



CITY OF SOMERVILLE, MASSACHUSETTS
KATJANA BALLANTYNE
MAYOR

To: Honorable Members of the City Council
From: Mike Mastrobuoni, Budget Director
Re: FY25 Amended General Fund Budget Adjustments
Date: June 20, 2024

This memo describes the changes in the amended FY25 General Fund budget compared to the preliminary budget submitted to the City Council on May 30. These changes fall into three categories:

1. Corrections and/or adjustments to the budget
2. Cuts made on June 18th
3. Reinvestment of funding from cuts and corrections

Category 1: Corrections and adjustment to the proposed budget

The following adjustments and corrections are applied to the amended budget and were presented at departmental budget hearings and at cut night on 18th:

Department	Budget Line	Description	Amount
Fire	511000	Double-budgeting of Holiday Pay*	\$(1,076,507)
Fire	511000	Double-budgeting of Hazardous Duty Stipend*	\$(505,000)
IAM-CPPM	530006	Increase to Engineering & Architectural Services	\$290,000
CCE-SOIA	511000	Correction to PT position pro-ration	\$(45,712)
Net change			\$(1,337,219)

**Overbudgeting was due to an overwritten spreadsheet formula in detail documents. To prevent this from happening in the future, SFD will incorporate checksum fields into personnel spreadsheets to immediately identify discrepancies between detail and summary data.*

Category 2: Cuts made as part of the FY25 budget process

The City Council voted to approve two cuts to the proposed budget:

Department	Line	Description	Amount
Human Resources	511000	Delayed hiring of two recently vacant positions	\$(30,778)
Executive Administration	511000	Funding for Chief Administration Officer	\$(185,466)
Net Change			\$(216,244)

Category 3: Reinvestment of funding from departmental cuts and corrections

After accounting for cuts voted by the City Council as well as adjustments based on corrections and new information to the original budget proposal, the amended general fund budget is \$1,553,463 less than the original appropriation. On June 18th, the Council made resolutions to increase funding using available capacity under the levy limit. Mayor Ballantyne is proposing the following investments in the amended proposal:

#	Department	Line	Description	Amount
1	Salary Contingency	511000	Increased capacity for collective bargaining settlements.	\$1,000,000
2	PAYGO-Capital	582003	Building Improvements – Focus on schools	\$337,219
3	Health & Human Services	511000	Funding for an additional part-time Case Manager position	\$30,778
4	Executive Administration	511000	Funding for Chief Administration Officer	\$185,466
Net Change				\$1,553,463

1. An increase to the Salary Contingency account will mitigate the risk of collective bargaining settlements overburdening the General Fund. This \$1M will be added to the current \$6.2M budgeted in FY25 within Salary Contingency, \$7.9M in Salary/Wage Stabilization, and a proposed \$1M appropriation from FY24 free cash, totaling \$18M.
2. Additional funds in PAYGO-Capital will enable repairs, maintenance, and proactive improvements to systems in City and School buildings.
3. Funds added to Health & Human Services will be used to enable additional case management capacity.

4. After review and discussion between the City Council and the Administration on June 20th, the Chief Administrator position funding has been returned to the FY25 appropriation request.

The proposed reinvestments total the net adjustments due to corrections and cuts. The amended FY25 budget proposal of \$360,048,316 (Municipal Appropriations totaling \$342,878,129) is unchanged from the original submission at the bottom line.