



City of Malden

Malden City Hall
215 Pleasant Street
Malden, MA 02148

Meeting Minutes - Final Finance Committee

Councillor McDonald, Chair
Councillor Taylor, Vice Chair
Councillor Condon
Councillor Luong
Councillor Sica
Councillor Simonelli

Tuesday, April 14, 2026

5:45 PM

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

Watch the meeting with Teams: <https://tinyurl.com/mwhev87t>

Roll Call

Present: 5 - Carey McDonald, Ari Taylor, Paul Condon, Michelle Luong and Jadeane Sica

Absent: 1 - Chris Simonelli

Also Present: Council President Linehan, Councillors Colon Hayes, Crowe, O'Malley, Winslow
Zaheer Samee-Assistant City Solicitor
Maria Luise-Special Assistant to the Mayor
Charles Ranaghan-CFO/Controller
Dan Grover- Treasurer
Ron Hogan-Chief Strategy Officer
Carol Ann Desiderio-City Clerk
Ali McNeil-City Solicitor
Andrew A. Biggio-First Indemnity Insurance Representative

Councillor McDonald called the meeting to order at 5:47 PM.
There will be audio and video of this meeting via Teams.

Minutes to be Approved

[202-26](#)

Minutes of March 24, 2026 to be approved.

A motion was made by Councillor Taylor, seconded by Councillor Condon, that the Committee Minutes of March 24, 2026 be approved. The motion carried by a unanimous vote.

Business

The Finance Committee members will have a discussion on the schedule and key topics for the upcoming annual budget process.

Councillor McDonald explained this meeting is to talk about the timeline of the schedule of upcoming Finance Committee Meetings to discuss the FY2027 Proposed Budget and

making sure we have a handle of all the topics we need to cover to get to a budget vote. We are meeting after hearing from the Mayor what the administrations approach will be. This year following the defeat of the override this year will be a tough budget cycle and wants to be transparent with this group and the general public that this has to be a team effort. It takes the Full Council to pass the budget and not anyone of us will love every piece of it and may disagree but that is why we have this deliberate committee process to try to get to a point where we can support the appropriation support order that will be able to match the resources that we have for next year. Councillor McDonald as Finance Chair will facilitate that process and engagement with the CFO and the administration to engage with them. My role here is to really make sure that the committee process gives all of us, all of you, a chance to ask the questions that you need to understand the issues at hand so we can be prepared to take a vote in a timely way. The Chair turned over the floor to Chuck Ranaghan, CFO/Controller to give a trends presentation to the committee and then will revisit the schedule moving forward.

Chuck began his presentation (see attached) by talking about the FY2027 Budget Key Drivers. He discussed the major factors influencing the FY2027 budget, including local aid, unsettled contracts, health insurance changes, and the timeline for budget submission and review. He explained that local aid, particularly Chapter 70 funding, is a significant driver for the FY2027 budget. The city received an extra \$5.5 million in Chapter 70 funding last year, but only \$500,000 this year, resulting in a \$5 million swing and reviewed the governor's, House, Senate, and Conference Committee budgets, noting that final local aid numbers can change by several hundred thousand dollars before the Council votes. He talked about the status of union contracts for police, fire, general government, DPW, library, public facilities, and parking enforcement. Many contracts are open for FY2027, and cost-of-living increases for these units could have significant budget impacts, with retroactive increases compounding costs. He explained the Health Insurance Transition where the city is transitioning from a self-insured health plan to the Commonwealth Advanced Group Insurance Commission (GIC), with projected first-year savings estimated at \$3 million. Actual savings will depend on employee enrollment choices, which will be known after May 1st, and final figures will be available at the end of May or later. Up to 25% of first-year savings will be allocated to employees as a mitigation fund, per state law and union agreements.

Councillor McDonald emphasized the importance of every department head having the opportunity to present to the committee, with particular focus on schools, police, and fire due to their large budgets. The committee discussed the need for additional off-night meetings to ensure thorough review and timely notification to affected employees.

Chuck reviewed the estimated \$3 million in first-year savings from the health insurance transition, noting that the actual amount will depend on employee plan selections and claims lag time. Final savings figures will be available after open enrollment ends and claims are processed over the following year. State law requires that up to 25% of first-year savings from the health insurance transition be allocated to employees as a mitigation fund. The city negotiated with the Public Employee Commission to grant the full 25%, typically administered as a premium holiday for employees. There are eight plan options for active employees and non-Medicare retirees, and four for Medicare-eligible retirees, with premiums ranging from \$900 to \$1,800 per month. The city will not know the distribution of enrollments until after May 1st, and final cost calculations will follow. Chuck let the Committee know the goal is that the Mayor is expected to submit the appropriation order to the City Council on April 28th, earlier than usual due to delays in receiving final state and insurance enrollment data. The committee anticipates updates in early June once GIC enrollment and Senate budget figures are available, and plans to schedule public hearings and committee votes accordingly,

aiming for a final council vote by June 16th.

Councillor McDonald outlined the schedule for upcoming Finance Committee meetings, public hearings, and departmental reviews, emphasizing the need for flexibility and additional off night sessions to address all budget topics before the final vote. The Chair established key dates for budget review, including the April 28th appropriation order submission, regular council meetings, and a target final council vote on June 16th. Public hearings are required before the Finance Committee vote, and may be scheduled on the same night or separately. Each department head will be invited to present to the committee, with dedicated sessions for schools, police, and fire. Councillor McDonald suspects there will be significant time spent on the Schools, Police and Fire Departments since they have the largest budgets. The Chair will coordinate with the superintendent and school committee to schedule a dedicated session for school budget review, ensuring the committee receives the necessary information for deliberation.

Councillor O'Malley requested historical budget and actual's data for analysis from Chuck

Chuck confirmed that budget and actuals data from 2019 onward are available through ClearGov, and that earlier data may require exporting data from two different systems and will get back to Councillor O'Malley regarding this issue. If the Finance Committee found it worthwhile to upload actuals it is an exercise the City could do it's labor intensive but we certainly could entertain trying to add actuals to the ClearGov system.

228-26 **FY2027 Budget Key Drivers Handout 41426**

Attachments: FY2027 Budget Key Drivers Presentation 41426

196-26

Order: That the Finance Committee engage in discussions with the City's Finance and Legal team as well as a representative from the insurance company to discuss the City's current insurance policy.

Sponsors: Karen Colon Hayes

Paper #196-26:

Councillor McDonald invited Andrew A Biggio, representative from First Indemnity, the City's Insurance Provider, Chuck Ranaghan, CFO/Controller and Alicia McNeil, City Solicitor to give an overview on the city's active insurance policies, coverage limits, exclusions, and risk management practices, responding to questions from councillors about liability, employee coverage, and best practices.

Andrew Biggio, representative from First Indemnity the City's Insurance Provider who are based out of Boston introduced himself and said they write the City's active insurance policies. He explained the city holds several insurance policies, including a general liability policy for leased properties, a boiler and machinery policy with a \$100 million blanket limit, and a property policy covering all buildings, schools, and departments with \$50 million in earthquake and named storm coverage. Premiums and coverage details were provided. The city does not carry workers' compensation, auto, errors and omissions, or public officials liability insurance, relying instead on statutory caps and self-insurance for certain risks. Massachusetts law caps tort damages at \$100,000 for municipalities, with exceptions for civil rights violations and contract losses. Employee coverage for lawsuits depends on collective bargaining agreements; police officers may have their own attorneys reimbursed by the city, while other employees' coverage varies by contract and circumstance. The city solicitor's office may defend employees as needed. The insurance provider conducts regular risk management evaluations,

including inspections of parking lots and buildings, and provides reports to the city. The committee discussed the importance of employee training and best practices in self-insured areas, with suggestions to enhance risk management and education. Certain leases and contracts require specific insurance coverage, such as \$5 million liability for parking lots associated with the T, which the city maintains to meet contractual obligations and manage risk.

Councillor McDonald said Mass Law caps torts damages for different things is that a flat cap or are there different caps for different things

Ali explained a tort is anything other than intentionally doing something so if something's done negligently it's covered under the force.

Councillor McDonald said like a trip fall because you didn't salt the sidewalks

Ali said yes

Councillor Colon Hayes asked Chuck, we had talked about this for like next steps or do you think based on your history with insurance, it's something that we should be looking into to see if there's other insurances, maybe upping some of this based on you know it's just changing and would you be looking to see if there is other insurance we should have.

Chuck answered historically we meet every year for a renewal and we rely on the experts. He trusts Andrews judgement and is cognizant about his what are other cities and towns doing right now and make sure we are not an outlier in terms of what other municipalities are doing. He relies on the expertise of Ali and Andrew but every year this is addressed through a renewal process.

Councillor McDonald thanked everyone for the discussion this evening and entertained a motion to adjourn.

Other Business

Adjournment

A motion was made by Councillor Luong, seconded by Councillor Taylor, that this meeting be adjourned at 7:01 PM.. The motion carried unanimously.

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www.cityofmalden.org/captions