



# **Proposed Tax Override**

**Finance Committee Report – Dec. 16, 2025**

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**Proposed  
Election Date -  
March 31,  
2026**



**City of Malden**

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## 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

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# Typical Cost

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

<b>Option 1A</b>	<b>\$353</b>
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<b>Option 1B</b>	<b>\$532</b>
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*Note – Separately, increase to the residential exemption will save homeowners (\$291) for FY27*



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# Expected Outcomes

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## ***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



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# How have we addressed this gap?

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- 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)



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# Finance Committee Process

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- 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



# Finance Committee Process

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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



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