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20260316114716RonHoganrhogan@CITYOFMALDENORG_MertzToni_tmertz@maldenpsorg_49.eml

From: Ron Hogan
To: "Mertz, Toni"
Date: Mon, 16 Mar 2026 15:47:16 +0000
Subject: 2027 Budget

Hey there....

So here's my worksheet for Fy27 NSS calculation.

The biggest variable is insurance. The two budget number are direct from Sue the consultant, and I apply 61% of them to schools because that's the ratio for FY25. As you know Sue has shared that we are running a positive variance...BUT also that we have \$3 million on IBNR. There's too many variables for FY26 for health insurance to make any adjustment of the way through the year. We expect claims to increase as people incur charges before the GIC, the Trust will need to be closed out which will result in a hit or not....and of course, the actual GIC enrollment will differ from projections. With the formula being what it is, we have to deal with reality even if it's one year in arrears.....versus projecting with so many moving parts.

You'll see I add in the \$1.6 million to 2026 for the FY25 deficit ongoing....plus a makeup 1x payment. We should meet to talk about transportation and the role it will play in this. That's the variable that I really need to understand a bit more how it's being handled on your end.

Do you have time today or tomorrow?

Thanks!

Ronald B. Hogan
Chief Strategy and Innovation Officer

7 Jackson Street Malden, MA 02148
rhogan@cityofmalden.org
(617) 548-9256