



# BOSTON CITY COUNCIL

Committee on Ways and Means  
Benjamin J. Weber, Chair

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## REPORT OF COMMITTEE CHAIR

May 27, 2026

Dear Councilors,

The Committee on Ways and Means was referred the following docket for consideration:

***Docket #1031, Message and order authorizing the City of Boston to appropriate the amount of Twenty-Two Million Eight Hundred Forty-Five Thousand Six Hundred Seventy-Two Dollars (\$22,845,672.00) for purposes of funding Boston Public Schools to meet operating expenses of the fiscal period commencing July 1, 2025, and ending June 30, 2026. This appropriation request was approved by the Boston School Committee on May 6, 2026, and is intended to cover projected deficits in health insurance (\$18,087,750.00) and utility spending (\$4,757,922.00).***

This matter was sponsored by Mayor Michelle Wu and was referred to the Committee on May 20, 2026.

### ***Summary of Legislation***

#### ***Docket #1031***

Boston Public Schools (BPS) has faced unexpected cost pressures in Fiscal Year 2026 and is anticipating overruns in multiple areas, including healthcare for employees, utilities for facilities, transportation for students, and food services for students. BPS introduced spending controls for their Central Office in November 2025, and expanded those spending controls district wide in December 2025. BPS estimates that it reduced its projected end of year deficit by \$20 million. This appropriation order would address the remaining projected deficit in health insurance and utility spending.

This appropriation order would appropriate \$22,845,267.00 for BPS to cover BPS's projected end of fiscal year deficit, of which \$18,087,750.00 is intended for health insurance and \$4,757,922.00 is intended for utility spending. The Boston School Committee, which votes on appropriation orders for Boston Public Schools before the City Council, approved this appropriation order at the Committee meeting on May 6, 2026. This appropriation order is funded by a one time withdrawal from the City's available funds on hand. The Mayor's accompanying message indicates that, since the expenses are extraordinary one-time and non-recurring expenses, the amount will be allocated from the City's certified free cash, which was certified by the Director of Accounts at the Massachusetts Department of Revenue as being \$601,601,14 at the beginning of the fiscal year in July 2025.

### ***Information Received at Hearing***

The Committee held a hearing on Wednesday, May 27, 2026 to discuss Docket #1031. Chief Financial Officer of Boston Public Schools David Bloom testified on behalf of the Administration.

Chief Bloom explained that BPS has or anticipates cost overruns in several areas, primarily driven by the forecasted overrun in health insurance, increased salary costs due to lower-than-expected vacancy rates, transportation, special education, and utilities.



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Chief Bloom outlined BPS's cost-saving efforts, noting that BPS saved an anticipated \$26 million by pausing Central Office discretionary spending in November and school-based discretionary spending in December. Additionally, Chief Bloom stated that BPS closed another \$6 million of the projected deficit through active cost management strategies in transportation, facilities, food services, reviewing Individualized Education Programs, and identifying available grant funds.

Despite cost-saving measures, Chief Bloom explained that at the end of March, BPS determined the forecasted end of fiscal year deficit to be \$28.3 million and that the requested \$22.8 million supplemental appropriation is intended to cover the outstanding deficits in health insurance and utilities. He noted that the remaining \$5.5 million of the \$28.3 million anticipated deficit will be managed through continued spending pauses, further cost-saving measures, and identifying available grant revenues, expressing confidence that the district would successfully balance its budget by the end of the fiscal year.

In response to questions from Councilors, Chief Bloom described changes to BPS's budget forecasting models to adjust for shortcomings in this year's forecast. Regarding health insurance, he stated that appropriating funds for BPS health insurance costs separately from the BPS budget would be logistically complicated and would not alter anything substantive for BPS's budget. Chief Bloom also clarified that while the district is not laying off educators with three or more years of experience, some educators did not have their contracts renewed, and despite efforts to match educators to available jobs within the district, some are still expected to depart BPS. He offered to provide final numbers on expected departures related to the district's ongoing right-sizing efforts when the numbers are available.

### ***Committee Chair Recommended Action***

As Chair of the Committee on Ways and Means, I recommend moving the listed docket from the Committee to the full Council for discussion and formal action. At this time, my recommendation to the full Council will be that this matter **OUGHT TO PASS**.

Benjamin J. Weber, Chair  
Committee on Ways and Means