



City of Malden

Malden City Hall
215 Pleasant Street
Malden, MA 02148

Meeting Minutes - Final Finance Committee

Councillor-at-Large McDonald, Chair
Councillor Condon, Vice-Chair
Councillor O'Malley
Councillor-at-Large Colon-Hayes
Councillor Simonelli
Councillor Linehan

Tuesday, October 17, 2023

6:00 PM

City Hall, Room #105

215 Pleasant Street

Roll Call

Present: 4 - Councillor at Large Carey McDonald, Councillor Paul Condon, Ryan O'Malley and Amanda Linehan

Absent: 2 - Karen Colon Hayes and Chris Simonelli

Also Present: Councillors Murphy, Crowe, Spadafora and Winslow
Alicia McNeil-City Solicitor
Dan Grover-Treasurer
Carol Ann Desiderio-City Clerk

Councillor McDonald called the meeting to order at 6:06 pm.

Minutes to be Approved

[363-23](#)

Minutes of October 3, 2023 to be approved.

A motion was made by Councillor Condon, seconded by Councillor Linehan, that the Committee Minutes October 3, 2023 be approved. The motion carried by a unanimous vote.

Business

Other Business

Tabled Papers

[325-23](#)

Order: That the City of Malden rescinds the following amounts that have been authorized to be borrowed, but which have not been borrowed and are no longer needed for the purposes for which they were initially approved:

Sponsors: Carey McDonald

Attachments: [Final Paper: 325-23](#)

Motion was made by Councillor Linehan and seconded by Councillor Condon to take Paper #325-23 off the table. All were in favor.

Councillor McDonald explained at the last meeting Dan Grover, Treasurer gave history on each accounts. The committee requested additional information about the Energy Efficiency Account and City Hall accounts. Dan explained that the questions outstanding were related to whether or not we could use the remaining authorization to then go back to the market and borrow those funds for the HVAC work at the courthouse. The answer is yes if we have a plan in place to do the rehab and the work is Energy Efficient. His recommendation last week was to rescind this authorization instead of trying to piece mail something related to the courthouse and come up with a comprehensive plan for a rehab which would include HVAC and electrical overall rehab and you would then have comprehensive authorization for whatever dollar amount it would be for the whole project. He said it is a matter of housekeeping but if the Council wishes to hold this money and borrow at some point when there is a plan. The courthouse will need additional funding sources to do the work required and he feels it would make sense to do one authorization for a comprehensive overhaul but it is the decision of the Council. Councillor Linehan agrees but it feels tense to take this money off the table and feels once we say no to it that option is off the table. There is no comprehensive plan as of yet. Councillor O'Malley is in favor of keeping it on the books as it is a significant amount of money. He feels potentially this money could be a match with other funds if it the upgrade is energy efficient. Councillor Murphy said it doesn't hurt to leave the money there but the Treasurer is trying to clean up the books. She feels it would make sense to actually have a plan of what the building will look like and then start the work process. Councillor Condon feels this project will be more than \$4mill. and he feels we will have to set some priorities with other projects which are in the works. He suggests before jumping into this you will need to know the cost estimate on this building and what you get out of it for the City. Councillor McDonald said we could have a separate meeting with the financing relating to this but the question is do we want to keep this funding on the books for now. He is comfortable for pulling this item off and holding this authorization for now if we don't need the funds we still can always come back and rescind it.

The following motion is made:

Motion to amend Paper #325-23 was made by Councillor O'Malley and seconded by Councillor Linehan to strike the Energy Efficiency Line (\$1,175,179.00) from the paper.

Roll Call Vote: Condon-yes O'Malley-yes

Linehan-yes McDonald-yes.

A motion was made by Councillor O'Malley, seconded by Councillor Linehan, that the Order be recommended favorably as amended by striking the Energy Efficiency Line in the amount of \$1,175,179.00 from the paper, to the City Council. The motion carried by a unanimous vote.

[326-23](#)

Order: That the City Council accept the provisions of M.G.L. c. 203C, the Massachusetts Prudent Investor Act, and adopt the local option allowing Municipal Treasurers to apply the Prudent Investor Rule to optimize returns on trust fund monies.

Sponsors: Carey McDonald

Attachments: [Final Paper: 326-23](#)

Motion to take Paper #326-23 off the table was made by Councillor Condon and seconded by Councillor Linehan. All were in favor.

Councillor McDonald said we had a great conversation at the last Finance Meeting about the Prudent Investor Act but had questions about whether we can have certain restrictions about investment companies and the answer was yes. He asked Dan what

would be the type of process going forward with that. How do we have a discussion about that. The Treasurer Grover said he feels it would be more prudent to have ongoing dialogue directly about certain investment types to make sure the portfolios invest in a manner that seems most appropriate for the City. Councillor McDonald asked if there is a sensibility to add potential restrictions to direct investments. Councillor O'Malley asked if we could have a separate meeting to be educated on this. Dan recommends to approve this Paper as is and we can re-allocated very easy at any time with relative ease and little cost. He is hearing some of the concerns with the investment companies from the committee and he will remove those companies from the list moving forward. Councillor McDonald said from the Chair he feels we should pass this paper. He asked if we already have an investment company. Dan said it is Rockland Investment Management group. Councillor McDonald recommends reaching out to Rockland and asked if we could obtain information from them. Dan said he has already had dialogue with Rockland Investment and they are willing to come in if that is the committees desire but they basically said if you give us a list of what you don't want to go into they will remove it and the City won't invest in it. It would be that simple. Councillor McDonald recommends we pass the paper with the caviat that the Treasurer is receiving this discussion as he is beginning to draft up the investment policy for this and work with our investment advisors and we will have a future Finance Committee to further discuss how that is shaping up and any other potential screens or exclusions we may want to require.

A motion was made by Councillor Linehan, seconded by Councillor Condon, that the Order be recommended favorably to the City Council. The motion carried by the following vote:

Yea: 4 - McDonald, Councillor Condon, Councillor O'Malley and Councillor Linehan

Adjournment

Motion was made by Councillor O'Malley, seconded by Councillor Condon, That this meeting be adjourned at 6:42 PM. The motion carried unanimously.