

## **Boston City Budget**

### **Unique Insights**

Each project has attempted to answer the **base questions** of the project in their own way. Let's look at how:

1. Spending per department: All projects presented the spending in different ways. The percentage increase in spending for the past years as well as projected spending for 2024 per department gave various insights into which department had the greatest focus. Another bar chart illustrates the distribution of the capital budget among various city departments, differentiating between the allocations for the immediate fiscal year (Capital Year 1) and the subsequent four-year period (Capital Years 2-5). This had some interesting implications:
  - a. Forward Planning: The allocations across the departments suggest that the city is not only addressing immediate needs but also planning for the future, which is evident from the budgets assigned for Capital Years 2-5.
  - b. Balanced Development: The spread of the budget indicates a balanced approach to development, ensuring that different sectors such as education, infrastructure, community services, and emergency services are all receiving attention.
  - c. Sustainable Investments: The focus on long-term investments in the Public Works and Parks and Recreation departments reflects a commitment to sustainability and the creation of a robust infrastructure for the future.

Boston's expenditure in Infrastructure and Public Works could be attributed to Boston's historical significance and the need to maintain and upgrade its infrastructure, including roads, bridges, and public transportation.

Boston's highest spending is on Education (Boston Public Schools) indicates strong emphasis on educational initiatives and institutions in the city.

2. Spending per program: 151 projects received an increase in funding, which is **82.07%** of the total number of projects. Conversely, 33 projects received a decrease in funding over the time period which is **17.93%** of the total number of projects. Important to note that the Trust program (under Treasury) saw a **4854.92%** increase since it's spending was low to begin with 2021.
3. Spending by location/geography: Charlestown was by far the most funded neighborhood, with a total budget of **\$531.2** million. On the other hand, Bay Village was the lowest funded neighborhood with a total budget of only **\$1.53** million. This could indicate the presence of major projects in these areas, which might be related to either

substantial infrastructural developments or a high number of cumulative projects. There is a wide range of total budgets for projects in each neighborhood, from Charlestown (\$531,212,390.00) to Bay Village (\$1,525,000.00). This is mostly due to the disparity in the amount of projects per neighborhood—ranging from 44 (Roxbury) to 2 (West End)—and the scale of each project—ranging from \$223,591,467.00 (Chinatown) to \$575,000.00 (Bay Village).

Chinatown stands out with the highest budget per square mile, followed by Downtown/Government Center and North End with \$4.77 hundred million per square mile. Which means that some of the neighborhoods with the smallest areas are getting a lot of budgets for projects in comparison to larger ones such as Allston/Brighton. This disparity in budget allocation could be due to the population density of the areas involved. There are some neighborhoods like Allston/Brighton, Dorchester, and North End, where the budget per neighborhood population is higher than the one of other neighborhoods in comparison to the budget per area. There are still some disparities that are not necessarily explained by area or population, which could be due to the infrastructure qualities and needs of various neighborhoods.

Neighborhoods with higher budgets in the initial years with a decrease in budget could be an indication of short term projects.

4. Spending by budget category: For the fiscal years 2021, 2022, and 2023 these expenses on average have been about **\$191,092,897**. The Personnel Expenses are by far the largest expense category each year. Personnel expenses have been consistently above **\$1.8** billion dollars per year for the past 3 years. One interesting thing to note is that it has also been the one of the only expense categories where the expense has risen for each of the past 3 years. All other categories, besides Fixed Expenses, have had some degree of fluctuation on a year to year basis.

### **Extension project**

What is the spending per capita by neighborhood?

Charlestown, Chinatown and Downtown were the neighborhoods that received the most spending per-capita. These three neighborhoods can be considered as outliers and help increase the mean budget spending per capita for all neighborhoods in Boston. The neighborhoods that received the least amount of spending per-capita were Fenway, Mission and Hyde Park. This is interesting to consider because Fenway and Mission Hill are home to many college students. Furthermore, the mean budget spending per-capita across all neighborhoods is ~\$3,980.

### **Revenue Source**

The Property Tax Levy is the dominant source of revenue at 72.4%. State Aid and Excises form the next significant sources, but they are much smaller in proportion than the Property Tax Levy.

### **Discrepancies**

In Team A's project, Figure 16 depicted that neighborhoods with larger African-American populations are among the lowest funded. However, there does not appear to be much of a

correlation between the population and the funding.

### **Recommended content for final report**

Team A put together a report with very insightful percentage increases and decreases in revenue collected as well as spending per department, program, location, and budget category. This helps shed light on what are the main aspects of focus for the city of Boston. These percentages would be quite essential to a final report.

Team F has attempted to answer why there are changes and disparities in the revenue and expenditure of resources, which is definitely insightful. A combination of these numbers as well as a peek into understanding why there has been allocation of resources helps form a perfect report.

For the extension project, Team F has done some great socio-economic analysis. It helps provide some correlation between poverty rate, population density, number of workers, SVI with the budget allotted for that neighborhood.

Although comparison with Philadelphia's budget system does not seem necessary, it could be used to create alternative budget systems for Boston.