



Proposed Tax Override

Finance Committee Report – Dec. 16, 2025

Proposed
Election Date -
March 31,
2026



City of Malden

Finance Committee Recommendation

*Highest amount with
majority prevails.*

Option	Total	Rationale
1A	\$5.4m	Current gap, minus expected savings from GIC
1B	\$8.2m	1A, plus required school increase above inflation

Typical Cost

Estimated annual additional cost to average household (\$666,000 valuation)

Option 1A **\$353**

Option 1B **\$532**

*Note – Separately, increase to the residential
exemption will save homeowners (\$291) for FY27*



City of Malden

Expected Outcomes

No Passage

- Serious cuts across all city services
- Expected layoffs of 50-60 staff positions

Option 1A - \$5.4m

- At least \$2m in cuts, affecting many city services
- Expected layoffs of 10-20 staff positions

Option 1B - \$8.2m

- Continues current operations for one year
- Budget changes for efficiency and reprioritization, layoffs not required to balance budget



City of Malden

How have we addressed this gap?

- Low spending compared to peers (pro-active)
- Shift to state-run Group Insurance Commission healthcare pool (\$1.5- 3m)
- Restructured pension payments (\$800k)
- Energy efficiency improvements (\$900k)
- Increased grant funding (varies)
- Updated fees for licenses, permits
- Hiring freeze (discretionary)



City of Malden

Finance Committee Process

- 7 meetings over two months
- Public forum on November 18
- Topics covered – Chapter 70 school funding formula, economic development, cost savings to date, areas to reduce spending and positions
- Reviewed ballot language



City of Malden

Finance Committee Process

Going forward with the City Council...

- Commitment to prioritize economic development
- Continue to pursue changes to Chapter 70 formula
- Implement required budget cuts and/or reprioritizing, work with Mayor's team
- Review city finances for best practices



City of Malden