



City of Malden

Malden City Hall
215 Pleasant Street
Malden, MA 02148

Meeting Minutes - Final Finance Committee

Councillor McDonald, Chair
Councillor Colon-Hayes, Vice-Chair
Councillor Condon
Councillor Crowe
Councillor Spadafora
Councillor Winslow

Tuesday, October 14, 2025

6:00 PM

City Hall, Room #105
215 Pleasant Street
Malden, MA 02148

Watch this meeting with Teams: <https://tinyurl.com/3dm32kd4>

Roll Call

Present: 6 - Councillor Carey McDonald, Councillor Karen Colon Hayes, Paul Condon, Peg Crowe, Craig Spadafora and Stephen Winslow

Also Present: Councillors O'Malley, Sica, Taylor
Mayor Gary Christenson
Maria Luise-Special Assistant to the Mayor
Charles Ranaghan-Controller
Daniel Grover-Treasurer
Ron Hogan-Strategic Planner
Alex Pratt-Director OSPCD
Zaheer Samee-Assistant City Solicitor

Councillor McDonald called the meeting to order at 6:04 PM.
This meeting will have audio and video via Teams.

Minutes to be Approved

Business

[363-25](#)

Order: That the City of Malden hold a Special Municipal Election on February 10, 2026 and to include the following ballot question:

Shall the City of Malden be allowed to assess an additional \$5,400,000 in real estate and personal property taxes for the purposes of stabilizing the City's budget and to support ongoing city services across all departments, including public schools, public safety, public library, public works and general government, for which the monies will be used for the fiscal year beginning July 1, 2026?

A yes vote would support an increase in real estate and personal property taxes beginning with fiscal year 2027 (7/1/26 to 6/30/27).

A no vote would make no change to the current tax structure.

Sponsors: Amanda Linehan and Stephen Winslow

Attachments: [Mayor's Memo to the City Council 9 25 2025](#)
[Public Comment September 30](#)
[Graph Printouts 22x 28 \(2\)](#)
[Graph Printouts 28x 22 \(3\)](#)
[FY2026 General Fund Summary Oct 2026](#)
[Steps Taken to Implement Budget Savings Oct 2025](#)
[363-25 New Growth & Ec Dev Presentation Oct 21 2025](#)

Councillor McDonald explained the committee will continue discussion on the proposal for a special initial election on February 10th, 2026, to include a ballot question about assessing an additional \$5,400,000 in real estate and personal property taxes to support the city's budget and services. Charles Ranaghan, Controller/CFO is in attendance to give a presentation Steps Taken to Implement Budget Savings to the committee. (see attached)

Chuck started by recapping last week one of the many questions was What has the City done so far in trying to be proactive on the city side to reduce expenses. He highlighted three of the main ones. The city's efforts to reduce expenses by extending the pension system funding schedule. He explained the city was initially on pace to be fully funded by fiscal year 2031, but the schedule was extended to fiscal year 2033, saving approximately \$700,000 per year. The extension of the funding schedule resulted in significant cost savings, with the pension obligation not increasing at all from FY25 to FY26 and only going up by 2% from FY26 to FY27. This 6% savings is expected to be substantial going forward. State law requires that a community can never decrease their yearly pension appropriation, which must go up by at least a small amount each year. The city had to negotiate with the Pension Oversight Board to allow the extension with no increase for one year. He discussed the potential savings from changing the city's health insurance plan to the state-run Group Insurance Commission, which could save the city a minimum of \$3,000,000 in the first year.

Chuck Ranaghan presented the city's efforts to reduce debt, resulting in a significant decrease in debt payments from \$12.3 million in 2019 to \$5.8 million in 2026. This reduction was achieved by relying heavily on ARPA money for capital expenses and avoiding new borrowing for capital improvement projects.

He talked about how the city used \$45,000,000 in ARPA money to fund capital expenses, preventing the need for new borrowing. This approach led to a staggering \$76.5 million decrease in projected debt payments by FY27. He explained the reduction in debt payments, combined with savings from health insurance and pension funding, contributed to significant overall cost savings for the city and said these efforts highlight the city's proactive approach to managing its finances. Chuck Ranaghan presented the city's efforts to reduce debt, resulting in a significant decrease in debt payments from \$12.3 million in 2019 to \$5.8 million in 2026. This reduction was achieved by relying heavily on ARPA money for capital expenses and avoiding new borrowing for capital improvement projects reviewing the breakdown of expenditures, highlighting the challenges in finding areas to reduce the budget without affecting essential services like education and public safety. The general government category, which includes \$27,000,000 in health insurance expenses, was noted as a significant portion of the budget.

The next slide Budgeted Expenditures by Function. He reviewed the breakdown of expenditures, highlighting the challenges in finding areas to reduce the budget without affecting essential services like education and public safety. The general government category, which includes \$27,000,000 in health insurance expenses, was noted as a significant portion of the budget. Many expenses in the general government category are

non-controllable, such as health insurance and negotiated union salary contracts. He discussed the difficulty in reducing these expenses without impacting essential services. Public safety expenses, which account for 13.8% of the budget, were also reviewed. Chuck emphasized the importance of maintaining funding for public safety while exploring other areas for potential budget reductions and acknowledged the challenge of reducing the budget by \$5.5 million without affecting essential services. He plans to continue reviewing departmental budgets and exploring potential cost-saving measures in future meetings. The committee discussed the impact of Chapter 70 funding requirements on the budget gap. The city is currently below net school spending, which exacerbates the budget gap and requires additional funding to meet state requirements. He emphasized the need for action from the state to address the issue. He highlighted the implications of the Chapter 70 funding requirements on the budget. If the state does not take action, the city will need to find additional funding to meet the requirements, further complicating the budget gap.

Mayor Christenson added that all we are going over here today is great but let us not forget everything centers around Chapter 70. His hope is that everyone in this room can attend which we will or at least give written testimony to the Commission when they begin their hearings on October 23rd. He also highlighted prior to us coming together Ron came up with an ask to the Government that they pause the penalty of being below the net school spending. He mentions the memorandum (see attached). He asks everyone to join us when they have any opportunity you get to mention it to the State Delegation or people in within the Executive Branch to push that request. We have sent it to the delegation and also Lt. Governor Kim Driscoll who sent it to the Secretary of Education, Commission of Education. We were felt we has a path forward depending on the health care savings as well as the proposition 2 and a half over ride but now there's this new wrinkle with being below net school spending that is going to further exacerbate the problem unless we get some type of action from Beacon Hill.

Councillor McDonald asked Chuck if he would just remind us what the what the net impact would be if it were approved?

Ron explained essentially right now is that the most recently completed report \$1.6 mill under which means in the current fiscal year will be start needing to make that up and realizing that we're under an additional \$1.6 for this year so essentially you have \$3.2 mill. The law says that when you file more than 5% below that they'll basically increase your rate by that amount. What we're essentially saying to them is we acknowledge there is a problem. You've got this study going on pause doing anything if we do end up with a hole until you come up with what your recommendations are and stop working on implementing. So that's our specific ask to them is to do that. We are asking for some time to figure that out. We need to pause a minute so we are decimating everything else.

Mayor Christenson said the Secretary of Education did respond back to us saying he does understand He acknowledges the issue just not sure what they'll be able to do between now and then.

Councillor McDonald recaps: What's actually happening based on the chapter 70 requirements the gap is actually now going be bigger? The state is going to make the gap potentially substantially bigger from where we started with this the \$8.4mill we started this conversation with.

Ron explains when you are short one year the debt gets carried over they take that amount and add it to the following year so what we thought we had to spend this year is more than \$3.2mill.

Councillor McDonald told the team we will have to ask you to come back and continue this conversation. It looks like we will have to make cuts which may be various 10% cuts in different areas but we need to figure out how to do that. We need suggests and skills about how we go forward.

Councillor Condon asks if it would be feasible to go to each office and compare it to four years ago. We don't like to think about it but if the offices have grown we would have to go about it that way, last in first out. He also asks if they have been thinking about cutting the operations maintenance. We also should be thinking about people retiring and not refilling the positions.

Ron said we actually do that in the Budget every year and it goes back several years with comparisons. It is a three year look back so you would have to go back to the previous budget in the ClearGov Budget.

Councillor McDonald reminds the committee of the time constraint and emphasizes he plans to continue reviewing departmental budgets and exploring potential cost-saving measures in future meetings and emphasized the need for a comprehensive approach to address the budget gap.

Chuck said to Councillor Condon's point it is important to keep in mind going back five years there has been a lot of department mergers so going back just because some departments had four employees and now six it doesn't mean they are overstaffed.

Councillor recognizes a motion to adjourn by Councillor Winslow seconded by Councillor Colon Hayes. All were in favor. The meeting was adjourned at 7:03 PM.

Other Business

Adjournment

A motion was made by Councillor Winslow, seconded by Councillor Colon Hayes, that this meeting be adjourned at 7:03 PM. The motion carried unanimously.

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