



MEMORANDUM

To: Honorable City Council Members
From: Mohammed Uddin, City Council Financial Analyst
Date: January 9, 2025
Re: City Council Analyst FY25 Q2 spending & projections

Objective: Understand the FY25 appropriations, expenditures for FY25 Q2, projections for the remaining months of FY25 and methodology for projections. A link to the analysis can be found [HERE](#)

In summary (Depts Only):

| Description | FY25 Appropriation | FY25 Expenses (12.17.2024) | FY25 Projected Remaining | FY25 Surplus and/or Deficit | Projected % Surplus and/or Deficit |
|---------------------------|--------------------|----------------------------|--------------------------|-----------------------------|------------------------------------|
| Personnel (51) | \$94,626,228 | \$39,810,176 | \$46,056,153 | \$8,759,898 | 6.94% |
| Ordinary Maintenance (52) | \$48,001,514 | \$15,927,843 | \$18,378,281 | \$13,695,390 | 28.53% |
| Total (51 + 52) | \$142,627,742 | \$55,738,019 | \$64,434,434 | \$22,455,288 | 12.72% |

Methodology:

The appropriation and expenditure columns are based on Munis reporting. The projected remaining is taking the actual expensed weekly (24) average multiplied by the weeks remaining in the fiscal year (27) to project the remaining costs for the fiscal year. With a conservative reduction of 25% we get a conservative surplus projection of \$18.6m.

Limitations:

A deeper level analysis would compare these numbers with a 3-5 year historical average at the same point in time (Q2). These projections do not account for any changes in activity or seasonal activity such as changes in hiring pattern, retirement buyouts, stipends, etc. and invoice processing by departments which is why I added 25% to be conservative.

Department-Divisions with Largest Projected Personnel Surplus:

Drivers for projected surplus likely include a tight labor market for filling highly skilled and frontline labor positions. Lead time for processing and hiring Public Safety + Civil Service positions. Positions may require special certifications or minimum entry requirements which create barriers to entry (CDL, Hoisting License, Civil Service, Internship versus qualifying years).

1. Fire Department - \$984,275
2. Police Department - \$643,967
3. Public Works- Highway - \$660,387
4. Public Works- Building - \$591,157
5. School Custodian - \$446,022



KIMBERLY M. WELLS
City Clerk

City of Somerville, Massachusetts
City Clerk's Office
KATJANA BALLANTYNE
Mayor

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6. Board of Health - \$437,657
7. Inspectional Services - \$370,052

Department-Divisions with Largest Projected Ordinary Maintenance Surplus:

1. Public Works- Building, \$3,776,445, driven by utility rates (electric, gas) and on-call maintenance contracts (HVAC, Plumbing, Elevator, Fire Alarm)
2. Public Works- Building, \$1,681,103, driven by volatility of recycling market and disposal tonnage
3. Public Works- Snow, \$1,433,553, driven by actual snow operations and activity
4. Public Works- Grounds, \$860,407, driven by Spring seasonal tree pruning activity and recreation facility repairs
5. Public Works- Highway, \$686,519, driven by actual days of sweeping operations
6. Information Technology, \$269,934, potentially driven by the budgeted number of subscriptions and services versus the actuals needed and used depending on staffing
7. Human Resources, \$381,494, various as-needed service contracts such as investigations, recruitment, FMLA administration, contacts could be driving surplus