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Gary Christenson, Mayor

Tuesday, May 20, 2014

Neal Anderson, President
Malden City Council
200 Pleasant Street, Room 609
Malden, MA 02148

Dear President Anderson:

I hereby submit the proposed Fiscal Year 2015 budget for the Council's consideration and approval. Our team has worked hard over the past several months to achieve a balanced approach to the new fiscal year.

From a revenue perspective, it is essentially flat when compared to Fiscal Year 2014. Despite this, we are able to submit a proposal that does not negatively impact our policy to maintain 7.5% of the overall budget in reserves. I believe adherence to this important policy will uphold the recent three-step increase to our current AA bond rating.

On the expense side, we contained growth, utilized targeted cuts and realized the benefit of a one year reduction in the Health Insurance line item. While the net result is that we were able to maintain the staff and services critical to our core mission as a city, I do want to stress that we will once again be in the position next year of needing to replace these one-time savings.

The proposal also contains what I believe are responsible steps to further reduce our expenses. I have provided a detailed Executive Summary that includes some of these highlights to assist in your review. I look forward to the dialogue as we move ahead toward a budget that we all agree strikes the appropriate balance between the needs of the city and its residents with the revenues we have to operate with.

Lastly, I am presenting for the Council's consideration a debt policy that I believe will serve as a guide for our future needs to borrow. Additionally, I anticipate submitting policy proposals in the areas of the accrual of benefits, stipends, and attendance for Boards and Commissions. I will also be establishing a committee to study whether it makes sense for us to utilize the Commonwealth's Group Insurance Commission for our future health insurance needs.

Thank you for your consideration. Please call me with any questions at 617-233-7001 or email me at mayor@cityofmalden.org.

Sincerely,

GARY CHRISTENSON
Mayor, City of Malden