

OVERVIEW

The Boston Redevelopment Authority (BRA) Operating Budget includes the revenue and expenditures related to the planning and zoning, research, legal, and economic development project management and initiatives for the agency. The Operating Budget is a twelve-month strategic plan that begins July 1st of each year and allocates resources to achieve program initiatives. It emphasizes the objectives of the BRA's programs and reflects the policy goals established by the Mayor, the Board, and the community.

Accountability and financial control will continue to be at the forefront of the budget process to ensure an effective and efficient planning and economic development process.

The Operating Budget for the BRA is presented in two attached charts, the first chart presents the summary of revenues and expenses, and the second chart presents the operating expense detail.

BUDGET SUMMARY

Total operating revenue is projected at \$14,020,000 and total operating expenses at \$13,929,935 resulting in revenues over expenses of \$90,165. The major components of the Operating Budget are as follows:

Revenue

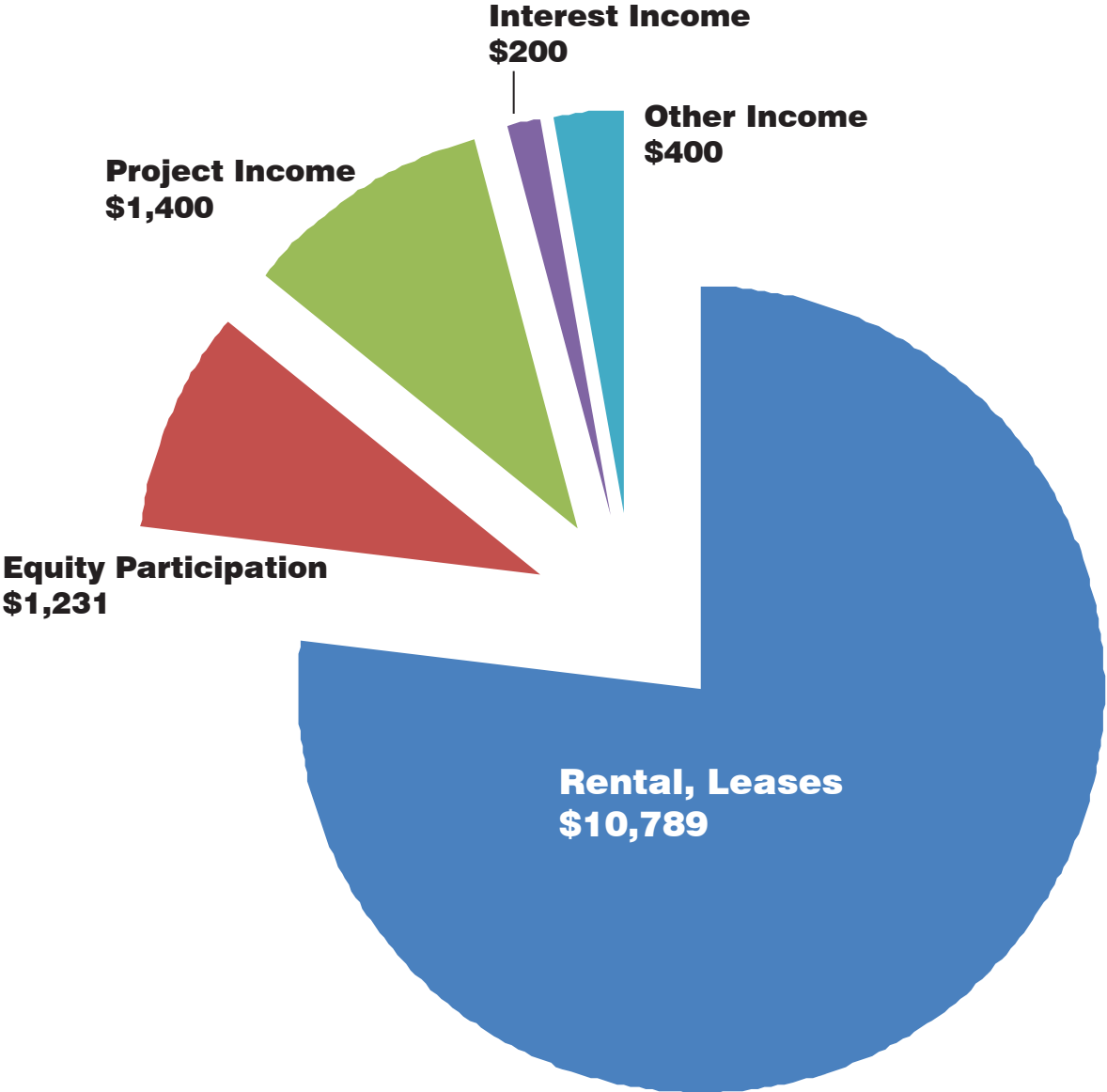
Revenue is projected at \$14,020,000. This represents revenue generated from rental payments, lease payments, equity participation, project income, interest income and other income.

- Rental, Lease and Long Term Agreement Income is budgeted at \$10,788,922. Major sources of these revenues are the Charlestown Navy Yard, China Trade Building, Sargent's Wharf and Rowes Wharf.
- Equity Participation income is budgeted at \$1,231,000. Major sources of these revenues are the Charlestown Navy Yard, Rowes Wharf and the Kensington Project.
- Project Income of \$1,400,000 will be derived from a number of land and building sales.
- Interest Income is projected at \$200,000 and reflects interest earned on operating funds.
- Other Income is budgeted at \$400,078 and represents the sale of maps, books, publications, requests for development proposals, fees associated with Chapter 121A amendments and cost reimbursement applications.

Boston Redevelopment Authority
Comparative Budget Summary
(000s)

| IN THOUSANDS | FY 09 FORCAST | FY 10 BUDGET |
|---------------------------------------|------------------|-----------------|
| OPERATING REVENUE: | | |
| RENTAL, LEASES | \$10,086 | \$10,789 |
| EQUITY PARTICIPATION | 1,294 | 1,231 |
| PROJECT INCOME | 3,092 | 1,400 |
| INTEREST INCOME | 174 | 200 |
| OTHER INCOME | 334 | 400 |
| TOTAL OPERATING REVENUES | \$14,980 | \$14,020 |
| OPERATING EXPENSES: | | |
| PERSONNEL | \$ 9,640 | \$ 8,080 |
| EMPLOYEE BENEFITS | 4,196 | 3,557 |
| ADMINISTRATIVE | 691 | 587 |
| CONTRACTUAL SERVICES | 1,731 | 613 |
| PROPERTY MANAGEMENT | 1,197 | 1,093 |
| TOTAL OPERATING EXPENSES | \$17,455 | \$13,930 |
| REVENUES OVER (UNDER) EXPENSES | \$(2,476) | \$ 90 |

**Revenue Distribution %
(000s)**



Expenses

Total Operating Expenses are budgeted at \$13,929,835 and represent the following costs:

- Personnel costs are budgeted at \$8,079,675 which reflects a wage reduction of either 3% or 5% for all staff earning \$50,000 or above. This budget supports a full time staff of 106 which is a decrease from last year's staff total of 119. In addition, there are five staff scheduled for retirement during this fiscal year.
- Employee benefits are projected at \$3,557,160 and reflects: a pension assessment by the City of Boston of \$1,698,169; health insurance of \$1,837,905; and workers compensation insurance of \$21,086
- Administrative expenses are budgeted at \$587,000 and represent the day-to-day cost of operations, including the following:
 1. Major costs totaling \$479,000 include data processing of \$35,000 to support the acquisition and upgrade of computers, computer applications and software; telecommunication costs of \$73,000; printing at \$55,500; and leased copy equipment and supporting maintenance totaling \$61,000; office supplies and postage at \$75,500, advertising at \$95,000 and dues and subscriptions costs totaling \$84,000.
 2. Other costs totaling \$108,000 represents costs for employee professional development programs, mapping and model supplies, graphic design, copy supplies, marketing and travel.
- Contractual services are budgeted at \$613,000 and provide funding for Administration and Finance, Legal and Planning and Economic Development initiatives.
 1. Administrative and Finance contractual services are budgeted at \$70,000 and represent independent audit costs.
 2. Legal expenses are projected at \$340,000 which includes the costs of litigation and the Director and Officer's Liability Policy.
 3. Planning and Zoning contractual services are projected at \$100,000 and include continuation of the Crossroads Program in Downtown, initiating new comprehensive master plans/zoning for various neighborhoods; and creating development review criteria for building energy use and delivery.
 4. Other contractual services costs totaling \$103,000 include building appraisals, economic modeling and other contractual services.
- Property Management costs are projected at \$1,093,000 and represent the cost of land and building maintenance, utilities, transportation and property insurance costs.

That the BRA Fiscal Year 2010 approved Operating Budget is in the expense amount of \$13,929,835.

Boston Redevelopment Authority
Budget Detail/Operating Expenses
(000s)

| IN THOUSANDS | FY 10 BUDGET |
|-----------------------------------|-----------------|
| PERSONNEL | \$8,080 |
| EMPLOYEE BENEFITS | |
| CITY OF BOSTON RETIREMENT | 1,698 |
| HEALTH | 1,838 |
| WORKERS COMP | 21 |
| TOTAL EMPLOYEE BENEFITS | \$3,557 |
| ADMINISTRATIVE | |
| ADVERTISING | \$95 |
| DATA PROCESSING | 60 |
| DUES & SUBSCRIPTIONS | 84 |
| EMPLOYEE EDUCATION | 16 |
| GRAPHIC DESIGNS | 33 |
| MAPPING & MODEL MAKING | 4 |
| MARKETING | 20 |
| OFFICE EQUIPMENT | 61 |
| OFFICE SUPPLIES | 65 |
| POSTAGE | 11 |
| PRINTING | 56 |
| TELEPHONE | 73 |
| TRAVEL/ADMINISTRATION | 12 |
| TOTAL ADMINISTRATIVE | \$588 |
| CONTRACTUAL SERVICES | |
| ADMINISTRATION & FINANCE | \$70 |
| LEGAL | 327 |
| PLANNING & ECONOMIC DEVELOPMENT | 216 |
| TOTAL CONTRACTUAL SERVICES | \$613 |
| PROPERTY MANAGEMENT | |
| TRANSPORATION | \$12 |
| INSURANCE | 200 |
| DEPRECIATION | 270 |
| LAND & BUILDING MAINTENANCE | 605 |
| UTILITIES | 6 |
| TOTAL PROPERTY MANAGEMENT | \$1,093 |
| TOTAL OPERATING EXPENSES | \$13,930 |

Expense Distribution %
(000s)

