

## Boston Ends FY15 with a \$7.4M Surplus

*Revenues \$44.8M over budget, spending exceeded appropriations by \$37.5M*

The City of Boston ended FY15 with a \$7.4M General Fund operating surplus, slightly smaller than the \$9.5M surplus in FY14. The surplus is due to the fact that actual receipts exceeded budgeted revenues by \$44.8M or 1.6%, which was greater than the \$37.5M that actual spending exceeded final appropriations. The General Fund surplus represents 0.27% of city spending of \$2.77B.

### FY15 General Fund Summary

Figures in Millions			
	Budget	Actual	Variance
Revenues	\$2,735.6	\$2,780.4	\$44.8
Expenditures	\$2,735.6	\$2,773.1	(\$37.5)
Surplus		\$7.4	

### Expenditure

The \$37.5M in spending over appropriations is driven by three main factors. Snow removal costs were expected to greatly exceed the budget, but federal reimbursements helped limit the General Fund spending to \$19.9M over its appropriation.

### FY15 Select Spending Accounts

Figures in millions			
	Budget	Actual	Variance
Judgments & Claims	\$3.5	\$9.7	(\$6.2)
Police	\$319.7	\$337.3	(\$17.6)
Fire	\$204.6	\$211.2	(\$6.6)
Snow Removal	\$18.5	\$38.4	(\$19.9)

Police and Fire Department overtime costs contributed to a combined departmental deficit of \$24.2M. Police overtime spending as a percent of total departmental spending has

grown each year since FY10 and requires greater scrutiny. Court judgments and legal claims paid by the City exceeded its budget by \$6.2M in FY15.

### Revenue

The City's prudent practice of conservatively estimating its revenues once again produced a revenue surplus at year end. Actual receipts of \$2.780B in FY15 were \$44.8M over budget estimates. The [excise](#) surplus of \$25.6M included room occupancy (\$15.0M), motor vehicle (\$11.1M) and meals (\$2.9M) and shortfalls in aircraft fuel (-\$2.3M) and other small accounts. Building permit receipts were \$23.7M or 84.8% over budget. State aid was \$5.1M less than expected due mainly to the state only funding the charter tuition [reimbursement](#) at 63.5% of its full obligation.

### FY15 Select Revenue Accounts

Figures in millions			
	Budget	Actual	Variance
Property Tax	\$1,831.9	\$1,839.3	\$7.4
State Aid	\$418.5	\$413.4	(\$5.1)
Excise Receipts	\$193.2	\$218.8	\$25.6
Building Permits	\$28.0	\$51.7	\$23.7
Free Cash	\$40.0	\$0.0	(\$40.0)
PILOTs	\$64.4	\$78.8	\$14.4

For the fifth year in a row, the revenue surplus allowed the City to forego using non-recurring revenues budgeted for operations. The City was able to use recurring revenues instead of non-recurring revenues totaling \$40.8M, which included the full \$40M free cash appropriation and cemetery trust fund receipts of \$772,800. Unlike last year, the City did take into receipt the entire \$19M that was budgeted from the parking meter fund.