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20260226153557_PiconeJames_jpicone@northeastmetrotechcomDanielGroverdgrover@cityofmalden

From: "Picone, James"
To: Daniel Grover
Date: Thu, 26 Feb 2026 15:35:12 -0500
Subject: Re: FY27 Budget

I was there for the first override vote in Melrose so I can relate. By the way, if you have negotiations upcoming, we've been utilizing this tool from a company called Litix. I highly recommend it. It has saved me probably one hundred hours putting together comparable data from other districts/developing different salary packages. I'd be happy to send along some info if you are interested.

Good luck with your budget cycle!

Jay

James T. Picone, MBA, MCPPO
Director of Finance
Northeast Metropolitan Regional Vocational School
100 Hemlock Rd
Wakefield, MA 01880-3597
781-246-0810 ext 1628

On Thu, Feb 26, 2026 at 12:15 PM Daniel Grover <dgrover@cityofmalden.org> wrote:

A lot of back and forth as you can imagine. We had our first community education forum 2 weeks ago with 3 more in person and a team's meeting this Saturday for the

community. The override is operational for a structural deficit we have been using ne time funds for the last few years. I am cautiously optimistic but realistic considering it would be the first override in a gateway city to ever pass and that is a pretty heavy lift.

From: Picone, James <jpicone@northeastmetrotech.com>

Sent: Thursday, February 26, 2026 12:07 PM

To: Daniel Grover <dgrover@CITYOFMALDEN.ORG>

Subject: Re: FY27 Budget

No problem Dan. How's the override conversation going? Is it operational for a current structural deficit, or does it include anticipated future contract settlements?

Jay

James T. Picone, MBA, MCPPO

Director of Finance

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On Thu, Feb 26, 2026 at 11:20 AM Daniel Grover

<dgrover@cityofmalden.org> wrote:

Thank you very much for the detailed breakdown. I really appreciate it.

From: Picone, James <jpicone@northeastmetrotech.com>

Sent: Wednesday, February 25, 2026 10:54 AM

To: Daniel Grover <dgrover@CITYOFMALDEN.ORG>

Subject: Re: FY27 Budget

Hi Dan,

As you know, the State has released its Chapter 70 numbers and as anticipated they are underwhelming, which unfortunately places much of the burden on our member communities.

FY27 Chapter 70 Summary

853 Northeast Metropolitan

Description	FY26	FY27	Change	Pct Ch
Enrollment	1,381	1,416	35	2
Foundation budget	34,145,598	36,620,934	2,475,336	7
Required district contribution	17,952,021	19,901,349	1,949,328	10
Chapter 70 aid	16,193,577	16,719,585	526,008	3
Required net school spending (NSS)	34,145,598	36,620,934	2,475,336	7

As you can see from the FY27 aid summary, the state has determined that based on the increase of 35 students, that Northeast must increase spending by \$2,475,336 to support and educate our students in FY27. Of that total figure, the State has *generously* funded \$526,008 of that increase in Chapter 70 aid. The remaining amount of \$1,949,328 is passed to the member communities as the required district contribution. This number unfortunately cannot be reduced, as it is the required minimum.

I am still building the budget with last minute entries however the Superintendent and I made a commitment to limit the budget increase to the increase in minimum contribution, the minimal increase in transportation after application of the regional transportation reimbursement, and the increase in debt service.

As of now it doesn't look like I am going to have the E&D balance to make a major reduction in debt service as I did last year, as my E&D is going to be used to reduce the transportation increase as we are adding two busses, so its likely the payment will return to its original level.

So based on your percentage of enrollment your costs are projected to increase by the following amounts in FY27:

Minimum Contribution-From the State (based on income and property wealth of your taxpayers, enrollment, what the State determines as your "Ability to Pay")

LEA	Member	FY26	FY27	Change	FY26
	Total	1,381	1,416	35	17,952,02

57	Chelsea	253	242	-11	1,006,42
165	Malden	197	219	22	2,265,48
178	Melrose	79	75	-4	1,556,03
217	North Reading	42	35	-7	832,14
246	Reading	51	47	-4	1,040,31
248	Revere	276	286	10	2,234,59
262	Saugus	117	121	4	1,971,68
284	Stoneham	68	72	4	1,312,52
305	Wakefield	98	103	5	1,954,81
344	Winchester	11	15	4	220,36
346	Winthrop	58	61	3	965,16
347	Woburn	131	140	9	2,592,46

Debt Service Increase-Debt Service returns to normal level due to the absence of \$2.7 million of E&D used to reduce payment in FY26

Northeast Metropolitan Regional Vocational Technical School District

City of Malden

Estimated Pro Rata Share of Debt Service and Residential Tax Impact

			Tax Rates	FY2025 Le
FY2025 Total Assessed Value	9,319,045,359	100%		\$113,0
Residential	8,100,704,287	87%	\$11.32	\$91,6
Commercial/Industrial	1,218,341,072	13%	\$17.53	\$21,3

Fiscal Year	Estimated Debt Service	Residential Tax Rate Impact	Annual Cost per \$100,000 of Home Value	
2023	\$204,778	\$0.02	\$2.05	
2024	\$213,507	\$0.02	\$2.14	
2025	\$692,574	\$0.07	\$6.93	
2026	\$926,692	\$0.09	\$9.28	
2027	\$1,403,806	\$0.14	\$14.06	\$4

Residual Transportation Cost After Application of Transportation Reimbursement and E&D

15.5% of \$84,000 = **approximately \$13,000**

**Total Projected Assessment Increase-Based on enrollment
increase of 22 students, debt service payment, and residual
transportation:**

\$967,508

I hope this helps you in your planning. Good luck with your override vote. Due to the State's reliance on the local taxpayer to fund their educational mandates, I'm assuming this will be a common occurrence statewide.

Jay

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On Tue, Feb 24, 2026 at 5:42 PM Daniel Grover

<dgrover@cityofmalden.org> wrote:

Hi Jay,

I hope all is well and you were able to enjoy the school vacation and the snow days off.

I know it's a bit early, but we are working on our FY27 budget and with the override vote uncertainty we are trying to get a good of picture of FY27 to see what we are dealing with. Do you happen to have our FY27 allocation #s that we can use to preliminarily budget from?

Anything you can offer would be greatly appreciated.

Thank you.

-Dan

Daniel L. Grover III, MSF

Treasurer/Collector

Treasurer's Office

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dgrover@CITYOFMALDEN.ORG

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