

Executive Summary

INTRODUCTION

Mayor Walsh presented a balanced budget that maintains high levels of support in critical areas such as education and public safety, makes limited strategic investments, continues the City's commitment to addressing its long-term liabilities, and builds on the Administration's record of strong fiscal management. This is made possible by the Administration's achievement of efficiencies and savings. The City's data-driven managerial approach was recently validated by the affirmation of Boston's triple A bond rating.

At the time Mayor Walsh took office, the City of Boston had successfully weathered the storms of previous recessions. However, several major revenue sources never fully recovered, cost pressures continued to grow, and deferred investments persisted across City government.

In its first two years, the administration has systematically engaged in independent operational reviews and other planning efforts aimed at making government more efficient in order to address areas needing renewed attention.

After conducting operational reviews on the City's largest departments and reviewing fiscal capacity, the Administration anticipates growing fiscal pressure, resulting from:

- Limited revenue tools beyond property tax "new growth" to address rising costs.
- The Boston Public Schools' facilities, operations, human resources, and transportation systems being designed for past generations of students, creating an inefficient cost structure in need of dramatic reform.
- The City's Charter School Tuition Assessment having risen by \$100 million over the last ten years, while the Charter School Reimbursement Aid to municipalities has been dramatically underfunded, with Boston losing \$28 million over the past two fiscal years.

- City funding for education (BPS and charter tuition) making up a growing portion of the City's Budget, up to 40% in FY17, while state education aid has declined to 7.3% of the City's revenue.
- The Boston Police Patrolmen's 2013 arbitration award creating an unsustainable precedent for public safety salary increases that come at the cost of other City spending.
- The Police Department's overtime costs having risen to excessive levels, despite higher staffing levels.
- Due to generations of underfunding the City's pension obligations, the City's pension schedule requiring an 8% increase in our payment each year.
- Health insurance costs again increasing at a higher rate than other City costs despite successful health care cost containment reforms including the recent Public Employee Committee Agreement anticipating \$45 million in new savings.

Analysis also determined that significant gaps existed between City supported programming and demand for programs and services. This led to a need for investments such as:

- The addition of about 400 K1 seats (16%) over the past 3 years.
- More funding for preservation and collections at the Boston Public Library.
- New supports for artists and the arts and culture sector.
- Increased and more equitable investment in our parks system.
- Translation services to support the diversity of our residents.

- More EMTs to serve the growing needs of our increasing population.
- Conversion to a 311 constituent hotline to meet the modern demand for municipal services.
- An expansive, accessible rollout of early voting.
- Several reorganization efforts to properly define departmental responsibilities and more adequately serve the public.
- Upgrades to deficient public safety equipment.

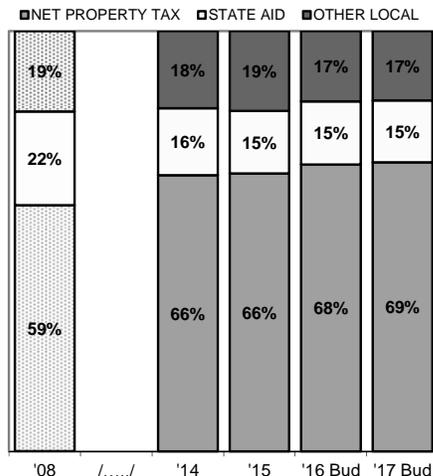
Complicating the dual challenges of limited fiscal capacity and the rising expectations for the delivery of City services are two unknown cost drivers that will impact FY17 and beyond. Almost all of the City's collective bargaining agreements will expire in FY17. Salary increases in these agreements will have a direct impact on dollars available in FY17 and in the coming years. In addition, the proposed charter school cap ballot initiative could have a devastating effect on the City's future finances, unless the State acts to address the charter school cap and transition financing in a way that protects Boston.

The Walsh Administration has been successful in beginning to address these challenges, and this budget builds on that success. But without changing the way we do business, growth in the City's budget threatens to become unsustainable. For that reason, limited investments in this operating budget must be funded through the enactment of cost saving reforms.

In FY17, the Walsh Administration will make government work better for those who live and work here by implementing reforms to improve service and reduce costs, continuing fiscally sustainable practices that have been key to the City's economic success, and taking steps to meet the population's changing needs. This approach is critical to Boston's success in growing as a thriving, healthy and innovative city.

REVENUE

Over the past ten years, the City's revenue structure has steadily shifted toward a growing reliance on property tax. Thus while our property tax growth is robust in FY17, that growth is offset by sluggish and unpredictable state revenue growth.



Categories of Recurring Revenue
FY08 & FY14-FY17
Percentages may not add due to rounding

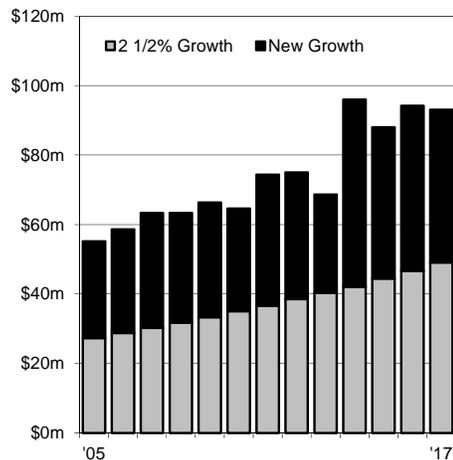
Figure 1

Boston has limited ability to raise revenue compared to other major American cities. Boston relies heavily on property tax revenue, while other cities such as Chicago, New York and Denver collect other types of broad-based revenues, such as sales and income taxes.

It is in this context that the Walsh Administration and the City Council adopted a balanced budget relying on \$2.98 billion in revenue, a \$118 million (4.1%) increase over the FY16 budget, supported by strong property tax growth, moderate growth in local receipts and slow state aid growth.

Local sources continue to drive revenue growth in FY17, as property tax and local receipts make up 92.8% of revenue growth over FY16. The City is projecting property tax revenue growth of 4.9%, again driven by new growth. Boston's property tax revenue is significantly constrained by Proposition 2 ½, meaning that while property values are growing swiftly, Boston's levy on existing property is limited to 2 ½% growth. In this economy, Boston is benefiting from new growth, or new property tax levied on new construction. However, as was evident during the last recession – new growth

revenue is volatile, and will drop when the market causes construction to slow.

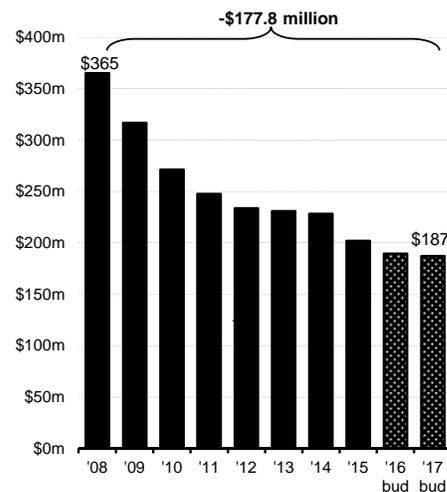


Sources of Property Tax Growth
FY05 - FY17

Figure 2

Local receipts, which include revenues such as excises, fees, fines, and permits, are projected to grow at \$15.9 million (3.4%). Boston is projecting strong room occupancy and meals excise revenue as well as continued permit revenue growth from commercial and residential real estate development. Also in local receipts, Boston is projecting declining 121A revenue as expiring property tax incentives convert to property taxes.

State revenue, the City's second largest revenue source, never recovered following the last recession. In FY17, Boston's state revenue is budgeted to grow at \$8.5 million, 2.0% over FY16. This is still \$60.8 million, or 12.3%, lower than Boston's state aid in FY08. Over that same time, state assessments, driven largely by Boston's Charter School Tuition Assessment, have grown by \$117.1 million. Together this has caused Boston's net state aid to decline by nearly \$178 million over the last decade. This trend is unsustainable and will continue to have major programmatic impacts unless reversed.



Net State Aid
FY08 - FY17

Figure 3

In FY17, Boston's Chapter 70 Education Aid is budgeted to grow 1.7%. The Chapter 70 Education Aid formula does not work for Boston. Despite the Commonwealth adding over \$900 million to Chapter 70 Aid since FY08, Boston's Chapter 70 Aid is only \$300 thousand higher than it was in FY08.

Over the past two years, the State's underfunding of the Charter School Tuition Reimbursement led to a \$29 million revenue loss for Boston. Having focused its FY17 state budget advocacy on this item, Boston was optimistic that the State would increase its statewide funding level. Therefore, the Adopted Budget included \$23.2 million in Charter School Tuition Reimbursement, based on funding levels in the Senate Budget. Following release of the City's budget resubmission, the legislature reduced the Charter School Tuition Reimbursement funding level; this change is a revenue exposure that Boston will track as it manages the FY17 Budget. This revenue source could also be a larger liability if the state budget fails to remain in balance and emergency 9c cuts are made.

EXPENDITURES

On the expenditure side, the FY17 budget reflects a \$95.4 million (3.3%) growth over FY16 estimated expenditures.

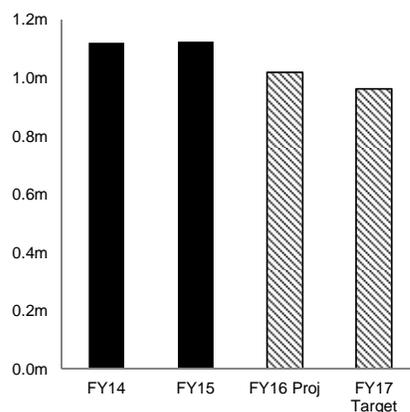
Of that growth, City Departments, Boston Public Schools (BPS) and the Public Health Commission (PHC) (net health insurance and pension costs)

are growing by \$32.0 million or 1.7% over FY16 estimated spending. These departmental increases are low relative to other years due to the expiration of nearly all collective bargaining agreements by early in the fiscal year. Only Fire and Emergency Medical Services (EMS) have negotiated wage increases set for FY17, and their budgets reflect that difference.

To afford limited investments in FY17, the City has implemented a number of cost saving reforms in FY17. Notably, Public Safety and Streets departments will cut employee overtime hours in FY17, saving the City \$11.6 million. This budget builds on the success the Police Department has had in FY16 in reducing overtime hours from FY15. City departments are saving about \$4.7 million by inactivating over 100 vacant positions without impacting service levels. The City is achieving nearly \$1 million in utility savings from reduced usage and lower rates, and almost \$400,000 in savings by tightening waste and other contracted services budgets. The Public Health Commission is saving \$1.4 million through a number of budget tightening measures; and while their budget continues to grow by more than other departments, BPS has committed to reducing costs in several areas, including significant savings in their transportation budget.

As part of its reform to cut public safety overtime and give public safety departments meaningful spending limits, the Walsh Administration is fully budgeting for public safety overtime for the first time in over 15 years. Previously the true cost of public safety overtime was not apparent in the budget, as it was budgeted at an inadequate level, accounted for through conservative revenue budgeting, and then covered at year end with revenue surpluses. This practice provided no functional limit on overtime spending. From FY10 to FY15, the Police Department's overtime hours increased 34% and the Fire Department's overtime hours increased 17%. Recognizing the need to look critically at every dollar spent on overtime, the Police Department, under Mayor Walsh's leadership, began reducing overtime in FY16 by reviewing staffing levels at each district and more carefully examining court overtime spending. In FY17, public safety overtime is budgeted \$20 million above FY16 budgeted levels, but lower than FY16 estimated spending due to the Police

Department's 15% reduction in hours from FY15 and the Fire Department's 5% reduction in hours from FY16.



Police Department Overtime Hours
FY14-FY17 (FY17 Budgeted Target)

Figure 4

The School Committee approved a \$1.032 billion budget for the Boston Public Schools. This brings total education spending (including district and charter schools) to 40% of the city budget. This budget represents a \$15.4 million increase over the previous fiscal year, an amount that could go up when the next round of collective bargaining agreements are negotiated.

The City's investment in the Boston Public Schools is more robust than ever. According to a report by the US Census Bureau, the Boston Public Schools invest more money per student than any of the 100 largest school districts in the nation. Much of this investment is purposeful and results-driven, but some is the result of inefficiency. For example, the Administration believes investing in quality teachers leads to better student outcomes. And in fact, BPS spends 54% more on its teachers than other districts do (according to a report by Education Resource Strategies). BPS's student to teacher ratios are 17% lower than the district's peers, and Boston pays teachers 29% more. Boston also instituted a policy of mutual consent hiring, which gives school leaders more autonomy to hire quality, diverse teachers. However, it has also left the district with a very expensive excess teacher pool.

Boston also spends heavily on school transportation, at over \$100 million, or 10% of the BPS budget. Although Superintendent Chang is actively working to find every possible efficiency in

the BPS Transportation Department, transportation costs will remain high in the near future due to a number of benefits BPS provides to its families. For example, to prevent disruption to families when BPS moved to the Home Base school assignment system, BPS allows students and their siblings to stay in their old schools, regardless of the distance from their home. This is a great benefit to families, but these exceptions increase the geographic distribution of a school's students, lead to vacant buses, and create inefficiencies that limit the district's ability to manage transportation costs.

Teacher compensation and transportation are just two examples of areas where Boston invests more heavily than comparison districts. Others include Special Education and English Language Learning. For example, next year BPS is increasing resources for its English Language Learning population, and expanding ELL academic programs, Sheltered English Immersion programs and teacher training.

The City is making strong investments in Education in FY17:

- \$3 million to add 200 new prekindergarten seats, for a total increase of 400 budgeted seats since the Mayor took office;
- \$1.2 million for Excellence for All to bring a rigorous 4th grade experience to a diverse set of students;
- \$650,000 to open 33 new classrooms at 18 new schools;
- \$1 million for a data system to improve parent access to children's special education plans;
- \$1 million for additional support teams for inclusion classrooms;
- \$1 million for transition services for special education student age 14–22;
- \$1 million for planning to extend the school day for over 15,000 additional students in the near future; and
- \$600,000 for a new transportation data system that will help BPS to track ridership, provide information to parents, and improve student safety.

Despite the City's investment in education far outpacing other City appropriations, BPS faces recurring budget challenges. Since 2008, the City has increased funding for BPS by \$232 million while:

- Assessments for charter schools have grown by \$103 million;
- Our Chapter 70 state education aid has been stagnant; and
- The State has underfunded the Charter School Tuition Reimbursement.

Without reform to BPS's cost structure, the School Department will face increasingly difficult budgetary decisions every year. To gain the tools necessary to make systematic changes, the City and BPS have launched long-term financial planning; Build BPS, a 10-year school facilities master plan; central office reforms; a fresh approach to collective bargaining; and enhanced State House advocacy.

Boston's Charter School Tuition Assessment is projected to increase by \$9.9 million (6.8%), as over 10,000 students are projected to attend a Commonwealth Charter School in FY17. Boston has seen its charter school costs rise dramatically since the enactment of the 2010 Achievement Gap Legislation (130% or \$88.5 million between 2011 and 2017). Unfortunately the Commonwealth has not fulfilled its obligation under the 2010 law to fund Charter School Reimbursement, totaling \$29 million in lost revenue for Boston in FY15 and FY16. As Boston looks to the future, voter approval of the proposed charter school cap ballot initiative could have a shocking effect on the City's finances, as the new state cap allowing an additional 12 schools a year would nullify community caps in practice. In 2015, Mayor Walsh proposed a moderate cap lift growing at 0.5% a year, paired with charter financing reforms that would create a reliable transition funding mechanism for Boston. This fiscally responsible approach would protect Boston taxpayers and would not pit district public schools against public charter schools.

Non-departmental appropriations are increasing by \$27 million, and are being driven largely by growing health insurance costs and a reserve for collective bargaining increases to be negotiated in the next round of agreements.

The City is projecting a 5.4% increase in health care related costs for City employees and retirees, primarily due to an increased cost trend for pharmaceuticals. The net impact of those cost increases are muted partially by savings realized through the most recent Public Employee Committee (PEC) Agreement negotiated by the Walsh Administration in 2014, and projected to save at least \$45 million through 2020. This agreement includes incremental decreases in the City share of premium over several years, competitive bidding of offerings, reduction in expensive and duplicative plan options, and exploration of possible pharmacy management alternatives to reduce future costs. Consistent with national and local trends, Boston's health care costs have dramatically increased since 2001. Combined with long-term post-employment benefits, these costs now constitute a larger (12.7%) share of the City's budget. This nationwide trend increases the significance of savings opportunities provided through the PEC agreement, which took effect this past July.

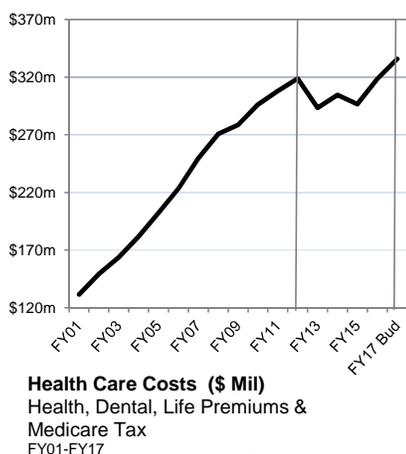


Figure 5

The City's fixed costs are rising by \$31.7 million (5.4%), which is largely driven by growth in Boston's Charter School Tuition Assessment, as well as increases in Debt Service and Pension costs. The Administration will continue to maintain the City's pension funding schedule, which is on track to reduce the unfunded liability to zero by 2025. Also, this budget again dedicates \$40 million toward reducing the City's long term other post-employment benefits (OPEB) liability. These fiscally responsible actions are critical to the Walsh Administration's prudent financial

management policies, which have contributed to the recent affirmation of Boston's triple A bond rating.

In the area of debt service, the City continued to benefit from favorable interest rates and its position as an attractive investment, and borrowed at its lowest rate in recent history, while receiving high premium on the FY16 bond issue. This is keeping debt service costs lower than they otherwise would have been in FY17. Even with the recent favorable borrowings, debt service costs are projected to increase by \$13.4 million in FY17. These growing debt service costs support the City's Building a Better Boston Capital Program.

The Building a Better Boston Capital Program invests in our City to promote economic development, neighborhood vitality, quality education, health care, and public safety. As Boston looks toward the future through Imagine Boston 2030, Bostonians have defined four goals to guide our City's growth:

- Provide quality of life in accessible neighborhoods.
- Drive inclusive economic growth.
- Invest in infrastructure, open space and culture.
- Promote a healthy environment and adapt to climate changes.

Over the next several years, the City's Building a Better Boston Capital Plan will play a critical role in achieving several of these goals, as a major investment program for the City's future. This year, Boston's Capital Plan aims to initiate early action items from the City's Open Space Plan and Go Boston 2030 while prudently preserving capacity for future projects from ongoing City planning initiatives, especially Build BPS, the 10-year educational and facilities master plan for Boston Public Schools.

**FY17 BUDGET PRIORITIES:
THRIVING, HEALTHY, INNOVATIVE**

Through operational reviews, data-driven initiatives, and other planning efforts, the Walsh Administration has identified need for investment in key areas ranging from access to quality early childhood education – a critical piece in closing achievement gaps, to addressing chronic and

veteran homelessness, to reducing Emergency Medical Services (EMS) response time. Given limited fiscal capacity, this budget achieves savings to support targeted investments that are critical to the Mayor's strategies aimed at creating a thriving, healthy and innovative city.

Through the Building a Better Boston Capital Plan, the City is also making new capital investments - investments in the City's infrastructure paid for in a large part through annual borrowing. The City will be able to make new investments in the Capital Plan due to a reevaluation of all future projects relative to immediate need, increasing annual borrowing within the City's debt affordability policy, utilizing the City's Parking Meter Fund to support a portion of the Northern Avenue Bridge project, and applying the City's one-time FY16 snow surplus toward one-time capital projects. The Capital Plan also preserves bond cap for future projects coming out of Build BPS.

EDUCATION

Increasing Access to Quality Early Childhood Education

Mayor Walsh is committed to ensuring that every child in Boston gets off to the right start in life. Currently, 90% of Boston's 6,000 four year olds are enrolled in a preschool program, whether school- or community-based. However, not all programs guarantee well-trained and well-compensated teachers, a high-quality curriculum, a safe and supportive environment and opportunities for family engagement. Mayor Walsh wants to make sure that every preschool option in Boston is high-quality and that all four-year olds in the city are able to participate in the best early learning programming in America. To achieve this goal:

- Mayor Walsh established a Universal Pre-K (UPK) Advisory Committee to develop initial recommendations for the development of a comprehensive mixed delivery UPK system modeled after BPS's rigorously tested K1 system. The City is currently exploring ways to initiate quality-improving investments in both school classrooms and community-provider settings;
- The Mayor's Office worked with Boston Public Schools to invest in 200 new K1

seats in BPS schools over the last two years. In FY17, the Mayor and Superintendent Chang will invest \$3 million to expand BPS K1 programming by another 200 seats; and

- The Mayor's Education Cabinet collaborated with the Massachusetts Department of Early Education and Care and counterparts from Lowell, Holyoke, Lawrence and Springfield to secure a \$15 million federal preschool expansion grant to improve quality in and expand access to community-based programs. \$3.5 million of the grant supported the efforts of Boston-based providers in the current school year. The federal government announced a second year of funding for Boston and its partner cities this past fall.

Investing Thoughtfully in Special Education

BPS is planning to invest in special education in three critical areas: support teams to work directly in schools with teachers and school staff, a new data system that will give parents timely and accurate access to IEP information, and transition services for students as they prepare to move on from BPS. These three investments are part of a broader commitment to provide better, more inclusive special education services in the least restrictive setting and to help all students prepare for success after they leave BPS.

Launching Excellence for All

Through a \$1.2 M investment in the FY17 Budget, BPS is launching Excellence for All. This initiative grew out of Superintendent Chang's 100 Day Plan for the start of his tenure in Boston. The initiative is intended to expand access to rigorous curriculum and enrichment experiences for students in Boston Public Schools. During school year 2016-2017 the district will focus on 4th grade classrooms, some in Advanced Work Class (AWC) schools and some in non-AWC schools. As a result of this initiative, hundreds of additional 4th grade students will have access to rigorous academic and enrichment experiences.

HOUSING

Implementing Boston's Homeless Action Plan

With the publication of the Action Plan to End Chronic and Veteran Homelessness last year, Mayor Walsh reinforced the City's commitment to continue to care for the most vulnerable populations in our community. The Action Plan calls for a single, integrated homeless system, which will move homeless individuals from Boston's streets and shelters into permanent housing quickly.

As part of the Action Plan, through the Boston Homes for the Brave initiative, Boston has housed 605 homeless veterans since July 2014, and effectively put an end to chronic veterans' homelessness in Boston. Because of its commitment to ongoing investment in housing and services, Boston has one of the lowest rates of urban, unsheltered street homelessness in the United States; however, as a regional hub for services, the need to continue assisting Boston's homeless has persisted. With the launch of the Action Plan, Mayor Walsh has made a commitment to end chronic individual homelessness by 2018.

To support the Mayor's Action Plan, the FY17 budget includes an increase of \$1.3 million in general funds and \$2 million in federal funds to provide front door triage staff at Pine Street Inn, rapid rehousing rental assistance, additional emergency shelter to families, and low barrier permanent supportive housing for the homeless.

Improving Homeless Shelter Service and Safety

The Boston Public Health Commission (PHC) provides food, shelter and other comprehensive services to over 650 homeless individuals each night at its Woods Mullen and Southampton Street shelters, and plays a critical role in the Mayor's strategy to end homelessness in Boston. In FY17, the City is investing additional resources to enhance service levels at these locations. Additional funding allows for the full implementation of a front door triage department that enables shelter staff to meet with every new guest entering the shelters to conduct an in-depth assessment, and to develop a client-centered plan to exit the emergency shelter system as quickly as possible. The investments, which include hiring a mix of coordinators, assistant coordinators,

counselors, and security staff, will also enable PHC to efficiently operate the shelters on 24/7 basis and better assist Boston's most vulnerable population with case management, medical and behavioral health services, career counseling, job training, substance abuse prevention, and housing support.

MOBILITY

Mayor Walsh's FY 2017 Capital Plan projects spending over \$275 million in improving Boston's streets over the next five years. These investments will not only help strengthen Boston neighborhoods, but also unlock a new generation of inclusive growth in the city.

Delivering Exceptional Basic City Services

Through 311 requests, when out in the community, throughout Go Boston 2030 – Boston's comprehensive transportation planning effort, and elsewhere, the Walsh Administration has heard from residents how much the basics matter. At the heart of this capital plan is a strong investment in essential city services that touch most of our residents. This budget increases Boston's street resurfacing and sidewalk repair program by nearly \$4 million and bridge repair program by over \$6 million. Building on the nearly 100 miles of road work performed in the last two years, this investment will be targeted to creating more accessible sidewalks for pedestrians and smoother roads for drivers and cyclists along our major arterials. Increased bridge funding will help prepare spans, such as the North Washington Street Bridge, for more comprehensive capital improvements.

Helping People Move Through the City Safely and Reliably

Through Go Boston 2030, residents have identified safety, reliability and accessibility as top priorities for transportation improvements. This capital plan invests in those priorities. In FY17, City is investing \$3.1 million in Vision Zero - a campaign Mayor Walsh launched in 2015 to eliminate serious injuries and fatalities in our roadways. To ensure our streets are well-lit, the City will continue its comprehensive conversion of all electric street lights to LED lights, saving money and lowering energy use with each retrofit. To help people travel more efficiently and predictably through the

busiest areas of the city, we will also invest over \$2 million to maintain, re-time and upgrade traffic lights and pedestrian signals.

Building Great Streets that Anchor Great Neighborhoods

This capital plan also invests significantly in the comprehensive redesign of squares, corridors and public spaces across the city. These planning, design and construction projects stretch from Charlestown's Sullivan Square to East Boston's Central Square, from the Commonwealth Avenue corridor in Brighton and Allston to the Freedom Trail downtown, from Dudley Street in Roxbury to North Square in the North End, from Quincy Street in Dorchester to Audubon Circle in the Fenway. Each project will help transform these areas reflecting the vision of the local community.

ENVIRONMENT, PARKS & OPEN SPACE

Parks First, launching this spring with capital and operating investments, is a comprehensive initiative ensuring that Boston's open spaces are among the nation's most accessible and equitable. Parks First is a commitment to achieving these goals through investments in excellence in design and management. Parks First posits that Boston's open spaces are among the first tools that can be used in fostering community, adapting to climate change, promoting public health and wellness, and creating livable neighborhoods in an era of increasing housing density.

To date, the Walsh administration made an unprecedented investment in Parks. Mayor Walsh has dedicated \$47.6 million in capital funds to Boston's parks, and the FY17 operating budget will be the largest in the department's history.

Improving Access

A two-year, \$5 million dollar investment in pathway and entrance improvements to Boston's largest open space, Franklin Park, will increase usage and safety of this Emerald Necklace anchor for the neighborhoods of Jamaica Plain, Roxbury, and Dorchester, and for visitors citywide. This project is the largest park-only project in Franklin Park in close to a century.

An expansion of Boston's seasonal park ranger workforce will ensure that Boston's green spaces are welcoming and safe spaces for residents and visitors. These ambassadors will patrol the

Emerald Necklace, including America's first park, Boston Common.

Enhancing Equity

Ninety-seven percent of Bostonians live within a ten-minute walk of a park, but those spaces are only truly equitable if they serve the diverse needs of all residents. Parks First recognizes the need for inclusive design and has created robust budgets for park renovation projects at Smith Playground in Allston, Noyes Park in East Boston, and Garvey Playground in Dorchester.

FY17 will see the beginning of a comprehensive redesign of the 45-acre Harambee Park in Dorchester and Mattapan. The renovation will include environmental improvements, pedestrian pathways, field renovations and entrance improvements transforming Harambee into a premier example of community-led comprehensive planning.

Striving toward Excellence

Last year, Mayor Walsh created the first second maintenance shift in Boston Parks and Recreation Department history. Parks First will expand the department's seasonal maintenance workforce to ensure that Boston's neighborhood parks receive an increased level of care.

Parks First will expand recycling into two to three signature parks, providing Bostonians with an opportunity to act as stewards of their environment and complement the City's Greenovate strategy.

PROSPERITY AND EQUITY

Launching the Early Voting Initiative

Boston will expand access to democracy through the Early Voting Initiative. A vibrant democracy furthers Mayor Walsh's goal of a thriving, healthy, innovative Boston, and the Early Voting Initiative will increase voting opportunities for all qualified voters in each of the city's nine council districts for the November 2016 election. With election officials preparing for heavy turnouts and multiple page ballots for the November 2016 Presidential and State election, this initiative will make participation more convenient for all, particularly those who face work schedule, family obligation, or other obstacles to going to the polls.

To ensure equitable access, this investment goes well beyond the state requirement of one early

voting site to be open during normal business hours. Boston will implement early voting sites in each City Council District, as well as provide voting opportunities in the evening and on the weekend to better serve voters in every neighborhood.

Enhancing Translation and Interpretation Services

With an estimated 97,000 Boston residents having limited-English proficiency, the need for a comprehensive way for government to interact with them is felt daily. In FY17, Boston will launch new methods of engagement with the non-English speaking residents of Boston and centralize the translation and interpretation services within Boston 311. Starting in FY17, Boston 311 call takers will have the ability to interact with citizens through interpreters. The City will also have new resources to translate newsletters, press releases, and other notices in a variety of languages. Through a new coordinator, the City will ensure that a high quality service is provided.

Supporting Small Businesses

Small businesses make up the foundation of Boston's economy. Given that approximately 95% of the City's businesses either employ fewer than 50 individuals or generate less than \$5 million in annual revenue, Boston's emergence as one of the nation's leading economies is inextricably tied to the success of its small business community. Recognizing this link, the Walsh Administration is realigning resources and making targeted investments in FY17 to promote a thriving, healthy, and innovative small business ecosystem.

One of the key findings from the City's 2016 Small Business Plan was that the high number of separate municipal agencies involved in business services makes interacting with the city confusing and difficult for the small business community. Consequently, the Administration is prioritizing coordinated small business service delivery by consolidating and realigning personnel, management, and financial resources while also promoting cross-agency collaboration. In FY17, Boston will consolidate all direct-to-small-business assistance under the Economic Development Cabinet. As a result, small businesses seeking technical assistance will be able to access all available resources through a single point of

contact to streamline the delivery of small business services to constituents, while allowing the City to better align and coordinate related initiatives.

In addition to realigning existing resources, the administration is making investments in small business technical assistance, which includes helping businesses improve their marketing, accessing capital markets, enhancing strategy and operations, and through providing human resources training. As part of this initiative, Boston will invest in closing the gaps in the small business ecosystem, which prevent businesses seeking to scale up from connecting with available resources. By matching the demands of growing enterprises with the City's existing supply of resources and networks, the City will help ensure that the heart of Boston's economy- small businesses- continue to thrive.

ARTS , CULTURE AND CREATIVITY

Investing in the Arts

Building on the elevation of the arts in Boston under the Walsh Administration, the City is applying BRA public benefit funds to invest \$1 million in better serving and supporting the artists of Boston. Supporting Boston artists is a key goal of Boston Creates, the forthcoming cultural plan.

The City will invest \$500,000 for Boston AIR (Artists in Residence) to scale up from three to ten full residencies in Boston Centers for Youth and Families with the goal of injecting creative problem solving into municipal processes. This investment will allow for a thorough training program for participating city liaisons and artists, a materials budget for prototyping and innovation, and the evaluation of each project.

The City will support individual artists through \$400,000 in direct grants to Boston artists, awarded through a competitive process.

Finally, Boston will create an Artist Resource Desk dedicated to helping artists and arts sector employees interact successfully with City Hall, and find the resources and assistance they need for their creative projects.

Protecting the Library's Special Collections

The Boston Public Library is committed to its special collections, and has responded

appropriately to its 2015 operational review, which cited deficiencies in the inventory of special collections and the necessity for additional actions to secure collections, with the objective of keeping them organized and visible to the public. In FY15, the Library engaged an expert in library and museum special collections to begin an assessment of the Library's print collection. The work to complete a full inventory of collections then began in FY16. While significant progress is being made, the Library and the City are already focusing on the next steps necessary to address the organization and access challenges of these valuable collections, in advance of the completion of the inventory and assessment work currently underway.

Following the operational review, the Library identified a need to fund additional positions in Special Collections to improve inventory management and rebalance stewardship responsibilities with acquisition efforts. The Library will work with the Associates of the Boston Public Library, a key affiliate organization focused on fundraising support for the conservation, preservation and organization of the Special Collections, to support this work with a goal of furthering the Library's work to improve stewardship of the Special Collections.

Building Thriving Community Libraries

The FY17 Capital Plan continues to demonstrate Mayor Walsh's strong commitment to revitalizing the Boston Public Library's historic Central Library in Copley Square and its branches throughout Boston's neighborhoods. Investing in Boston's neighborhood branches helps ensure a vital and vibrant community. In today's society, libraries serve as conduits for information, spaces in which citizens and neighbors meet and collaborate, and of course, as access points for reading and literacy. Among a range of services for life-long learning, the Library offers Boston's youths a safe place to learn and access additional educational opportunities, and provide today's citizens with resources for furthering skills and exploring new job opportunities.

In this Capital Plan, Boston will launch the reinvigoration of the Adams Branch Library, begin replacement of the Uphams Corner Branch Library, begin construction at the Dudley Branch Library, and continue construction on the

renovation of the Jamaica Plain Branch. Branch library projects not only improve library services in neighborhoods, but can also assist with local economic development efforts as well.

HEALTH AND SAFETY

Reducing EMS Response Time

Boston emergency medical services (EMS) is widely regarded as being among the most efficient and progressive EMS agencies in the nation. Beyond a focus on providing the best possible care for each patient, Boston EMS prioritizes data collection, reporting and analysis. Over the past several years, the data indicates the need for additional uniformed personnel; since 2008, the amounts of clinical incidents and ambulance transports have risen by 16% and 14%, respectively.

To meet the heightened demand for emergency medical services and to ensure Mayor Walsh's vision for Boston as the healthiest city in the nation, the Administration is investing in additional EMTs and new ambulance vehicles for FY17. This investment is largely funded through additional health insurance claims revenue and reduced EMS overtime. The expansion will allow for two additional day and evening ambulance shifts and one night shift, a total of five additional ambulance tours per day. These investments will result in a number of tangible benefits, including reduced response times, fewer 911 emergency medical calls referred to private ambulance companies, lower overtime costs and expanded surge capacity during major city events.

Improving Addiction Services through Boston 311

With the rise of opioid related addictions over the past several years in Massachusetts and Greater Boston, the importance of treatment services has never been greater. As a result, the City is adding resources to the Public Health Commission's PAATHS (Providing Access to Addictions Treatment, Hope and Support) program, a one-stop shop for those seeking information about, or access to, addiction treatment services. The current program, which offers walk-in hours and phone support, has proven successful in connecting individuals to a wide range of addiction services.

The FY17 investment will enable the program to scale up its services through the Boston 311

service, the city's innovative and nationally recognized municipal service application. PHC projects that this expansion will increase the number of weekly PAATHS calls from 100 to 300, and consequently increase the amount of people connected to vital recovery services. To meet this anticipated demand, the investment includes the hiring of full time clinicians to provide advice, referral, and counseling via phone at the PAATHS program. Clinicians will take calls from Boston 311 and triage clients to the appropriate services.

Enhancing Community Center Hours and Programming

As the Walsh Administration evaluated Boston Centers for Youth and Families programming, they found that there were opportunities to expand operating hours in key stand-alone community centers to better meet community needs. Many centers throughout the City close in the early evening, leaving few accessible options for youth to engage in productive and safe activity. Similarly, there are limited weekend hours at the centers for youth. In addition, BCYF faced strong interest from seniors for programming tailored to their needs.

To fill these gaps with existing resources, BCYF will redeploy their staff to dedicate the Grove Hall Community Center as a senior center, expand operating hours at all stand-alone sites, expand Saturday evening hours, enable five centers to operate 7-days per week, and allow 17 centers to operate 6-days per week. The changes in program hours and staffing redeployment planned for BCYF will result in centers that are better equipped to provide quality programming for all residents, especially seniors and youth.

Revitalizing Fire Engines and Ladders

The Fire Department's operational review identified several needed improvements to existing fleet operations, including updated long and short-term fleet replacement plans. The department has worked to identify opportunities for improvement and outline concrete plans for success. In FY17, Boston will launch a revamped apparatus replacement plan. As part of the plan to replace 48% of the fleet within 4 years, and 78% within 8 years, the department will acquire 15 new apparatus in FY17. This is the first year of a long-

term plan to promote firefighter safety and improve the state of apparatus.

In FY17, the City will also ensure appropriate staffing levels in the repair shop, as well as provide new resources to capture revenue for warranty repairs that is currently being lost. In concert with Mayor Walsh's focus on data-driven decision making, the Fire Department is exploring updated fleet management software, as well as improvements to its fuel dispensing system to better analyze their performance going forward.

INNOVATION AND DATA

Modernizing Public Safety

A focus on innovation is not only a hallmark of the Walsh administration, but a requirement for a successful modern public safety agency. To that end, the public safety cabinet has several ongoing initiatives to take advantage of new technologies. In 2016 the Police Department will look to begin a pilot program for police body cameras. FY17 will also be the second year of the Police Department's radio upgrade project. Started in FY16, this is a five year capital project that upgrades both front and back end equipment and technologies. Finally, Police will also upgrade their E-9-1-1 recording system. The current analog system is at the end of its useful life; an upgrade will allow BPD to support the State's new Next Generation 9-1-1 system.

Based on recommendations from their operational review, the Fire Department is upgrading several outdated paper-based systems. The implementation of new scheduling software initiated in FY16 will continue into FY17. Combined with an additional module in the department's CAD system, in FY17 incident commanders will have at their fingertips which firefighters are on shift and which are on scene at every fire incident.

Connect all Boston Public Schools to the City's fiber network

The City of Boston's Department of Innovation and Technology operates a fiber optic network (BoNet) that connects city buildings, schools, libraries, and public safety facilities. This network supports internet connectivity, public safety radio systems, Voice-over-IP phones, traffic signal management, traffic and surveillance cameras,

and Wicked Free Wifi. By operating its own network, the City saves millions of dollars per year in telecommunications charges.

The expansion of this network will connect approximately 90 additional public schools to BoNet, reducing costs and making more bandwidth available. The increase of the core network capacity from 1Gb to 10Gb will allow the network to handle growing traffic from video applications, general internet usage, and an increased reliance on network-based applications in schools and City operations.

Putting Data Analytics to Work

Following City's success with data analytics in FY16 in launching internationally heralded CityScore, which measures the impact of city services on quality of life, using traffic data from the Waze app to improve the flow of vehicles on Boston roadways, and in improving the permitting experience through the development of a mix of smart technology, Boston will continue to build and expand upon this work in the coming year. Plans include:

- Enhancing CityScore and the Mayor's Dashboard. Boston will further develop and refine the tools that are used to monitor and understand performance by adding new information, increasing functionality, and improving usefulness for the public.
- Better identifying health violations. Boston will use advanced analytical techniques, combined with new sources of data, to better identify - and hopefully predict - where the risk of potential food-borne illness is high, all in an effort to reduce and eliminate serious illnesses in food establishments.
- Fighting Addiction. Mayor Walsh is committed to fighting the opioid crisis in the City. The City is using analytics to identify individuals likely to overdose, to allow for intervention and assistance with recovery services.

CONCLUSION

Mayor Walsh's FY17 operating budget and capital plan are balanced, responsible, and responsive to

the needs of Boston's residents. The budget builds on the Administration's strong and proactive fiscal management practices, implements department audit recommendations to achieve operational efficiencies and modernize processes, employs data-driven decision making, and continues to address long-term systemic challenges affecting the residents of Boston that have built up over many years. Through thoughtful reforms that achieve savings, and improved utilization of existing funds, Mayor Walsh's FY17 budget is able to make targeted investments toward achieving a thriving, healthy and innovative City.

