150,000 toward wellness programs, managed through a PEC subcommittee. Recent wellness initiatives have included employee wellness fairs and the establishment of a citywide digital platform, through which City employees, retirees, and their dependents can access information about fitness and nutrition programs, and participate in wellness challenges.

OPEB

Similar to pensions, employees earn post-employment health care and life insurance benefits over their years of active service, with those benefits being received during retirement. The City is using its most recent actuarial valuation, dated June 30, 2025. The City, including the BPHC, had an unfunded liability for these benefits of \$2.89 billion. The size of this liability is largely influenced by changes to retiree health benefits, the City's annual additional contribution to fund the liability, and the discount rate assumed.

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. In FY08, the City followed new Governmental Accounting Standards Board (GASB) requirements to identify and disclose this estimated liability, and also began making voluntary annual allocations to fund the liability. Annual allocations are retained in an irrevocable trust fund, authorized

through the City’s acceptance of MGL Chapter 32B Section 20. As of June 30, 2025, the fund had a balance of \$1.33 billion.

As in previous years, the FY27 budget dedicates \$40 million toward reducing the City’s unfunded OPEB liability. Such a fiscally responsible action is critical to the administration’s prudent financial management policies, which have contributed to Boston’s Aaa/AAA bond rating.

The annual actuarially determined contribution (ADC) for the City to significantly reduce its OPEB liability over a 30-year period is projected at \$310.6 million in FY27, as shown in Table 3.

Table 3: FY27 Annual Actuarially Determined Contribution (ADC) for OPEB Liability

Total ADC		\$310.6	
Projected Benefit Payments by City	\$168.8		
Contribution to OPEB Trust	\$42.3		% ADC
Total FY25 Payments	\$211.1		67.9%
Difference		(\$99.5)	
\$ in millions			

Of this amount, \$211.1 million (67.9%) will be funded through a combination of pay-as-you-go benefit payments for current retirees (included in the health care costs discussed in previous section), a \$40 million FY27 allocation by the City to the trust, and an additional \$2.25 million deposit by the BPHC into the trust.

As of March 2026, the City is on a schedule that targets reducing its pension liability by 2028. The City then plans to redirect some portion of its annual pension contribution to further reduce the OPEB liability. However, this schedule is illustrative only of the currently expected funding schedule, and actual circumstances will likely vary from current assumptions.

Energy Management

In FY27, department energy budgets total \$63.5 million, with electricity costs making up 55% of the budget, natural gas costs making up 23%, and gasoline/diesel composing 8%. The remaining 13% of the budget funds water and sewer, steam, and heating oil.

The chief climate officer and chief financial officer are charged with making decisions regarding the City’s procurement, use, and conservation of energy. In addition, the chief climate officer monitors the City’s progress toward the greenhouse gas reduction goals required by the City’s Climate Action Plan. The Municipal Energy Unit, housed within the Environment, Energy and Open Space Cabinet, works with City departments and the Office of Budget Management to

develop design standards and implement measures that enhance the energy efficiency of the City's new construction and capital improvement projects.

Over the past several years, the City has made a concerted effort to upgrade and improve our building energy systems. This work has ranged from efficiency measures such as improved lighting, HVAC, building envelopes, and water fixtures to deeper retrofits that replace fossil-fuel heating with electric systems such as air-source heat pumps and geothermal. In addition, the City has installed rooftop solar at a number of sites. These investments lower operating costs, reduce emissions, and improve conditions for the residents and staff who use City buildings.

In July 2023, Mayor Wu signed an executive order mandating that all upgraded, improved, or repaired energy systems be converted into fossil fuel free systems. This EO has driven continued decarbonization and energy efficiency efforts at buildings across the city.

To improve the tracking and control of energy use, the City has re-procured services to support an Enterprise Energy Management System (EEMS). The current EEMS enables the City to monitor and report on the energy and water consumed across nearly 400 buildings and other assets like streetlights, park facilities, and EV chargers. The EEMS also supports the City's public reporting obligation under the Building Emissions Reduction and Disclosure Ordinance (BERDO).

Since March 2005, third-party commodity supply contractors have met the City's electric needs. The amounts the City has paid to its suppliers have consistently been lower than what it would have paid under default electric service from its local distribution company, Eversource. Measured against the Eversource benchmark, total avoided costs since the start of FY15 exceed \$63 million.

Appropriations

The combined appropriations for City Departments, the BPHC and the School Department (BPS), and non-departmental appropriations as shown in the FY27 budget summary have increased by 1.3% from FY26 (see Table 4).

The FY27 operating budget for Boston Public Schools (BPS) currently displays an increase of \$64.4 million. This increase is driven by increased costs in Health Insurance, general wage increases due to settled collective bargaining agreement, Special Education, and transportation costs. (Controlling for Health Insurance, FY27 growth in the BPS appropriation is roughly 2.3%.)

Boston's total investment in education includes both the BPS appropriation and the City's charter school assessment totaling \$306 million which is growing by \$9.9 million over FY26.

City services such as police, fire, public works, housing, and other central funds are projected to increase on an adjusted basis by a total of \$30.4 million.

The FY27 budget includes responsive budgetary growth in the People Operations Cabinet to provide health benefits to its employees as a committed and responsible employer

acknowledging the increased cost of health care particularly impacted by the growth in the cost of medications including the rapid use of GLP1 medications for weight loss. The People Operations Cabinet will grow by \$45 million or 15.3% directly tied to the \$43.9 million or 17.5% growth in the central appropriation for Health Insurance for employees of City departments and retirees.

The Streets Cabinet will decrease by 19%, or \$47.9 million, due to a one time supplemental appropriation of \$47M added to the Snow & Winter Management appropriation in FY26 to cover the costs of several extraordinary snow events. The Cabinet will continue to provide more responsive residential trash removal that meets the needs of its residents and continues other services to promote accessibility and mobility particularly with the recent replacement of its curb management systems replacing a system that had been in place for many years.

The Information and Technology Cabinet is responsible for technology support for many of the most critical operational and service delivery systems. This includes the financial and human capital central systems that help support and manage city day-to-day operations along with the enterprise constituent-facing systems. These public facing systems support the primary constituent relationship management system that is the backbone of the 311 constituent response along with enterprise technology systems that provide for permitting and licensing operations that touch residents and businesses in Boston. The Information and Technology Cabinet similar to most cabinets will see targeted reductions and the budget will decrease by \$1 million or 1.8%.

The FY27 budget also included multiple cost-saving initiatives:

- Continuing the practice of proactive review, the City eliminated 57 long-term vacant positions from the budget in FY27 for \$3.1 million in savings. Departments will also convert other remaining long-term vacant positions for new roles, using existing resources to meet new needs.
- This budget also increases salary savings in personnel budgets generally where appropriate, and reduces discretionary non-personnel spending for things like employee travel, food for community meetings, and miscellaneous supplies and materials.

Table 4: General Fund Appropriations by Cabinet & Department

CABINET	DEPARTMENT	FY 24 ACTUAL	FY25 BUDGET	FY26 BUDGET	FY27 BUDGET	27 VS 26
Mayor's Office	Mayor's Office	6,179,639	6,575,182	6,799,439	6,487,124	(312,315)
	Intergovernmental Relations	1,041,671	1,107,025	1,250,987	1,195,659	(55,329)
	Law Department	10,318,934	10,793,442	11,072,503	10,854,659	(217,843)
	TOTAL	17,540,245	18,475,649	19,122,929	18,537,442	(585,487)

CABINET	DEPARTMENT	FY 24 ACTUAL	FY25 BUDGET	FY26 BUDGET	FY27 BUDGET	27 VS 26
Equity & Inclusion	Office of Equity	2,415,409	3,211,722	3,725,869	3,363,345	(362,524)
	Office of Language & Communications Access	2,177,508	2,159,638	2,160,042	2,058,343	(101,699)
	Human Right Commission	117,772	319,985	391,622	200,000	(191,622)
	Office for Immigrant Advancement	2,840,152	3,646,426	4,200,316	3,599,523	(600,793)
	Women's Advancement	526,961	638,686	643,544	585,673	(57,871)
	Black Male Advancement	1,762,721	1,900,483	2,119,031	2,172,866	53,836
	Fair Housing & Equity	390,619	671,595	452,805	440,455	(12,350)
	Office of LGBTQIA2S+ Advancement	721,220	745,170	920,702	837,208	(83,494)
	Commission For Persons W/Disabilities	795,957	863,776	916,047	940,694	24,647
	TOTAL	11,748,319	14,157,481	15,529,977	14,198,107	(1,331,871)
Office of Police Accountability & Transparency (OPAT)	Office of Police Accountability & Transparency	1,082,488	1,150,740	1,472,015	1,421,078	(50,937)
	TOTAL	1,082,488	1,150,740	1,472,015	1,421,078	(50,937)
Operations	Property Management Department	25,953,279	30,976,498	27,741,481	27,567,203	(174,278)
	Public Facilities Department	9,886,632	10,600,073	11,229,935	10,880,592	(349,343)
	Inspectional Services Department	21,749,774	23,127,188	24,896,174	25,783,356	887,183
	TOTAL	57,589,685	64,703,759	63,867,590	64,231,152	363,562
Community Engagement	Neighborhood Services	5,195,137	5,407,939	5,800,809	5,936,341	135,533
	TOTAL	5,195,137	5,407,939	5,800,809	5,936,341	135,533
Arts & Culture	Office of Arts & Culture	3,685,311	4,040,177	4,611,840	4,169,557	(442,283)
	TOTAL	3,685,311	4,040,177	4,611,840	4,169,557	(442,283)
Economic Opportunity	Office of Economic Opportunity & Inclusion	6,441,810	6,481,278	7,492,111	5,915,807	(1,576,304)
& Inclusion	Consumer Affairs & Licensing	1,678,148	1,781,345	2,189,573	2,149,068	(40,505)
	Supplier Diversity	1,112,901	1,562,860	2,445,088	2,141,243	(303,845)
	Office of Tourism	1,722,031	1,726,015	2,642,754	2,489,054	(153,700)
	TOTAL	10,954,890	11,551,497	14,769,526	12,695,172	(2,074,354)

CABINET	DEPARTMENT	FY 24 ACTUAL	FY25 BUDGET	FY26 BUDGET	FY27 BUDGET	27 VS 26
Worker Empowerment	Labor Compliance and Worker Protections	2,807,139	1,930,205	1,911,715	1,884,354	(27,361)
	Youth Employment and Opportunity	23,573,989	26,995,545	23,365,216	18,210,807	(5,154,409)
	Office of Workforce Development	-	6,496,363	6,903,874	5,158,274	(1,745,600)
	TOTAL	26,381,129	35,422,113	32,180,805	25,253,435	(6,927,370)
Education	Boston Public Schools	1,445,846,054	1,568,263,587	1,662,138,095	1,726,565,143	64,427,048
	TOTAL	1,445,846,054	1,568,263,587	1,662,138,095	1,726,565,143	64,427,048
Environment, Energy & Open Space	Environment Department	3,804,144	4,191,530	5,526,586	5,262,913	(263,673)
	Parks & Recreation Department	35,846,551	37,191,756	37,145,056	36,470,628	(674,427)
	Office of Historic Preservation	1,421,500	1,493,618	1,575,024	1,611,989	36,965
	Office of Food Justice	1,271,977	1,327,601	1,426,602	1,372,652	(53,950)
	TOTAL	42,344,172	44,204,504	45,673,268	44,718,183	(955,085)
Finance	Office of Finance	1,261,778	1,383,082	1,520,180	1,456,363	(63,816)
	Assessing Department	7,303,774	7,219,636	8,502,234	8,110,927	(391,307)
	Auditing Department	3,573,531	3,790,545	4,052,974	3,963,014	(89,961)
	Budget Management	3,142,635	3,342,983	3,712,085	3,622,543	(89,542)
	Office of Participatory Budgeting	1,951,111	2,130,217	2,134,250	1,891,561	(242,690)
	Execution of Courts	24,103,105	6,187,405	-	-	-
	Pensions & Annuities - City	4,684,589	4,988,971	4,700,000	5,000,000	300,000
	Procurement	3,006,657	3,478,210	4,098,931	4,038,740	(60,190)
	Treasury Department	6,254,745	6,146,210	6,133,721	6,117,330	(16,392)
	TOTAL	55,281,925	38,667,259	34,854,375	34,200,477	(653,898)
People Operations	Office of People Operations	957,378	1,147,722	1,331,229	1,136,588	(194,641)
	Health Insurance	211,913,349	233,683,292	251,307,372	295,162,265	43,854,893
	Human Resources	7,855,870	10,019,918	10,766,584	10,975,400	208,817
	Medicare Payments	12,869,774	16,794,274	15,325,000	17,000,000	1,675,000
	Office of Labor Relations	1,443,477	1,447,379	1,985,756	1,759,991	(225,764)
	Registry Division	1,410,437	1,549,395	2,257,180	2,298,459	41,278
	Unemployment Compensation	92,788	19,679	350,000	350,000	-
	Workers' Compensation Fund	1,498,235	1,846,875	2,000,000	2,000,000	-
	Election Department	6,406,515	6,927,675	7,355,168	6,809,124	(546,044)
	TOTAL	244,447,822	273,436,210	292,678,288	337,491,827	44,813,539

CABINET	DEPARTMENT	FY 24 ACTUAL	FY25 BUDGET	FY26 BUDGET	FY27 BUDGET	27 VS 26
Human Services	Office of Human Services	12,639,111	9,657,603	9,881,274	5,772,936	(4,108,338)
	Boston Center for Youth & Families	26,015,759	28,059,047	30,556,055	29,954,970	(601,085)
	Age Strong	7,875,761	8,082,078	8,451,479	8,771,555	320,076
	Library Department	46,884,987	48,923,925	50,770,930	50,524,322	(246,608)
	Boston VETS	2,724,897	3,297,538	4,947,213	4,248,460	(698,753)
	TOTAL	96,140,515	98,020,191	104,606,951	99,272,243	(5,334,708)
Public Health	Public Health Commission	131,564,694	140,278,715	145,926,750	148,424,838	2,498,088
	TOTAL	131,564,694	140,278,715	145,926,750	148,424,838	2,498,088
Housing	Housing Accelerator Program	-	110,000,000	-	-	-
	Mayor's Office of Housing	54,328,014	56,923,561	54,468,982	52,311,197	(2,157,785)
	TOTAL	54,328,014	166,923,561	54,468,982	52,311,197	(2,157,785)
Innovation & Technology	Department of Innovation and Technology	56,834,981	57,756,637	58,081,166	57,044,614	(1,036,552)
	TOTAL	56,834,981	57,756,637	58,081,166	57,044,614	(1,036,552)
Public Safety	Emergency Management	1,362,350	1,550,364	1,644,602	1,148,758	(495,844)
	Fire Department	320,770,351	319,580,515	328,719,256	336,556,974	7,837,718
	Police Department	511,461,238	519,555,639	487,396,059	484,521,843	(2,874,216)
	TOTAL	833,593,939	840,686,519	817,759,916	822,227,575	4,467,659
Streets	Central Fleet Management	3,476,918	3,793,708	3,347,889	2,927,580	(420,308)
	Office of Streets	3,782,710	4,482,632	4,744,101	4,639,520	(104,581)
	Public Works Department	112,594,291	126,218,802	130,501,771	130,065,375	(436,396)
	Snow & Winter Management	22,497,732	32,195,336	69,796,329	22,676,037	(47,120,292)
	Transportation Department	46,582,488	44,705,717	43,865,831	44,072,413	206,581
	TOTAL	188,934,138	211,396,195	252,255,921	204,380,925	(47,874,996)
Planning	Planning Department	588,739	21,498,095	29,990,019	29,474,943	(515,076)
	TOTAL	588,739	21,498,095	29,990,019	29,474,943	(515,076)
Non-Mayoral Departments	City Clerk	1,447,309	1,625,694	1,663,530	1,797,863	134,332
	City Council	7,676,732	7,957,631	8,864,121	8,803,798	(60,323)
	Finance Commission	321,166	385,586	635,661	555,379	(80,281)
	TOTAL	9,445,206	9,968,911	11,163,312	11,157,040	(6,272)
GRAND TOTAL		3,293,527,402	3,626,009,737	3,666,952,535	3,713,711,288	46,758,754

The departmental appropriations are shown in the General Fund Appropriation by Cabinet table. Departmental appropriations can also be viewed by cabinet, to better reflect the overall policy priorities and trends by service area. In FY27 some programs and responsibilities were transferred between departments. Details of these changes are described below in each of the following cabinet sections.

Mayor's Office

The FY27 budget for the Mayor's Office Cabinet has decreased by -3.1% or \$585 thousand from FY26. The cabinet contains the Mayor's Office, Intergovernmental Relations, and the Law Department. The FY27 Mayor's Office Operating Budget is \$6.5 million, which is a \$312 thousand (-4.6%) decrease from FY26. This decrease is largely due to a reduction in the department's summer internship program, as well as other non-personnel decreases. The Law Department budget will decrease by 2.0%, or \$218 thousand. This modest decrease reflects tight spending controls and measured hiring, while continuing to protect the City's legal interests in a shifting federal funding landscape. The Intergovernmental Relations budget will decrease by 4.4%, or \$55 thousand through the elimination of a vacant administrative assistant position.

For additional budget detail on the Mayor's Office Cabinet, see Volume II.

Equity and Inclusion

The FY27 budget for the Equity & Inclusion Cabinet totals \$14.2 million, comprising the Office of Black Male Advancement, Disabilities Commission, Fair Housing & Equity, Human Rights Commission (HRC), LGBTQIA2S+ Advancement, Immigrant Advancement, Language and Communications Access, and Women's Advancement departments. In addition, the Office of Equity provides administrative and policy direction to the departments in the cabinet. Headed by the Chief of Equity, this department's budget will decrease by 9.7%, or \$362 thousand driven by the removal of community-based grants and the conclusion of the Reparations Task Force phase of the project. Reparations work will still continue with the publication of research reports. The Office of Equity will continue to provide direction and support for Citywide equity and inclusion initiatives.

The Office of Language and Communications Access will decrease by 4.7%, or \$102 thousand. The department will continue to centralize interpretation and translation resources to better serve departments and constituents. The Human Rights Commission FY27 operating budget has an appropriation of \$200 thousand, representing a decrease of \$191 thousand under FY26. In FY27, many of the functions performed by the Boston Human Rights Commission will be absorbed by the rest of the Equity Cabinet departments as well as a heavier reliance on existing state resources.

The Mayor's Office for Immigrant Advancement budget is decreasing by 14.3%, or \$601 thousand, as the result of the removal of community grants. The department will continue to support Boston's immigrant community through events, rapid response, and outreach. The budget for

Women's Advancement will decrease by 9.0%, primarily due to the removal of community-based mini grants and the removal of one position. The department will continue to support menstrual equity and healthy birth outcomes. The Office of Fair Housing & Equity budget will decrease by 2.7%, or \$12 thousand. This decrease is driven by completed research initiatives.

The offices of Black Male Advancement and LGBTQIA2S+ Advancement were created in FY23 to support Mayor Wu's goal of amplifying underrepresented voices in City government. The Black Male Advancement budget will increase by 2.5 % or \$54 thousand over FY26. Decreases in community grants were offset by the shift of My Brother's Keeper programming funds from the Boston Public Schools budget to the BMA budget. The Office of LGBTQIA2S+ Advancement budget will decrease by 9.1%, or \$83 thousand, due to the removal of community grants. The department holds events supporting the LGBTQIA2S+ community and continues the work of the MOLA Partner Network for organizations across Boston.

The Disabilities Commission will have its FY27 budget increase by 2.7%, driven by general wage increases. The budget includes support for its annual Americans with Disabilities Act Day celebration as well as core functions of reducing architectural, procedural, attitudinal, and communication barriers, and promoting equity in housing, education, employment, transportation, and civic activities.

For additional budget detail on the Equity & Inclusion Cabinet, see Volume II.

Office of Police Accountability & Transparency (OPAT)

The Office of Police Accountability & Transparency (OPAT) Cabinet budget is decreasing slightly, by 3.5%, or \$51 thousand, due to the planned delayed hiring of an existing vacancy. The department continues to support the Civilian Review Board and the Internal Affairs Oversight Panel, a range of internships, as well as examination of the data on BIPOC Boston Police Officers to further understand what inequalities exist for BIPOC officers along with needed reforms.

For additional budget detail on the OPAT Cabinet, see Volume II.

Operations

In FY27, the budget for the Operations Cabinet is increasing by 0.6%. It consists of the Inspectional Services, Property Management, and Public Facilities departments. The cabinet will continue to support Citywide building maintenance and capital construction projects. The Public Facilities budget will decrease by 3.1%, or \$349,000, as the result of controlled hiring and the elimination of long-term vacant positions.

The Property Management budget will decrease by 0.6%, or \$174 thousand. The decrease is due to City Council reductions in contractual services and supplies & materials. Property Management will continue to manage, maintain, repair, and provide security for City buildings and property in FY27. The FY27 Inspectional Services Department Budget is \$25.7 million, which is a \$887 thousand (3.6%) increase over FY26. This increase reflects general wage increases and

the completion of a department-wide classification and compensation review of positions in FY26. In FY27, ISD will continue to protect the health and safety of the city by conducting inspections, issuing permits/licenses, undertaking plan reviews and enforcing regulations.

For additional budget detail on the Operations Cabinet, see Volume II.

Community Engagement

The Community Engagement Cabinet contains the Office of Neighborhood Services, which is home to the City's neighborhood liaisons, Boston 311, and the Office of Civic Organizing. The FY27 budget for the Community Engagement Cabinet will increase by 2.3%, or \$136 thousand, primarily as the result of position reclassifications and general wage increases.

For additional budget detail on the Community Engagement Cabinet, see Volume II.

Arts & Culture

In FY27, funding for the Arts & Culture Cabinet will decrease by 9.6%, or \$442,000. This decrease is driven primarily by reduced administrative spending and removal of community-based grants. The FY27 budget maintains support for public art, cultural planning, and Boston Family Days.

For additional budget detail on the Arts & Culture Cabinet, see Volume II.

Economic Opportunity and Inclusion

The Economic Opportunity and Inclusion Cabinet includes the Office of Economic Opportunity and Inclusion, the Department of Supplier Diversity, Consumer Affairs & Licensing, and the Office of Tourism. Overall, the cabinet will see a decrease of approximately \$2.1 million, or 14.0%.

The FY27 budgetary decrease in the Office of Economic Opportunity and Inclusion is driving the overall cabinet decrease with a departmental decrease of \$1.6 million or 21.0%. The reduction is driven by changes in a few areas including a reduction of the Legacy Business Grant program, however, the department will continue to invest in and support local businesses through initiatives like the Main Streets program, which help support healthy business corridors. The Office of Consumer Affairs and Licensing budget will decrease by 1.8% as the result of the removal of one-time support to distribute new liquor licenses. The Department of Supplier Diversity budget will decrease by \$300 thousand, or 12.4%, from its FY26 budget, primarily due to an adjustment in salary savings. Supplier Diversity will ensure that minority- and/or women-owned business enterprises (MWBE) are certified as such and supported through the procurement process.

The Office of Tourism, Sports, and Entertainment (TSE) budget will decrease by 5.8%, or \$154 thousand from its FY26 appropriation, mostly driven by reducing the scale of the Open Streets program. The department will continue to serve Boston by producing year-round events, supporting film and television production, and assisting neighborhood groups with event planning.

For additional budget detail on the Economic Opportunity and Inclusion Cabinet, see Volume II.

Worker Empowerment

In FY27, the Worker Empowerment Cabinet will consist of the Office of Labor Compliance and Worker Protections, the Department of Youth Employment and Opportunity, and the Office of Workforce Development. The latter is part of a shift from the Boston Planning and Development Agency (BPDA) that took place in FY25. This cabinet is charged with advancing the wellbeing of all working Bostonians in the public and private sectors. The cabinet will decrease by \$6.9 million (-21.5%), driven largely by a reduction in the school year jobs program in YEO with external funding filling the gap..

The Office of Labor Compliance and Worker Protections (LCWP) budget will see a decrease of 1.4% or \$27 thousand. This is primarily due to reductions in OSHA and workers' rights training. LCWP regulates, oversees, and improves workplace conditions and health for workers, as well as reviewing developer and contractor compliance with the Boston Residents Jobs Policy.

Youth Employment and Opportunity will have a budget decrease of 22.1%, or \$5.1 million. This is driven by a reduction of the school year jobs program. The FY27 budget will create 6,115 City-funded summer jobs for young adults ages 14 to 24. Additionally, the City-funded youth jobs will be matched by 4,000 externally funded youth jobs to reach an overall goal of 10,000 youth jobs in FY27 through community-based organization grant agreements and outreach to add private sector city youth employment.

The Office of Workforce Development (OWD) will have an operating budget of \$5.1 million, a decrease of 25.3% under FY26. This is the result of the removal of the FY26 College and Career Readiness program, as well as the removal of certain other community grant programs. OWD will be supported by an external funds budget of \$14.1 million. OWD, a new city department in FY25 resulting from a shift in funding and functions from the BPDA to the City, will continue to empower Boston workers by providing access to financial literacy resources, skills and job training programs, and career pipelines in FY27. Programs within OWD include the Center for Working Families, Youth Options, and PowerCorps Boston.

For additional budget detail on the Worker Empowerment Cabinet, see Volume II.

Education

The FY27 operating budget for Boston Public Schools (BPS) is increasing by \$64.4 million (3.9%). This increase is driven by increased costs in Health Insurance, general wage increases due to settled collective bargaining, Special Education, and transportation costs. (Controlling for Health Insurance, FY27 growth in the BPS appropriation is a more modest 2.3%.) These areas of increase will be partially offset by savings associated with central office efficiencies; school closures, mergers, and reconfigurations; and a reduction in staff due to enrollment declines. The FY27 BPS

budget prioritizes meeting the complex and varied needs of students with a focus on three budget priorities championed by the Boston School Committee: Accelerating Academic Performance, Ensuring Access for All Students, and Consistency in High-Quality Learning Opportunities.

Funding directed to schools will increase to \$1.06 billion. Combined with another \$470 million in school services budgeted centrally - such as transportation, special education, and facilities - total spending in schools will reach nearly \$1.72 billion, roughly 88% of the BPS budget.

Funded in part through savings in the Central Office, the FY27 BPS budget reinforces investment in Inclusive Education, Support for Multilingual Learners, and Alternative Education. In sum, these efforts will promote inclusive practices, expand support for the highest need students, and sustain progress in areas such as equitable literacy and instructional coaching.

For more information, see the Education section in Volume I.

Environment, Energy & Open Space

The Environment, Energy, & Open Space Cabinet budget - which includes the Environment Department, the Parks and Recreation Department, and the Offices of Historic Preservation and Food Justice - will decrease by 2.1%, or \$955 thousand, in FY27. The cabinet is charged with preserving and ensuring access to high-quality open spaces for all Bostonians, enhancing the City's coastal and climate resiliency, and enhancing sustainability for Boston.

In FY27, the Environment Department budget will decrease by 4.8%, or \$263 thousand; driven by the one time shift of expenses onto qualified external funding sources. The department will implement the Climate Action Plan with the goal of making Boston carbon neutral by 2050. The department will also continue on the work of last year's investment of Boston Energy Savers to assist residents with rising energy costs.

The Parks and Recreation Department budget will decrease by 1.8%, or \$674 thousand, in FY27, by shifting qualified expenses onto external sources. This budget will continue to fund prior year efforts to maintain Franklin Park, to continue quality park care citywide, and to support tree canopy growth and maintenance. Maintenance contracts to support completed capital projects will continue to be funded.

The Office of Food Justice budget will decrease by 3.8% or \$54 thousand in FY27, with reductions to city grant programs. The department will continue to maintain core programs such as Boston Eats, a program that provides youth meals over the summer, and the Farmers Market Coupon Program that expands access to healthier food options.

The Office of Historic Preservation budget will grow by 2.3%, or \$37 thousand, in FY27, due to general wage increases. The office will continue to ensure the preservation of historic buildings and sites around the city and will lead an effort to celebrate the 250th anniversary of the independence of the United States in 1776 and the Boston-centric events that led up to this historic event. These events will also be supported by sponsors and philanthropic partners.

For additional budget detail on the Environment, Energy & Open Space Cabinet, see Volume II.

Finance

The Finance Cabinet contains the Auditing, Assessing, Budget Management, Participatory Budgeting, Procurement, and Treasury departments, as well as other central appropriations. The cabinet will see a decrease of 1.9%, or \$654 thousand in FY27. This decrease reflects cabinet wide reductions in personnel and contracted services.

The Finance Cabinet is charged to maintain the financial health of the City through effective central fiscal management. The cabinet's goals include:

- Leveraging the City's strong financial position to sustainably and equitably invest in City needs and priorities, while maintaining a top bond rating.
- Formalizing long-range financial planning and reporting.
- Modernizing and improving current systems and business processes to ensure organizational resiliency and deliver transparent, high-quality service to internal and external customers.

The Office of Finance's FY27 Budget is \$1.5 million, which is a \$64 thousand (-4.2%) decrease from their FY26 budget, primarily due to reductions in departmental contracted services. The Auditing Department budget will decrease by 2.2%, or \$90 thousand, driven by the net reduction of a departmental reorganization. The Assessing Department will decrease by 4.6%, or \$39 thousand, due to salary savings adjustment matching hiring patterns. The Procurement Department budget will decrease by 1.5%, or \$60 thousand, driven by the centralization of software funding.

Treasury's budget will decrease by 0.3%, or \$16,400, due to increases in salary savings reflective of vacancies, and bringing certain contracted services in-house. Treasury will continue to collect, deposit, and manage City funds. Budget Management's budget will decrease by 2.4%, or \$90 thousand driven by general wage increases offset by reductions in contracts for software consultants. OBM modernized the budget publishing process, reducing the need for outside support. Budget Management will continue to support effective budget development and oversight that is key to the credit agency evaluators and continue to work to maximize federal school-based Medicaid reimbursements and other revenue maximization efforts.

The Office of Participatory Budgeting was created via ordinance after Boston voters approved a charter amendment on the November 2021 municipal ballot. FY27 will see the third round of the Participatory Budgeting process play out, following two successful years funding projects such as pilots for rodent abatement, immigrant legal services, and fresh food access. The FY27 budget will decrease by about \$243 thousand or 11.4%, reflecting the one time use of reserves to fund \$2 million worth of projects in FY27.

For additional budget detail on the Finance Cabinet, see Volume II.

People Operations

The People Operations Cabinet includes the Election Department (moved from Mayor's Cabinet in FY26), Human Resources, Labor Relations, and Registry departments. With the goal of fostering an organization that is healthy, responsive, and human-centered, the cabinet's FY27 budget includes support to improve internal operations and expand opportunities for employees' professional growth.

This cabinet, which consists of approximately 160 employees, supports the work of the 20,000 employees in the City of Boston, maintains the records for all births, deaths, and marriages for the City, ensures compliance with public records laws and runs fair and honest elections. The cabinet also includes central employee benefit appropriations for health benefits. The cabinet budget is growing by 15.3% largely driven by its responsibility to provide City employees' health insurance and the employer component of Medicare. The health insurance marketplace is seeing significant increases in health insurance premiums related to the increased cost for medications provided by health insurance.

The Office of People Operations budget will decrease by 14.6%, or \$195, thousand, as the result of an intra-cabinet position trade, but will continue to support the Employee Resource Groups (ERGs), along with other resources, to enhance workplace quality and employee growth and development. The Human Resources budget will increase by 1.9%, or \$209 thousand, driven by that same intra cabinet position trade. The Registry Division budget will increase by 1.8%, or \$41,thousand. This increase is primarily driven by general wage increases, offset by operational cost controls, including a net reduction in positions.

In FY27, the Election Department operating budget is \$6.8 million, reflecting a decrease of \$546 thousand (-7.4%) from FY26. This reduction is primarily due to the absence of major municipal election activity in FY27, with certain costs supported by the Commonwealth. The Department has also implemented additional operational spending controls.

For additional budget detail on the People Operations Cabinet, see Volume II.

Human Services

The Human Services Cabinet consists of the Age Strong Commission, Boston Centers for Youth & Families, Boston VETS, the Boston Public Library, and the Office of Human Services. The cabinet's FY27 budget will decrease by \$5.3 million, or -5.1%. The decrease in the overall budget is mainly driven by the removal of grant funding and Office of Community Safety transferring to Boston Public Health Commission. The cabinet works to promote the health and wellbeing of the City's residents, particularly its most vulnerable.

The Office of Human Services is a department that comprises the Office of Early Childhood, the Office of Returning Citizens, the Office of Youth Engagement & Advancement (OYEA), and the Coordinated Response team, and it provides administrative support and policy oversight for the Human Services Cabinet. The department's budget will decrease by \$4.1 million, or 41.6%, driven by the removal of various grant programs (\$3.7 million) and Office of Community Safety transferring to Boston Public Health Commission (\$1.5 million).

The Office of Human Services budget includes funding to continue supporting key events and initiatives such as Mayor's Youth Summit, Mayor's Youth Council, and Boston After Dark summer events. The budget also maintains over \$1.5 million in the Office of Returning Citizens to fund case management staff and support dedicated to people returning from incarceration.

The Boston Centers for Youth and Families (BCYF) budget will decrease by \$601 thousand, driven by increased salary savings reflecting hiring patterns, offset by collective bargaining and general wage increases. The department's budget funds programming at 36 facilities, including swimming lessons, senior programming, child care and other family programming. The department now has its buildings maintained by Property Management, which will continue to receive maintenance funding. BCYF also runs summer Camp Joy programs, providing structured enrichment activities for children and young adults with special needs.

The Age Strong Commission budget will increase by \$320 thousand (3.8%) in FY27 driven by inflationary increases to existing expenses and some City Council amendments netted against small shifting of some expenses to external resources. Age Strong focuses on a variety of constituent services, including culturally appropriate food services, community programming, and housing support services. The department will continue to provide support to the aging community through outreach, connections to resources, and robust programming.

The FY27 budget for the Boston Veterans Engagement, Transition, and Services (Boston VETS) department budget will decrease by \$699 thousand, or 14.1%, driven by the removal of grant programs. The budget includes funding to continue supporting key events and initiatives such as African American Veterans Appreciation Brunch, Veterans Appreciation Awards, Hero Square Decoration, and Memorial Day Flagging.

The Boston Public Library (BPL) budget will decrease by -0.5%, or \$247 thousand, in FY27. The reduction is driven by adjustments to personnel lines reflecting delayed hiring. Despite the decrease in budget, all branches will maintain their current schedules and programming, and services for youth patrons will continue. In addition to its FY27 operating budget, BPL receives support from a range of crucial external funding sources, including the Commonwealth of Massachusetts and Affiliates of the Public Library.

For additional budget detail on the Health & Human Services Cabinet, see Volume III.

Public Health

The Boston Public Health Commission (BPHC) serves as the City's health department and provides emergency medical services (EMS); infectious disease surveillance; substance abuse prevention and treatment programs; community health programming; shelter, food, and advocacy for homeless individuals; and home- and school-based health services for children and families. In FY27, BPHC's appropriation will increase by 1.7%, or \$2.5 million. Unlike most City departments, BPHC's appropriation includes health insurance, pension, and other post-employment benefits (OPEB).

The FY27 budget includes funding for critical overnight shelters that provide support to the homeless population in the city. In FY27, BPHC has funding to provide critical support for substance abuse and prevention treatment programs. The FY27 budget also combats infant and maternal health disparities, expanding home visiting services for all Black birthing families in Boston. To aid in ambulance response times, the FY27 budget includes the previously added 41 new EMTs added since FY23.

For additional budget detail on the Health & Human Services Cabinet, see Volume III.

Housing

The FY27 Housing Cabinet and the Mayor's Office of Housing (MOH) budget will decrease by 4.0%, or \$2.2 million. The primary drivers of the decrease are the reduction in City-funded Voucher Program, removal of the Affordable Commercial Assistance Fund program as well as the removal of prior city council amendments. FY27 budget will support affordable housing availability, improve housing conditions in existing units, and bolster supportive services for individuals facing housing instability and homelessness, among other goals.

MOH runs various programs to reduce the numbers of chronic, family, and youth homelessness. Over \$13 million is given to the Boston Housing Authority to support vouchers for Boston families; while over \$2.6 million is available for Homeless Prevention and Emergency Housing. The Boston Home Center distributes more than \$8.5 million in programs ranging from decarbonization to down payment assistance. The Neighborhood Housing Development funds over \$6 million for programs such as permanent supportive housing production. The budget also

includes over \$8 million for Supportive Housing programs like Housing Pathways for Homeless Youth and shelter services.

The Mayor's Office of Housing is projected to receive \$100 million in external funding in FY27 from federal and state grants, as well as revenue from certain developer fees.

For additional budget detail on the Housing Cabinet, see Volume III.

Innovation & Technology

The Department of Innovation and Technology (DoIT) will see a 1.8%, or \$1 million, decrease under its FY26 budget. The FY27 budget continues to support the department's focus on the big picture areas of technology, including governance structures and constituent services. The FY27 decrease is primarily due to reductions in outside support contracts for City systems and basic city service platforms, as well as a timing shift of lease purchase financing.

In FY27, the cabinet will continue to support and manage ongoing software licensing for City operations such as Microsoft EA, Oracle, and ServiceNow, as well as provide critical cyber security and data connectivity functions. DoIT's budget will also support ongoing licensing needs for the 311 system upgrade, including the increase of software licensing for an asset management software called Cartegraph, to help improve service delivery across city departments and support more efficient internal processes.

The FY27 budget continues to fund hybrid work equipment and technology, with ongoing funding to ensure the tools that keep remote work working are well supported. DoIT will also start the third year of a multi-year computer replacement plan for employees, centralizing device purchases for City departments.

For additional budget detail on the Information & Technology Cabinet, see Volume III.

Public Safety

Overall, the Public Safety Cabinet budget – which includes the Police Department, Fire Department, and Office of Emergency Management – will increase by 0.5%, or \$4.5 million, in FY27. The cabinet budget increase mainly reflects settled collective bargaining agreements with the Boston Fire Department's IAFF and other Civilian unions; the total increase is offset by non-personnel program reductions and replacement class delays for both Police and Fire. The FY27 budget continues to support the Cadet programs in the Police and Fire departments, as direct pathways for diverse local young people to join the force and reflect the residents of Boston. The Police Cadet program will be in its twelfth year since being restarted, while the Fire Department will welcome its fifth class of Cadets in FY27.

The Boston Police Department (BPD) budget will decrease by 0.6%, or \$2.9 million. The primary driver of the FY27 decrease is a result of efficiencies found in contracted services. The FY27

budget includes continued support for the modernization of detail assignments. Detail work provides critical public safety support to construction projects and in FY27, assignments will be available through an app to a wider pool of trained employees. As part of an ongoing initiative started in FY25, BPD will continue to deploy its community interaction teams which work with residents and local businesses to identify and address safety concerns throughout the City.

BPD will continue working to reduce overtime hours in FY27, including its successful efforts to return to duty officers who are on injured leave. This budget continues funding for Boston Emergency Services Team (BEST) clinicians who are available to help police officers better serve their community. In FY27, BPD's budget includes funding to continue the process of maintaining CALEA accreditation, a designation that is only given to departments that have enforced a well-rounded set of standard operating procedures.

The Fire Department budget will increase by approximately \$7.8 million or 2.4% in FY27. The main driver behind this increase is the collective bargaining agreement with the Boston Firefighters IAFF Local 718 union ratifying a 4 year contract with the City spanning from FY25 through FY28. The FY27 budget includes a replacement class of approximately 54 recruits based on attrition rates. The FY27 budget also continues previous investments in facilities and improvements and health and wellness training.

The FY27 Office of Emergency Management budget represents a decrease of (30.1%) or -\$500 thousand under FY26. The budget deduction reflects an administrative change to move the funding for a building lease serving multiple city agencies located at Bragdon Street in Roxbury to BPHC's budget given that BPHC manages that procurement. OEM continues to fund positions related to climate resilience as well as cyber security, and has continued access to external funds related to national security programs. This budget includes support for ongoing citywide planning and emergency preparedness.

For additional budget detail on the Public Safety Cabinet, see Volume III.

Streets

The FY27 Streets Cabinet budget, which includes the Public Works Department, the Boston Transportation Department, and Central Fleet Maintenance, is decreasing by \$48 million, or 19.0%, under the FY26 budget. This is due to a one time supplemental appropriation of \$47M added to the Snow & Winter Management appropriation in FY26 to cover the costs of several extraordinary snow events. The FY27 budget also contains a series of prior years' investments that aim to shift how our streets are designed and maintained. It will continue to expand high-quality basic city services to keep our streets clean, safe, and accessible for all users.

The Office of Streets is the central administrative arm of the cabinet. Its budget will decrease by 2.2%, driven by a \$104 thousand decrease to maintenance contracts. This decrease brings the budget closer to actual spending in prior years. The Green Infrastructure team will lead

cabinet-wide efforts to rethink how public ways can increase the absorption of storm water runoff. In FY27, the department will continue to fund a constituent services specialist to focus on 311 call responses. The Central Fleet Maintenance budget is decreasing by 12.6%, or \$570 thousand. This decrease includes the removal of 2 long term vacant positions, and a reduction in contracted services.

The Public Works Department (PWD) budget will decrease by 0.3%, or \$436 thousand, under FY26, primarily driven by decreases in personnel and contractual services, including the inactivation of 19 long term vacant positions. These decreases are offset by a \$1 million increase in contractual increases in waste collection removal contracts, which includes funding that continues to collect and dispose of residential waste, recycling, yard waste, and composting. The FY27 utility accounts budget, which includes the funding for the service of street lighting, reflects an increase of 5%, or \$383k.

The Boston Transportation Department (BTD) FY27 budget will increase by 0.5%, or \$207,000. A \$1.4M city council reduction in contracted services is offset by a \$2.8 million increase due to the recently awarded parking ticket contract that supports the collection of over \$60 million in parking ticket revenue and will improve the City's curbside management strategies and enforcement operations. A \$1.3 million increase in Transportation's personnel due to collectively bargained salary increases, existing employee step increases, and the improved hiring of Parking Enforcement Officers.

For additional budget detail on the Streets Cabinet, see Volume III.

Planning

The Planning Cabinet consists of the Boston Planning and Development Agency (BPDA) and the Planning Department. The decrease of \$515 thousand (1.7%) in FY27 reflects a more accurate accounting of which contracts will stay with the quasi BPDA entity and which will shift over to the Planning Department. Additionally, this budget reflects a shift of expenses to maintain Lafayette Garage from BTD to the Planning department. This budget includes approximately 240 positions, along with non-personnel funding to support the planning functions of the city. The department's budget will also maintain staff added in FY24 to support the Boston Planning Advisory Council, which meets for the purpose of increasing coordination among departments that engage in citywide and neighborhood planning.

For additional budget detail on the Planning Cabinet, see Volume III.

Non-Mayoral

The Non-Mayoral Cabinet is made up of the City Clerk, the City Council, and the Finance Commission. Together, their budget will decrease by \$6,300, or 0.1%. Costs are primarily driven by an increase to the City Clerk's budget of \$134 thousand, or 8.1%. The Boston City Council's budget will decrease by \$60 thousand or 0.7%, due to a reduction in contractual services. The

Finance Commission's FY27 budget will decrease by \$80 thousand (12.6%) decrease. This decrease is the result of the removal of the FY26 City Council contractual services allocation.

For additional budget detail on the Non-Mayoral Cabinet, see Volume III.

Reserve for Collective Bargaining

The FY27 collective bargaining reserve, a \$22 million reserve for City departments, Boston Public Schools, and the Public Health Commission, contains funding for unsettled union contracts.

Fixed Costs

FY27 budgeted fixed costs are \$26.1 million under FY26. By strategically managing long-term pension and debt liabilities, the City will realize \$37.8 million (4.9%) in FY27 savings in aggregate across these two appropriations. These efficiencies are critical, as they mitigate the need for deeper, more disruptive budget cuts to essential city services and departmental operations. Other fixed costs are seeing significant increases, including the charter school tuition state assessment that is increasing by \$9.9 million or 3.3% and the state assessment for the Massachusetts Bay Transportation Authority (MBTA) expected to increase by \$2.7 million or 2.7%.

Pensions

FY27 will bring pension budget savings because the Boston Retirement System (BRS) adopted an optimized pension schedule that preserves the FY28 full funding target while establishing a resilient framework for post-liability economic shifts. This updated plan reduces the City's central pension appropriation by \$24.7 million (-5.3%) to \$443 million in FY27.

Debt Service

The City has restructured its debt schedule and initiated a refinancing plan for existing obligations. This strategy preserves a vital funding stream—representing 83% of capital plan revenue—while achieving a \$13.1 million (-4.2%) reduction in the City's central debt service appropriation that totals \$297 million for FY27.

The City benefits from its strong financial policies and practices and has Aaa/AAA credit ratings from Moody's and Standard and Poor's. Strong credit ratings are an assessment of the City's long-term financial stability and lower the cost of borrowing.

For further detail see the "Capital Planning" and "Financial Management" chapters of this volume.

State Assessments

Accompanying the local aid distributions on the State's Cherry Sheet are charges to the City from the Commonwealth. These include items such as charter school tuition and MBTA service. The City expects to be assessed \$418.5 million by the Commonwealth in FY27. For further detail see the "Revenue Estimates & Analysis" chapter of this volume.

Suffolk County

The Suffolk County budget is a fixed cost mandated by state legislation, budgeted at \$2.9 million in FY27. State legislation converted all existing and future Suffolk County Sheriff employees to state employees effective January 1, 2010. The State charges the City for Suffolk County through an assessment based on the residual unfunded pension liability for former Sheriff employees who retired prior to January 1, 2010. Once the unfunded liability is fully extinguished, the budget for Suffolk County will no longer be necessary.

Reserve

The Reserve budget is a fixed cost stipulated by state law requiring the City to maintain a reserve of 2.5% of prior year appropriations, not including the School Department, on its balance sheet. The reserve's balance as of June 30, 2025 is \$51.7 million. As the Reserve requirement for FY27 is \$50.4 million, there is no required fund contribution currently budgeted. The reserve can be used to provide for extraordinary and unforeseen expenditures and the Mayor may make drafts or transfers against this fund with City Council approval after June first of each fiscal year. Since the establishment of this reserve, the City has not made any drafts or transfers from the reserve.

Personnel Changes

The Personnel Summary table shows a four-year comparison of City-funded and filled full-time equivalent (FTE) positions. This includes both permanent and emergency employees. The projected FTE numbers used for FY27 are estimates based on the personnel funding levels contained in the FY27 budget.

Table 5: Personnel Summary

CABINET	DEPARTMENT	1/1/24 FTE	1/1/25 FTE	1/1/26 FTE	1/1/27 PROJECTED	PROJECTED INC/(DEC)
Office of the Mayor	Mayor's Office	52.0	53.0	49.6	49.6	-
	Intergovernmental Relations	7.0	8.0	7.0	8.0	1.0
	Law Department	69.0	64.0	67.0	67.0	-
	TOTAL	128.0	125.0	123.6	124.6	1.0
Equity & Inclusion	Office of Equity	20.6	27.6	26.0	21.0	(5.0)
	Office of Language & Communications Access	12.0	11.0	12.0	12.0	-
	Human Rights Commission	-	-	0.6	-	(0.6)
	Office for Immigrant Advancement	8.0	13.0	14.0	13.0	(1.0)
	Women's Advancement	4.0	2.0	3.6	3.0	(0.6)
	Black Male Advancement	9.0	9.0	9.0	10.0	1.0
	Fair Housing & Equity	7.0	6.0	5.0	6.0	1.0
	LGBTQIA2S+ Advancement	3.0	5.0	6.0	5.0	(1.0)
	Commission For Persons W/Disabilities	9.0	9.0	9.0	9.0	-
	TOTAL	72.6	82.6	85.2	79.0	(6.2)

CABINET	DEPARTMENT	1/1/24 FTE	1/1/25 FTE	1/1/26 FTE	1/1/27 PROJECTED	PROJECTED INC/(DEC)
Office of Police Accountability & Transparency	OPAT	15.9	15.9	22.4	22.4	-
	TOTAL	15.9	15.9	22.4	22.4	-
Operations	Inspectional Services	216.0	214.0	224.0	224.0	-
	Property Management	154.0	168.0	168.0	168.0	-
	Public Facilities Department	79.0	82.0	79.0	79.0	-
	TOTAL	449.0	464.0	471.0	471.0	-
Community Engagement	Neighborhood Services	66.0	65.0	70.0	70.0	-
	TOTAL	66.0	65.0	70.0	70.0	-
Arts & Culture	Office of Arts & Culture	17.0	20.0	24.0	23.0	(1.0)
	TOTAL	17.0	20.0	24.0	23.0	(1.0)
Economic Opportunity & Inclusion	Office of Economic Opportunity & Inclusion	18.8	24.8	26.6	25.6	(1.0)
	Consumer Affairs & Licensing	19.0	23.7	24.7	24.7	-
	Office of Tourism	10.0	11.0	12.0	12.0	-
	Supplier Diversity	8.0	11.0	12.0	11.0	(1.0)
	TOTAL	55.8	70.5	75.3	73.3	(2.0)
Worker Empowerment	Labor Compliance and Workforce Protection	13.0	14.0	14.0	14.0	-
	Youth Employment and Opportunity	11.0	13.0	13.0	14.0	1.0
	Office of Workforce Development		24.6	46.2	46.2	-
	TOTAL	24.0	51.6	73.2	74.2	1.0
Education	School Department	10,049.7	10,608.6	10,734.2	10,312.8	(421.4)
	TOTAL	10,049.7	10,608.6	10,734.2	10,312.8	(421.4)
Environment, Energy & Open Space	Environment	26.7	27.0	40.0	40.0	-
	Parks and Recreation	236.0	252.0	260.0	255.0	(5.0)
	Office of Historic Preservation	14.0	13.0	15.0	15.0	-
	Office of Food Justice	5.0	6.0	7.0	6.0	(1.0)
	TOTAL	281.7	298.0	322.0	316.0	(6.0)
Finance Cabinet	Office of Finance	7.6	7.0	7.0	7.0	-
	Assessing Department	73.0	73.0	71.0	68.0	(3.0)
	Auditing Department	33.0	35.0	37.0	38.0	1.0
	Budget Management	24.0	25.0	25.0	25.0	-
	Office of Participatory Budgeting	2.0	3.0	3.0	3.0	-
	Procurement	23.5	34.0	33.0	35.0	2.0
	Treasury Department	49.0	49.0	51.6	52.6	1.0
	TOTAL	212.1	226.0	227.6	228.6	1.0
People Operations	Office of People Operations	6.0	8.0	7.0	8.0	1.0
	Election Department	29.0	31.0	32.0	31.0	(1.0)
	Human Resources	62.0	66.0	68.0	67.0	(1.0)
	Labor Relations	10.0	9.0	10.0	10.0	-
	Registry Division	21.0	21.0	25.0	25.0	-
	TOTAL	128.0	135.0	142.0	141.0	(1.0)

CABINET	DEPARTMENT	1/1/24 FTE	1/1/25 FTE	1/1/26 FTE	1/1/27 PROJECTED	PROJECTED INC/(DEC)
Human Services	Human Services	32.0	37.0	35.0	33.0	(2.0)
	Boston Center for Youth & Families	284.1	280.4	312.1	309.3	(2.8)
	Age Strong Commission	49.6	61.8	64.8	64.8	-
	Library Department	415.1	419.0	423.9	423.9	-
	Boston VETS	14.0	13.0	13.0	13.0	-
	TOTAL	794.8	811.2	848.8	844.0	(4.8)
Public Health	Public Health Commission	862.5	935.8	959.2	959.2	-
	TOTAL	862.5	935.8	959.2	959.2	-
Housing	Mayor's Office of Housing	58.5	61.5	72.0	70.1	(1.9)
	TOTAL	58.5	61.5	72.0	70.1	(1.9)
Information & Technology	Dept of Innovation & Technology	123.0	145.0	155.0	155.0	-
	TOTAL	123.0	145.0	155.0	155.0	-
Public Safety	Emergency Management	5.2	8.3	9.1	7.6	(1.5)
	Fire Department	1,672.6	1,620.6	1,725.6	1,683.0	(42.6)
	Police Department	2,652.0	2,705.9	2,786.1	2,758.3	(27.8)
	TOTAL	4,329.8	4,334.8	4,520.8	4,448.9	(71.9)
Streets	Office of Streets	33.0	35.0	37.0	35.0	(2.0)
	Central Fleet Management	34.0	31.0	30.0	30.0	-
	Public Works Department	271.0	294.0	303.0	292.0	(11.0)
	Transportation	309.0	321.0	354.0	357.0	3.0
	TOTAL	647.0	681.0	724.0	714.0	(10.0)
Planning	City Planning and Design	3.0	176.8	192.0	193.0	1.0
	TOTAL	3.0	176.8	192.0	193.0	1.0
Non-Mayoral	City Clerk	13.0	14.0	15.0	15.0	-
	City Council	74.1	83.9	88.9	91.3	2.4
	Finance Commission	3.0	3.0	4.0	4.0	-
	TOTAL	90.1	100.9	107.9	110.3	2.4
GRAND TOTAL		18,408.5	19,409.2	19,950.2	19,430.4	(519.8)

FY25-FY26 FTE Changes

The total net increase in FTEs from January 1, 2025 to January 1, 2026 was 541. While BPS had the largest portion of the growth, city departments were generally successful in filling vacancies. The City's Position Review Committee continued to review all proposed job postings for vacant positions, balancing the capacity needs of departments with concern for budgetary and organizational impacts. Attrition and retirements, which peaked in recent years in several departments, have leveled out. Additionally, 47 long-term vacant positions were eliminated in the FY26 budget.

The School Department increased by 125.6 FTEs. Special Education Aides were up by 79, reflecting the district's priority of inclusionary education. As teachers received credentials in special education, the number of SPED teachers increased, and general education teachers fell.

Overall, Public Safety FTEs increased by 186 FTEs from January 1, 2025 to January 1, 2026. The Boston Fire Department increased by 105, due to class timing, as they hired a fall replacement class. The Police Department increased by 80 FTEs, with two recruit classes being added in FY25 to offset increased attrition. The Office of Emergency Management remained essentially flat, as the department navigated challenging federal terrain.

The Streets Cabinet increased by 43 FTEs, continuing to operationalize a recruitment-focused investment received in a prior year. The Office of Streets was down by 2, reflecting some turnover at the leadership level. Transportation was up 33 since Jan 1, 2025, due to a targeted effort to replace long vacant Parking Enforcement Officer roles. Public Works was up 9 with most of the increase due to filling vacancies. Central Fleet declined by 1, reflecting mechanic vacancies.

The Equity and Inclusion Cabinet increased by 2.6 FTEs from January 2025 to January 2026. The Office of Equity decreased by 1.6. Elsewhere in the cabinet, the Departments of Language and Communications Access, LGBTQIA2S+ Advancement and Immigrant Advancement all increased by 1, reflecting the filing of critical vacancies. The Office of Women's Advancement increased by 1.6, as a new director filled staff roles. Black Male Advancement and the Commission for Persons with Disabilities each stayed flat, and Fair Housing and Equity decreased by 1 FTE.

The Office of Police Accountability and Transparency (OPAT) increased by 6.5 positions between January 1, 2025 and January 1, 2026, as a new director filled critical roles.

The Operations Cabinet collectively increased by 7 FTEs. Property Management remained level from January 2025 to January 2026 after two years of position growth in front line positions. Inspectional Services increased by 10 FTEs as a result of targeted recruitment after a department wide benchmarking, and Public Facilities decreased by 3, reflecting attrition of project managers.

The Community Engagement Cabinet increased by 5 FTEs from January 2025 to January 2026. The Arts & Culture Cabinet increased by 4, continuing a pattern of filling vacancies to support community arts programs.

The Economic Opportunity and Inclusion Cabinet increased by 4.8 FTEs, filling previous investment positions and hiring into existing vacancies. The Office of Economic Opportunity and Inclusion added 1.8 positions, while all other departments in the cabinet added 1 FTE each.

The Worker Empowerment Cabinet increased by 21.6 FTEs driven solely by the increase in the Office of Workforce Development, as positions transferred over to the city from the BPDA. Both Labor Compliance and Worker Protections and Youth Employment and Opportunity remained flat from January 2025 to January 2026.

The Environment, Energy and Open Space Cabinet increased by 24 from January 2025 to January 2026. This is driven primarily by the Environment Department, which increased by 13, reflecting the addition of the Climate Resilience team and the filing of Building Emissions Reduction and

Disclosure Ordinance (BERDO) positions to increase staffing in advance of the rollout of the next phase of the law. The Parks Department, as result of improved hiring of front line positions, was up 8 FTEs year over yet. The Office of Historic Preservation and the Office of Food Justice increased by 2 and 1 respectively, filling vacancies.

The Human Services Cabinet shows an increase of 37.6 FTEs. This was driven by the addition of 31.7 FTEs in Boston Centers for Youth and Families, as they embarked on a renewed effort to fill site and program managers at BCYF sites. Boston VETS remained level, and the Boston Public Library increased by 4.9 FTEs, focusing on staff at branch libraries. The Office of Human Services decreased by 2 FTEs, reflecting the mid-year shift of personnel from the Office of Community Safety over to the Boston Public Health Commission.

The Public Health Commission's increase of 24.4 FTEs was driven primarily by improved recruitment in Emergency Medical Services (+18) and Violence Prevention, which absorbed 4 FTEs from the city in the fall of 2025. The Commission also experienced natural attrition and hiring in other areas.

The Finance Cabinet overall was essentially flat, increasing by 1.6 FTEs from January 2025 to January 2026. Treasury increased by 2.6 FTEs, filling out their new finance division. Auditing also increased by 2 FTEs, reflecting hires in Accounting. Assessing declined by 2 and Procurement 1, the former related to retirements and the latter related to turnover in the procurement specialist role. The Offices of Budget Management, Participatory Budgeting, and Finance remained flat.

The People Operations Cabinet increased by 7 FTEs, driven by the shift of the Public Records unit from the Law Department to Registry. People Operations declined by 1, as a role shifted to Human Resources. Human Resources increased by 2, and Elections by 1. Labor Relations increased by 1, reflecting the hire of an Assistant Corporation Counsel role.

Housing grew by 10.5 FTEs from January 2025 to January 2026 largely through the aggressive filling of vacant roles. The Department of Innovation and Technology (DoIT) added 10 FTEs in the reference period as well, a mix of filling vacancies, bringing capital contractors onto payroll, and hires into Constituent Services and Governance investment positions.

The Non-Mayoral cabinet increased by 7 FTEs, driven by City Council increasing staff by 5. The Finance Commission hired a new investment position to support their work.

Other departments not mentioned specifically had minor changes that are reflective of regular attrition and hiring patterns.

FY27 Projected FTE Changes

The City projects a net decrease in FTE levels of 519.8 from January 1, 2026 to January 1, 2027. This is primarily due to Boston Public Schools projecting a decrease of 421.4 FTEs as a result of eliminating positions and a timing shift in public safety classes, leading to a decrease of 71.9 in that cabinet. Overall, many cabinets are anticipated to remain level from January 2026 to January

2027, following the implementation of four years of investments in positions to support city priorities.

The City continues to monitor all hiring and reviews all requests to post new and existing positions within the context of administration priorities. Departments eliminated 57 long-term vacant positions in the FY27 budget process.

The School Department shows an expected decrease of 421 filled FTEs from January 2026 to January 2027. There will be a reduction in positions as staffing needs are realigned with declining enrollment; there will also be position savings from the merger and closing of schools.

The Public Safety Cabinet is expected to decrease by 71.9 FTEs from January 1, 2026 to January 1, 2027. Historically, the number of Public Safety employees on the payroll as of January 1 of any year has fluctuated with the timing of retirements and new classes. This timing issue will impact the Fire Department's FTEs, as there was a fall 2025 class, but the next class will not be until the spring of 2027, resulting in a decrease of 42.6. Class timing is not at play in the FY26 expected decrease of 27.8 FTEs for the Police Department; a spring 2026 class will be followed by a spring 2027 class. However, the department has seen higher than expected civilian and sworn attrition. The Office of Emergency Management is projected to decrease by 1.5 operating FTEs, as the department will not fill vacancies until there is greater clarity around federal funding levels.

The Mayor's Cabinet will be increased by 1 as an international partnerships position from the Office of Economic Opportunity and Inclusion will move to Intergovernmental Relations. The Law Department and Mayor's Office are expected to remain flat.

The Equity & Inclusion Cabinet is projected to have 79 FTEs, showing a projected decrease of 6.2. The Office of Equity will decrease by 5 as the Reparations Task Force members will have finished their phase of the project. Black Male Advancement and Fair Housing will increase by 1; the latter will hire an Executive Director and the former expects to be fully staffed. LGBTQIA2S+ Advancement and Immigrant Advancement will each be down 1 FTE, reflecting controlled hiring. Women's Advancement and the Human Rights Commission will each be down 0.6 as intern roles are not filled. The other departments in the cabinet are expected to remain level.

The Office of Police Accountability & Transparency is expected to remain level at 22.4 positions. Both the Community Engagement and Operations Cabinets are also anticipated to maintain their current FTE counts of 70 and 471, respectively. The Office of Arts and Culture will be down 1 FTE as the department looks to reexamine leadership roles.

The Economic Opportunity and Inclusion Cabinet will decrease by 2 from January 2026 to January 2027. The Office of Economic Opportunity and Inclusion will decrease by 1 as an FTE moves to IGR. Supplier Diversity will also decrease by 1, while Consumer Affairs and Tourism remain flat. The Worker Empowerment Cabinet also has modest growth, increasing by 1 as the Youth Employment and Opportunity department fills a vacancy. This projection does not assume any growth resulting from employees now eligible to move from the BPDA over to the city. The

Environment, Energy and Open Space cabinet will decrease by 6. This reflects a decrease of 1 in the Office of Food Justice and 5 in the Parks Department as the result of controlled hiring.

The Finance Cabinet is projected to decrease by 1 from January 2026 to January 2027. Assessing will decrease by 3, reflecting controlled hiring. Procurement will increase by 2 and Treasury by 1 as they have already filled vacancies. Auditing will increase by 1, reflecting a reorganization to create a compliance position. The People Operations Cabinet will decrease by 1. This is the result of a cabinet-wide reorganization, with Elections and Registry each losing a position to support a new role for Public Records in People Operations.

The Human Services Cabinet is projected to decrease by 4.8. Boston VETS, the Library Department, and Age Strong will remain flat. The Office of Human Services will decrease by 2 and BCYF by 2.8 as a result of controlled hiring. The Boston Public Health Commission is anticipated to remain at their January 2026 FTE count of 959.2.

After years of investing in positions, the Mayor's Office of Housing will decrease by 1.9 while the Department of Innovation and Technology (DoIT) is expected to be flat. Housing's projected 70.1 operating FTEs will continue to focus on the critical functions of creating more housing and keeping Bostonians in their homes. DoIT will continue its focus on permitting transformation as well as maintaining and upgrading critical city functions (such as replacing the 311 Call Center's platform).

The Streets Cabinet is projected to decrease by 10 FTEs. The Office of Streets will decrease by 2 FTEs as it reorganizes some leadership roles; Central Fleet Management will remain flat. The Transportation Department is projected to increase by 3, to 357 FTEs, as Parking Enforcement Officer classes are brought on in an effort to return to pre-pandemic staffing levels, increase public safety, and improve curb management. Public Works will decrease by 11 as a result of leadership turnover and controlled hiring. The Planning Department is projected to remain level at 193 positions. These positions are supported by revenue transfers from the BPDA and will perform a wide range of functions, from property management, human resources, and planning, to urban design, legal review, and other areas.

The Non-Mayoral Cabinet is anticipated to increase by 2.4 FTEs, reflecting hiring by City Council.

External Funds

The City's \$4.9 billion operating budget is supplemented by approximately \$559 million in external funds. These funds consist mainly of federal, state, and private funding earmarked for specific purposes. Education, housing, economic development, public health and public safety are some of the largest areas for which these funds are targeted.

Thirty-two departments and agencies expect to make use of federal, state or other forms of external funding in FY27. Roughly 91% of the City's external funds are found in ten of those 31 departments. These ten departments are Boston Public Schools, Mayor's Office of Housing,

Public Health Commission, Office of Budget Management, Treasury Department, Office of Workforce Development, Library Department, Emergency Management, Age Strong, and the Police Department. Descriptions and amounts of grants by department can be found in Volumes II and III.

Federal grants have historically provided funding for the key City priorities of education, community development, and services for seniors. Boston Public Schools, the Mayor's Office housing, and the Age Strong have been the traditional recipients of recurring entitlement grants provided by the federal government. Given ongoing political and economic dynamics, the City will continue to monitor these funding sources closely over the coming year.

Table 6: External Funds Summary, FY25–FY27

DEPARTMENT	FY25 EXPENDITURE	FY26 ESTIMATED	FY27 ESTIMATED
Boston Public Schools	215,310,657	151,915,250	143,347,811
Mayor's Office of Housing	85,037,301	114,756,640	137,862,077
Public Health Commission	79,022,142	82,933,609	77,006,469
Budget Management	100,863,267	69,519,236	52,435,586
Treasury Department	39,089,385	36,790,221	41,350,888
Workforce Development	11,085,707	31,214,137	14,296,954
Library Department	19,436,589	11,905,068	11,854,290
Emergency Management	13,544,963	17,212,763	11,148,166
Age Strong	14,725,309	10,425,403	10,405,794
Police Department	9,355,710	13,126,535	8,800,799
Other	43,844,470	46,386,737	50,199,222
TOTAL	631,315,500	586,185,601	558,708,056

American Rescue Plan Act (ARPA) of 2021

In response to the COVID-19 pandemic, the federal government passed three unprecedented relief packages in addition to FEMA reimbursement: The CARES-Coronavirus Relief Fund (CRF), Coronavirus Relief Bill, and the American Rescue Plan Act (ARPA) of 2021. As of the end of FY 2025, the first two of those funding sources were fully expended, including hundreds of millions of dollars in Elementary and Secondary School Emergency Relief (ESSER) funds directed to the Boston Public Schools.

ARPA was a \$1.9 trillion stimulus bill providing hundreds of millions in federal funding to the City, the Boston Public Schools and other local organizations. While the BPS portion of this funding expired in FY25, the City of Boston will continue to have access to ARPA State and Local Fiscal Recovery Funds (SLFRF) through the first half of FY27.

Eligible uses of ARPA SLFRF funding include:

- Revenue replacement to strengthen support for vital public services and help retain jobs;

- Urgent COVID-19 response efforts to continue to decrease spread of the virus and bring the pandemic under control;
- Assistance to small businesses, households, and hard-hit industries to support economic recovery;
- Addressing systemic public health and economic challenges that have contributed to the unequal impact of the pandemic on certain populations; and
- Investments in water, sewer and broadband infrastructure.

In total, the City received \$558.7 million in SLFRF funding; the City received \$212.1 million from the U.S. Treasury in May 2021 and a second payment of \$212.1 million in May 2022. In addition, the City received \$134.5 million from the Commonwealth of Massachusetts. Under SLFRF, funds must be used for costs incurred on or after March 3, 2021.

In partnership with the Boston City Council, the City appropriated the full \$558.7 million to continue the response to the COVID-19 pandemic and to help drive an equitable recovery for all Boston residents.

- \$362.2 million appropriated for Transformative Investments (July 2022)
- \$81.5 million appropriated for Emergency Relief Package (July 2021)
- \$55 million appropriated for FY22 Revenue Replacement (July 2021)
- \$40 million Revenue Replacement appropriated for FY23 (June 2022)
- \$8 million Fare Free Bus Expansion appropriated (November 2021)
- \$5 million appropriated for Small Business Fund 2.0 Expansion (January 2022)
- \$7 million appropriated for Housing and Small Business Initiatives (October 2024)

ARPA budgets for all departments are reflected in the Office of Budget Management. Funds were committed by the end of calendar year 2024 and must be expended by the end of calendar year 2026.

Community Preservation Act

By adopting the Community Preservation Act (CPA) in November 2016, the City has created a Community Preservation Fund. This fund is not part of the City's general fund and is displayed as a special revenue external fund in this budget document. This fund is capitalized primarily by a one percent property tax-based surcharge on residential and business property tax bills that began in July 2019. The City uses this revenue to fund initiatives consistent with CPA guidelines: affordable housing, historic preservation, open space and public recreation.

Boston collected \$27.4 million in CPA surcharges, matched with \$5.5 million in state funds, and also recorded \$2.7 million in other revenues in FY24. In FY25, the City collected \$28.7 million in CPA surcharges that was matched with \$5.0 million in state funds, along with \$6.9 million in other revenues. The city expects to collect \$28.0 million in surcharge revenue and \$4.6 million in state matching funds in FY26 and \$31.0 million in surcharge revenue and \$4.65 million in state matching funds in FY27.

Since 2018, the first year of allocations, Boston's 9-member Community Preservation Committee, comprised of Boston residents, has appropriated almost \$230 million to 396 affordable housing, historic preservation, and open space & recreation projects citywide.

FY27 All Funds Budget

The all-funds table consolidates the projected FY27 expenditures from the General Fund, Special Revenue Funds (primarily external grants) and the Capital Fund by department. More detail on the expenditures made from each of these funds is shown in Volumes II and III of the City of Boston's FY27 budget document.

Table 7: All Funds Budgets

CABINET	DEPARTMENT	General Fund Budget	External Funds Budget	Capital Budget	Total All Funds Budget
Mayor's Office	Mayor's Office	6,487,124	155,357		6,642,481
	Intergovernmental Relations	1,195,659			1,195,659
	Law Department	10,854,659	300,000		11,154,659
	Total	18,537,442	455,357	-	18,992,799
Equity & Inclusion	Office of Equity	3,363,345			3,363,345
	Office of Language & Communications Access	2,058,343			2,058,343
	Human Right Commission	200,000			200,000
	Office for Immigrant Advancement	3,599,523	350,000		3,949,523
	Women's Advancement	585,673			585,673
	Black Male Advancement	2,172,866			2,172,866
	Fair Housing & Equity	440,455	740,495		1,180,950
	LGBTQIA2S+ Advancement	837,208			837,208
	Commission For Persons W/Disabilities	940,694			940,694
	Total	14,198,107	1,090,495	-	15,288,602
Office of Police Accountability & Transparency (OPAT)	Office of Police Accountability & Transparency	1,421,078			1,421,078
	Total	1,421,078	-	-	1,421,078
Operations	Property Management Department	27,567,203	7,524,424	60,569,807	95,661,434
	Public Facilities Department	10,880,592			10,880,592

CABINET	DEPARTMENT	General Fund Budget	External Funds Budget	Capital Budget	Total All Funds Budget
	Inspectional Services Department	25,783,356	89,100		25,872,456
	Total	64,231,152	7,613,524	60,569,807	132,414,483
Community Engagement	Neighborhood Services	5,936,341			5,936,341
	Total	5,936,341	-	-	5,936,341
Arts & Culture	Office of Arts & Culture	4,169,557	3,696,376	1,648,000	9,513,933
	Total	4,169,557	3,696,376	1,648,000	9,513,933
Economic Opportunity & Inclusion	Office of Economic Opportunity & Inclusion	5,915,807	6,570,888		12,486,695
	Consumer Affairs & Licensing	2,149,068	103,239		2,252,307
	Supplier Diversity	2,141,243			2,141,243
	Office of Tourism	2,489,054	150,000		2,639,054
	Total	12,695,172	6,824,127	-	19,519,299
Worker Empowerment	Labor Compliance and Worker Protections	1,884,354			1,884,354
	Youth Employment and Opportunity	18,210,807	800,000		19,010,807
	Office of Workforce Development	5,158,274	14,296,954		19,455,228
	Total	25,253,435	15,096,954	-	40,350,389
Education	Boston Public Schools	1,726,565,143	143,347,811	180,955,316	2,050,868,270
	Total	1,726,565,143	143,347,811	180,955,316	2,050,868,270
Environment, Energy	Environment Department	5,262,913	5,623,071	8,395,569	19,485,923
& Open Space	Parks & Recreation Department	36,470,628	8,511,498	34,770,120	79,752,246
	Office of Historic Preservation	1,611,989	141,000		1,752,989
	Office of Food Justice	1,372,652			1,372,652
	Total	44,718,183	14,275,569	43,165,689	102,159,441
Finance	Office of Finance	1,456,363			1,456,363
	Assessing Department	8,110,927			8,110,927
	Auditing Department	3,963,014	277,559		4,240,573
	Budget Management	3,622,543	52,435,586		56,058,129

CABINET	DEPARTMENT	General Fund Budget	External Funds Budget	Capital Budget	Total All Funds Budget
	Office of Participatory Budgeting	1,891,561			1,891,561
	Execution of Courts	-			-
	Pensions & Annuities - City	5,000,000			5,000,000
	Procurement	4,038,740			4,038,740
	Treasury Department	6,117,330	41,350,888		47,468,218
	Total	34,200,477	94,064,033	-	128,264,510
People Operations	Office of People Operations	1,136,588			1,136,588
	Election Department	6,809,124			6,809,124
	Health Insurance	295,162,265			295,162,265
	Human Resources	10,975,400			10,975,400
	Medicare	17,000,000			17,000,000
	Office of Labor Relations	1,759,991			1,759,991
	Registry Division	2,298,459			2,298,459
	Unemployment Compensation	350,000			350,000
	Workers' Compensation Fund	2,000,000			2,000,000
	Total	337,491,827	-	-	337,491,827
Human Services	Office of Human Services	5,772,936	196,048		5,968,984
	Boston Center for Youth & Families	29,954,970	960,800	60,182,202	91,097,972
	Age Strong	8,771,555	10,405,794		19,177,349
	Library Department	50,524,322	11,854,290	11,550,000	73,928,612
	Boston VETS	4,248,460			4,248,460
	Total	99,272,243	23,416,931	71,732,202	194,421,376
Public Health	Public Health Commission	148,424,838	77,006,469	9,816,634	235,247,941
	Total	148,424,838	77,006,469	9,816,634	235,247,941
Housing	Mayor's Office of Housing	52,311,197	137,862,077	25,954,870	216,128,144
	Total	52,311,197	137,862,077	25,954,870	216,128,144
Information & Technology	Department of Innovation and Technology	57,044,614	5,919,785	11,170,000	74,134,399
	Total	57,044,614	5,919,785	11,170,000	74,134,399
Public Safety	Emergency Management	1,148,758	11,148,166		12,296,924
	Fire Department	336,556,974	3,912,909	23,825,000	364,294,883
	Police Department	484,521,843	8,800,799	6,457,000	499,779,642
	Total	822,227,575	23,861,874	30,282,000	876,371,450

CABINET	DEPARTMENT	General Fund Budget	External Funds Budget	Capital Budget	Total All Funds Budget
Streets	Central Fleet Management	2,927,580			2,927,580
	Office of Streets	4,639,520			4,639,520
	Public Works Department	130,065,375	450,000	136,600,402	267,115,777
	Snow & Winter Management	22,676,037			22,676,037
	Transportation Department	44,072,413	3,726,672	23,562,519	71,361,604
	Total	204,380,925	4,176,672	160,162,921	368,720,518
Planning	Planning Department	29,474,943		3,700,000	33,174,943
	Total	29,474,943	-	3,700,000	33,174,943
Non-Mayoral Departments	City Clerk	1,797,863			1,797,863
	City Council	8,803,798			8,803,798
	Finance Commission	555,379			555,379
	Total	11,157,040	-	-	11,157,040
Grand Total		3,713,711,288	558,708,056	599,157,439	4,871,576,783

PERFORMANCE MANAGEMENT

Boston's Performance Management team, a part of Data & Analytics within the Department of Innovation and Technology, supports the City in defining, communicating, and continuously improving progress toward City goals using data. This includes facilitating the process to define and report on metrics that tell the story of the City's work.

For the FY26 Budget, the Performance Management team introduced a certification process to vet and automate all published metrics. The certification process built on the automation efforts of the FY25 Budget, while continuing to define and raise data quality of published metrics. Once a metric passes the certification process, it is catalogued in the Performance Management Metric Library, where it can be pulled on-demand for reporting.

The FY27 Adopted Budget contains both certified and uncertified metrics:

Certified metrics have been vetted by the Performance Management team. Certification ensures the metric's data is ready for use, includes a valid date, is available on a quarterly or more frequency, and enforces minimum data quality. It also validates that data preparation aligns to the relevant department's context.

Uncertified metrics have not been vetted by the Performance Management team. They were provided directly to the Budget Office using other reporting methods, such as dashboards and database queries. Of all department-specific metrics published in the FY27 Budget, 44% are uncertified. However, many of these metrics are actively being reviewed by the Analytics team and are expected to achieve certification by the time the Mayor's FY28 budget is published. For FY27 Adopted a number of new department-specific metrics have been introduced, including 11 certified measures in the Registry Division that speak to the volume of services and turnaround times and 11 uncertified measures in the Boston Centers for Youth & Families that relate to program offerings and visitation both in the aggregate and by specific age groups.

Introducing certification led to a minor reduction in the number of published metrics in exchange for a greater assurance of quality. The certification process enables better reporting by delivering:

- Increased confidence: The Performance Management team has fully vetted the data sources of certified metrics. The team has also documented and validated data cleaning decisions, calculation methods, and relevant context for future reference. This encourages a broad understanding of and confidence in published metrics.
- Increased efficiency: Certified metrics are automated, which means less effort spent on the data collection and preparation by departments. It also eliminates the coordination previously required to collate manually-reported metrics.

Focus on Priorities

The Mayor's budget priorities can be grouped as follows: Increasing Affordability, Public Health and Safety, Youth and Families, Climate and Green Space, Delivering Exceptional City Services, and Promoting Equity and Economic Opportunity. Consistent with the City's Equity Statement, budget decisions continue to drive toward building a city that is for everyone. Department-specific metrics published in this book are nested within goals that reflect the Mayor's priorities and operationalize them within the context of departmental missions. A sample of these metrics and the priorities they are aligned with are listed below (Table 8).

Table 8: Selected FY27 Performance Metrics

Performance Metric	Responsible Department	FY26 Projected	FY27 Target
INCREASING AFFORDABILITY			
Number of projects completed by the down payment assistance program	Mayor's Office of Housing	351	250
Number of projects started by homeowner assistance programs	Mayor's Office of Housing	750	775
PUBLIC HEALTH AND SAFETY			
Number of firearms recovered	Boston Police Department	879	
Median number of minutes to close a syringe pickup service request	Boston Public Health Commission	39	40
Number of environmental complaint service requests opened	Inspectional Services Department	6,706	5,000
YOUTH AND FAMILIES			
Number of library users (daily)	Boston Public Library	20,461	20,000
Number of visit to BCYF centers	Boston Centers for Youth & Families	967,404	1,000,000
CLIMATE AND GREEN SPACE			
Number of street trees planted	Parks & Recreation Department	11,956	1,550
Median number of days to close a parks ground maintenance service request	Parks & Recreation Department	1.8	2.0
DELIVERING EXCEPTIONAL CITY SERVICES			
Percentage of pothole service requests closed on time	Public Works Department	57.1%	85.0%
Average number of days to close a missed trash service request	Public Works Department	0.6	1.0
Percentage of sign installation service requests closed on time	Transportation Department	19.6%	80.0%

**PROMOTING EQUITY AND
ECONOMIC OPPORTUNITY**

Number of interpretation services provided	Language & Communications Access	7,259	6,000
Percentage of hours worked by People of Color on eligible development projects under the Boston Residents Jobs Policy	Labor Compliance and Worker Protections	42.3%	40.0%