

October 2012

## Boston Ends Fiscal 2012 With a Surplus

*Revenues totaled \$19.2M over budget, spending exceeded appropriations by \$7.2M*

The City of Boston ended FY12 with a \$12M General Fund operating surplus, an increase over the FY11 surplus of \$5.9M. The surplus is due to actual receipts exceeding estimated revenues by \$19.2M. The surplus revenue offset spending in excess of appropriations by \$7.2M. The General Fund surplus represents 0.5% of city spending of \$2.4B.

### FY12 General Fund Summary

Figures in Millions

	Budget	Actual	Variance
Revenues	\$2,395.2	\$2,414.4	\$19.2
Expenditures	\$2,395.2	\$2,402.4	(\$7.20)
Surplus		\$12.0	

### Expenditure

Based on total FY12 spending of \$2.402B, the \$7.2M over appropriations is due to over spending in the Police (-\$13.7M) and Fire (-\$4.9M) Departments because of overtime costs. The City took advantage of the revenue surplus situation to encumber approximately \$11M for future court judgments.

### Select Spending Accounts

Figures in millions

	Budget	Actual	Variance
Judgments & Claims	\$3.5	\$14.5	(\$11.0)
Police	\$269.3	\$283.0	(\$13.7)
Fire	\$182.0	\$186.9	(\$4.9)
Snow Removal	\$17.1	\$5.4	\$11.7

The mild winter last year resulted in spending for snow removal being \$11.7M less than budgeted, which helped offset most of the public safety overtime costs.

### Revenue

The City's conservative revenue estimates once again produced a revenue surplus at year end. Actual receipts of \$2.414B in FY12 were \$19.2M over budget estimates. The excise surplus of \$28.8M includes aircraft fuel (\$10.1M), meals (\$4M), and hotels (\$9.1M). State aid was also \$4.6M greater than expected due to Unrestricted Aid being \$11.6M over budget.

### Select Revenue Accounts

Figures in millions

	Budget	Actual	Variance
Other Excise Taxes	\$123.9	\$152.6	\$28.7
Building Permits	\$18.0	\$32.6	\$14.6
Dept. Revenue	\$53.3	\$69.4	\$16.1
Other Sources	\$47.1	\$0.0	\$47.1
State Aid	\$385.9	\$390.5	\$4.6
PILOTs	\$21.8	\$18.0	(\$3.8)

For the second year in a row, the revenue surpluses have allowed the City to forego using budgeted revenues. In FY12, unused revenue totaled \$47.1M, which included the full budget of free cash (\$30M), parking meter receipts (\$15M) and cemetery funds (\$2.1M). The \$12M surplus will be added to the next fiscal year's free cash certification.