



City of Boston, Massachusetts
Office of the Mayor
MICHELLE WU

June 10, 2024

TO THE CITY COUNCIL

Dear Councilors,

Pursuant to Section 48 of the Boston City Charter, as amended, I am procedurally disapproving the City Council’s amended version of Docket 0670, “Message and Order for Annual Appropriation and Tax Order for FY2025” and return Docket 0670 with further amendments to your Honorable Body. Thank you for the Council’s stewardship of this process and continued partnership in responsibly managing the City’s finances.

In April, we proposed a Fiscal Year 2025 budget to build on our steady progress to make Boston a home for everyone—where our communities’ needs are met and dreams can grow. This budget reflects the shared priorities of the Administration and Council in strengthening core City services for public safety and constituent services and investing in operational and service improvements that support affordability, resiliency and equity throughout our neighborhoods. We are grateful for the Council’s year-round advocacy and leadership in communicating the vision and values that helped shape our initial budget proposal.

Since April the City Council has conducted a robust and thorough review process with over 30 public hearings and working sessions, closely scrutinizing the budget and various departments’ plans for the year ahead, to help ensure the effective and efficient delivery of services. As always, these hearings also served as an opportunity to listen and learn from members of our communities to propose new ideas for the City to consider.

Our returned budget maintains a diligent focus on fiscal responsibility and reflects the productive analysis and advocacy through the Council’s recent process. The City’s economic strength was affirmed last month in a credit opinion issued by Moody’s Ratings which maintained our AAA bond rating and cited our “strong regional economy,” “stable property tax revenue,” and “strong fiscal management.” Since introducing the budget in April, continued strength in locally generated excise revenue—particularly in our strong hospitality sector — allows us to assume an additional \$850,000 (or 0.02%) in revenue for the FY25 budget.

Our returned budget also includes acceptance of \$1.1 million in reductions proposed by the Council. We restore funding to ensure effective operations in core city services and public safety, including where new funding is needed for the Boston Police Department to operationalize contract reforms in modernizing paid details, upgrading technology, and other planned improvements. Boston is now the safest major city in the country, and we must continue that progress through continued coordination and strong infrastructure for community safety and excellent city services for youth, families, and seniors. Our record-low levels of violence are tied

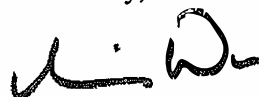
to well-resourced public safety efforts, beautiful parks and public spaces, and comprehensive programming to serve every generation of our community. We therefore disapprove of deeper cuts to departments while accepting some more modest reductions that reflect a pattern of vacancies in staffing as we work to improve hiring processes and fill these needed roles. We disapprove proposed cuts to the Execution of Courts line item used to fund legal judgments and settlements because these expenses, like public safety overtime, are legally required expenses that historically have required this level of funding at minimum.

These revenue and spending adjustments allow for our returned budget to accept approximately \$2 million of proposed spending amendments. We recognize the Council's dedicated focus on housing and youth jobs by partially accepting amendments related to these important priorities. The \$500,000 of funds for housing can support investments in down payment assistance, community land trusts, and legal representation for families. We also include a requested increase in Council office salaries, which Councilors noted as a priority. We accepted funding for inspectional services, trash containerization, constituent services technology, parks and green spaces, infant and maternal health programs, landmarks personnel, and supports for small businesses, particularly in emerging sectors like accessory dwelling unit development. We're committed to continuing to work together on workforce development and college readiness through potential external funding sources. We anticipate returning to the Council in the coming months to propose allocating the remaining ARPA funding for housing and other priorities.

Over the past few years the City has worked diligently to settle labor contracts and invest in increasing salary levels for our lowest paid workers. In collaboration with the Council we have deployed new employee hiring and retention efforts across the City to attract and train new employees. We believe that with these investments and the valued collaboration with our labor partners, we will be able to fill important staffing vacancies and continue to provide the high quality of City services that makes Boston an attractive destination for residents and businesses alike.

Our team looks forward to the continued partnership of the City Council in this operating budget process including the final approval of the Boston Public Schools appropriation and the FY25-FY29 Capital Plan. Thank you for all that you do to represent our communities across the City.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michelle Wu', written in a cursive style.

Michelle Wu
Mayor of Boston