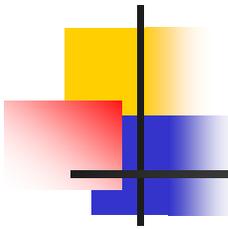


# **CITY OF PEABODY FISCAL 2009 BUDGET**

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**Mayor Michael J. Bonfanti  
June 3, 2008**



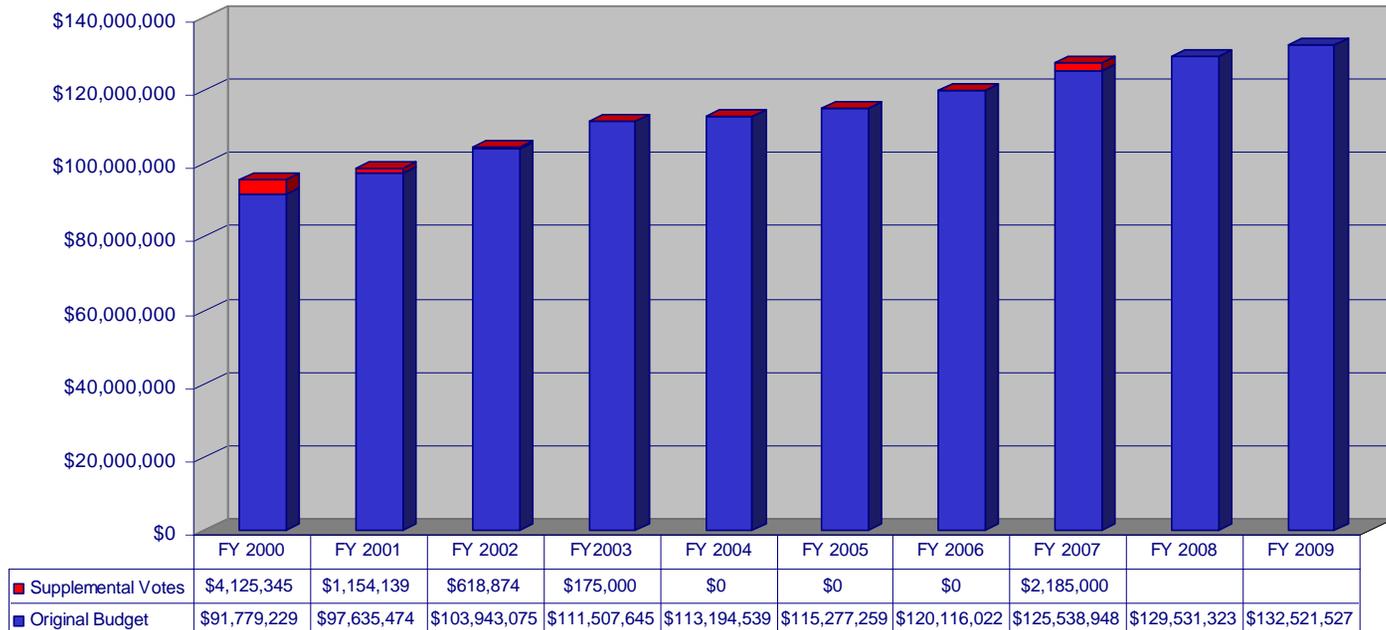
# FISCAL YEAR 2009 BUDGET AGENDA

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- Opening Remarks - Mayor Bonfanti
- Fiscal Year 2009 Budget Highlights
- Skating Rink Budget Fiscal 2009
- Golf Course Budget Fiscal 2009

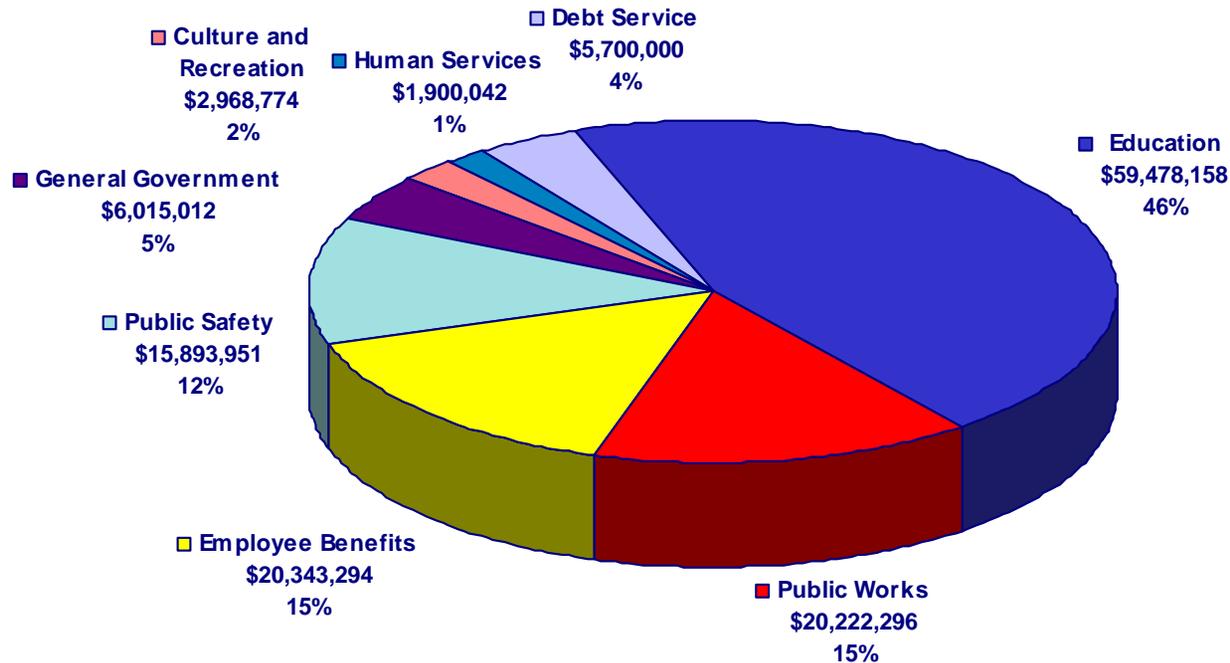
# HISTORY OF BUDGETS - FISCAL 2000-2009

FISCAL 2009 BUDGET TOTALS \$132,521,527 AN INCREASE OF \$2.9 MILLION 2.3% FROM 2008. OVER THE PAST 5 YEARS THE BUDGET HAS GROWN \$17.2 MILLION OR 15% AVERAGING 3% PER YEAR.



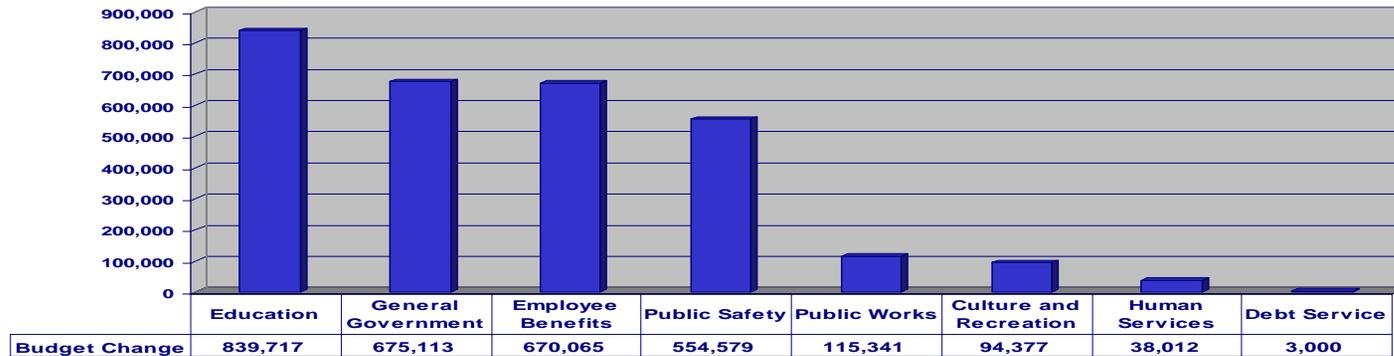
# FISCAL 2009 BUDGET BY FUNCTION

IN FISCAL 2009, 46 CENTS OF EVERY BUDGET DOLLARS WILL BE SPENT ON EDUCATION, FOLLOWED BY 15 CENTS EACH FOR PUBLIC WORKS AND EMPLOYEE BENEFITS AND 12 CENTS FOR PUBLIC SAFETY



# FISCAL 2009 BUDGET CHANGES BY FUNCTION

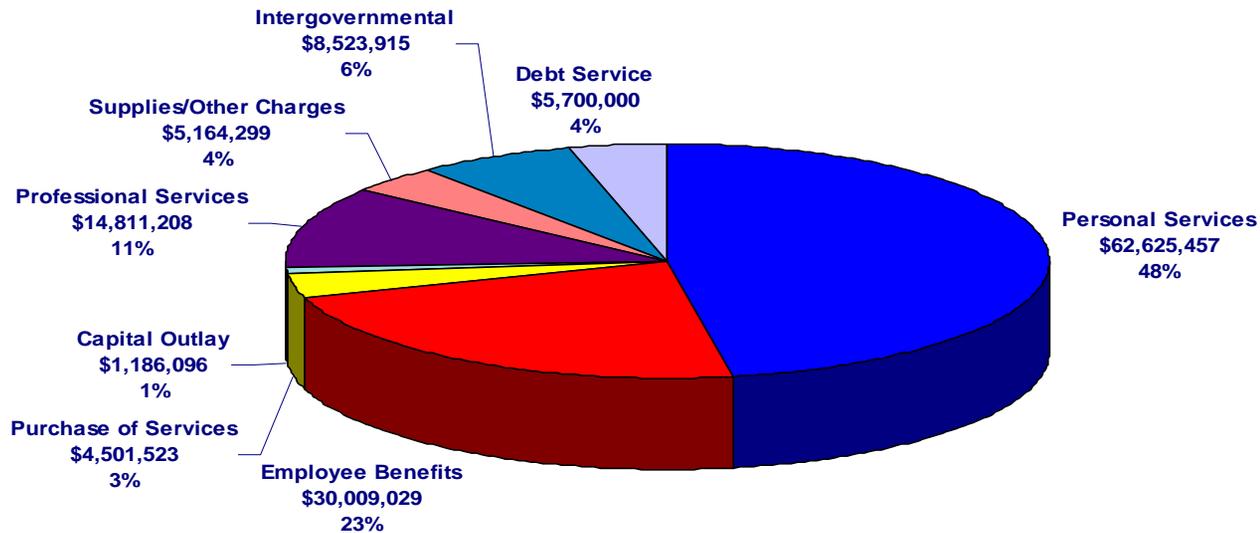
THE FISCAL 2009 BUDGET INCREASED BY \$2.9 MILLION. EDUCATION INCREASED BY \$839,717 WHILE GENERAL GOVERNMENT AND EMPLOYEE BENEFITS INCREASED \$675,113 AND \$670,065. PUBLIC SAFETY INCREASED \$554,579



	FY 2009	FY 2008	Change	% Change
Education	59,478,158	58,638,441	839,717	1.4%
General Government	6,015,012	5,339,899	675,113	11.2%
Employee Benefits	20,343,294	19,673,229	670,065	3.3%
Public Safety	15,893,951	15,339,372	554,579	3.5%
Public Works	20,222,296	20,106,955	115,341	0.6%
Culture and Recreation	2,968,774	2,874,397	94,377	3.2%
Human Services	1,900,042	1,862,030	38,012	2.0%
Debt Service	5,700,000	5,697,000	3,000	0.1%
<b>Budget Totals</b>	<b>132,521,527</b>	<b>129,531,323</b>	<b>2,990,204</b>	<b>2.3%</b>

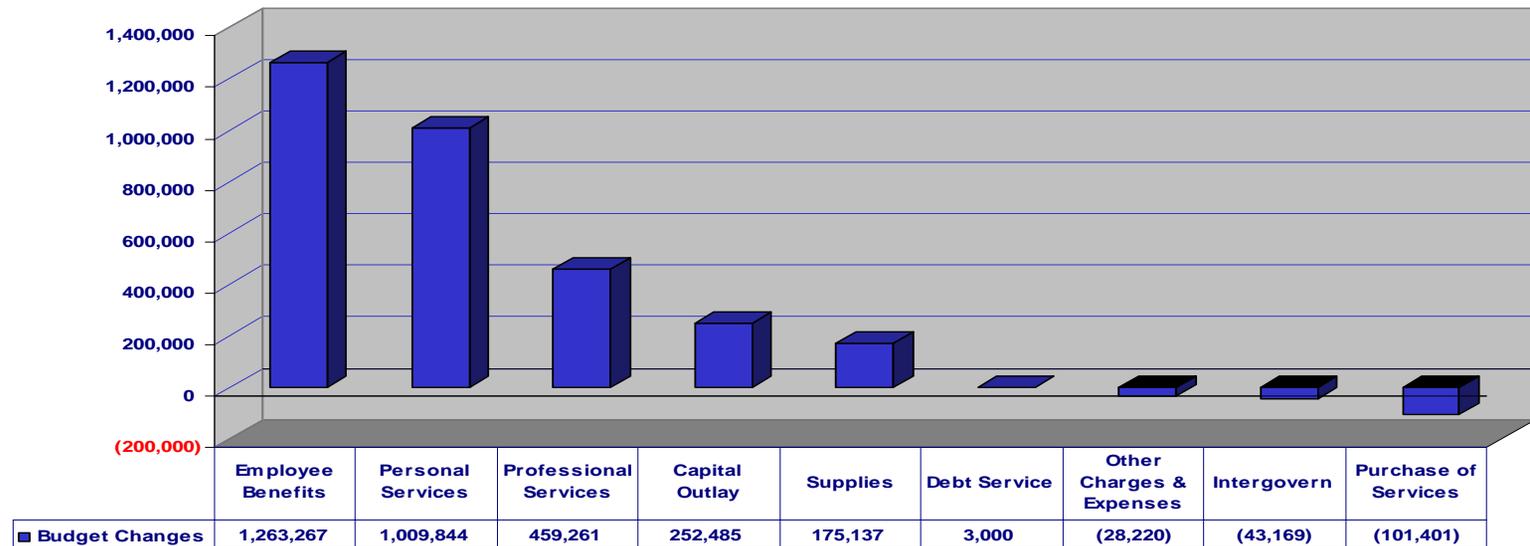
# FISCAL 2009 BUDGET BY EXPENSE TYPE

THE FISCAL 2009 BUDGET WILL ALLOCATE 71% OF EVERY BUDGET DOLLAR FOR SALARIES AND BENEFITS. PROFESSIONAL SERVICES, INTERGOVERNMENTAL FEES AND DEBT SERVICE WILL ACCOUNT FOR 11%, 6% AND 4%, RESPECTIVELY, OF EVERY BUDGET DOLLAR.



# FISCAL 2009 BUDGET CHANGES BY EXPENSE TYPE

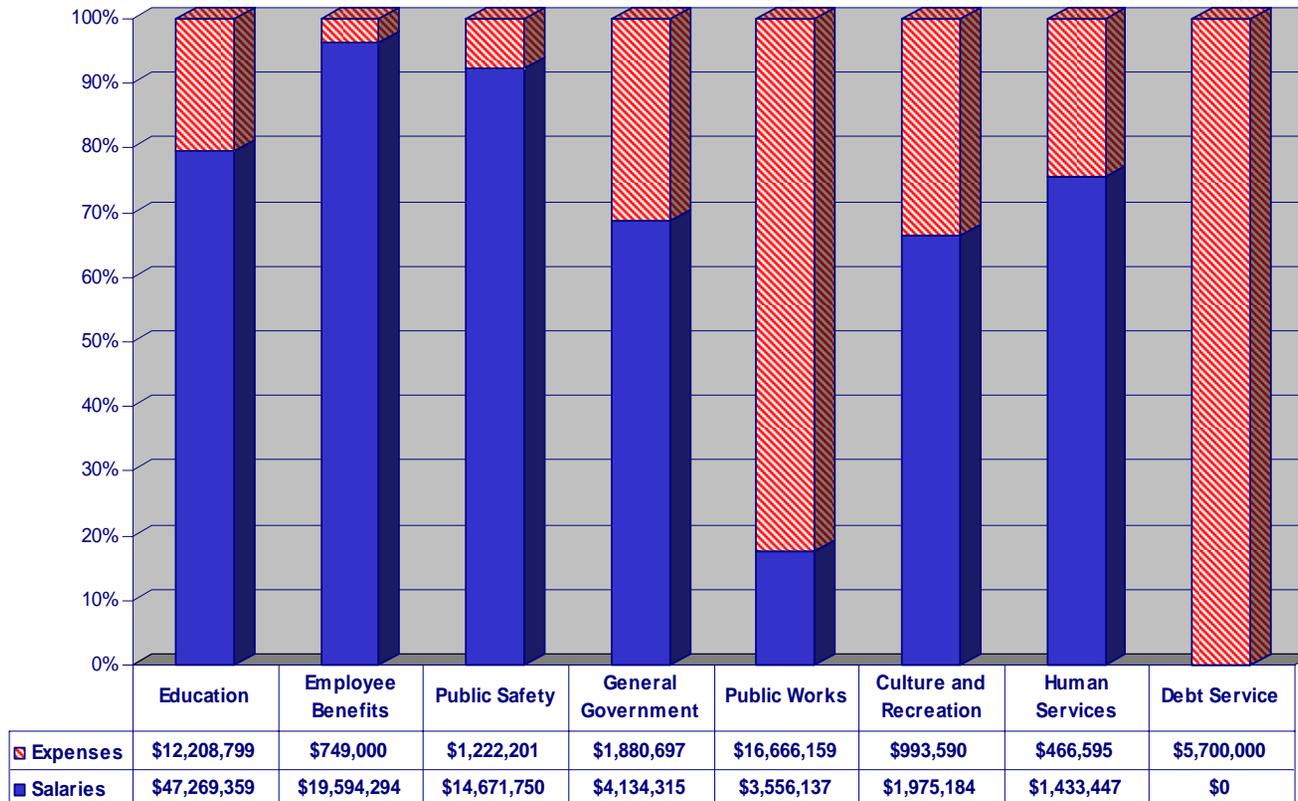
76% OR \$2,273,111 OF THE TOTAL BUDGET INCREASE IS FOR SALARIES AND EMPLOYEE BENEFITS. PROFESSIONAL SERVICES INCREASED \$459,261 OR 15.4% WHILE MATERIALS/SUPPLIES INCREASED \$175,137 OR 5.9%.



	Expense Type Changes			% of Changes		
	City Budget	School Budget	Total Budget	City Budget	School Budget	Total Budget
Employee Benefits	712,127	551,140	1,263,267	33.1%	65.6%	42.2%
Personal Services	1,115,886	(106,042)	1,009,844	51.9%	-12.6%	33.8%
Professional Services	188,318	270,943	459,261	8.8%	32.3%	15.4%
Capital Outlay	161,400	91,085	252,485	7.5%	10.8%	8.4%
Supplies	118,608	56,529	175,137	5.5%	6.7%	5.9%
Debt Service	3,000	-	3,000	0.1%	0.0%	0.1%
Other Charges & Expenses	(28,350)	130	(28,220)	-1.3%	0.0%	-0.9%
Intergovernmental	(43,169)	-	(43,169)	-2.0%	0.0%	-1.4%
Purchase of Services	(77,333)	(24,068)	(101,401)	-3.6%	-2.9%	-3.4%
<b>Total Budget Changes</b>	<b>2,150,487</b>	<b>839,717</b>	<b>2,990,204</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

# FISCAL 2009 SALARIES VS. EXPENSES

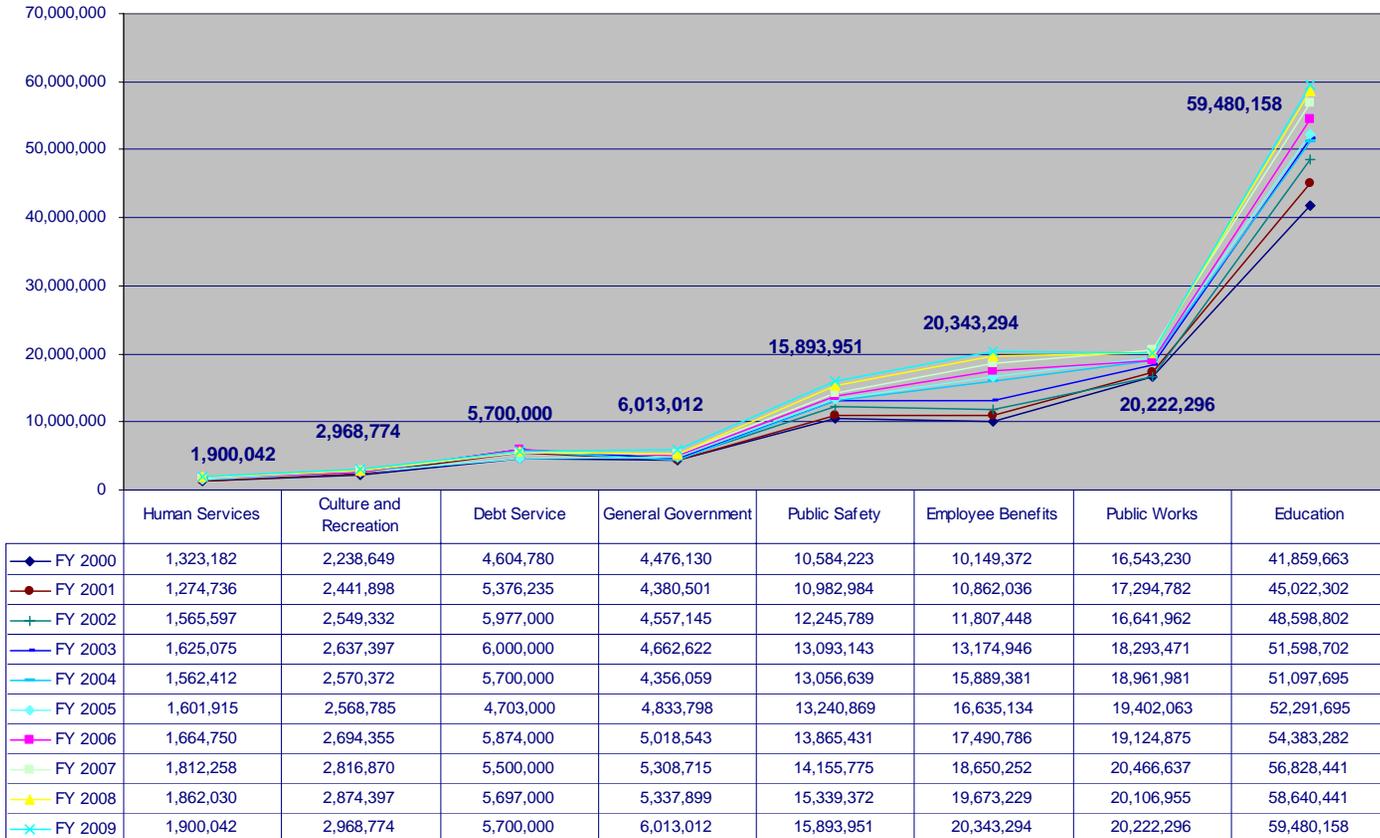
THE 2009 OPERATING BUDGET IS LABOR INTENSIVE WITH 71% SPENT ON SALARIES AND BENEFITS. 79% OF THE SCHOOL BUDGET IS SPENT ON SALARIES AND BENEFITS; 93% OF THE PUBLIC SAFETY BUDGET IS SPENT ON SALARIES WHILE SALARIES ACCOUNT FOR 18% OF THE PUBLIC WORKS BUDGET.



# ANNUAL BUDGET GROWTH 2000-2009

CHART REFLECTS ANNUAL GROWTH IN OPERATING BUDGETS FROM 2000 TO 2009.

EDUCATION HAS GROWN \$17.6 M INCLUDING BENEFITS GROWTH OF (\$4.8 M).  
 IN THE CITY BUDGET, EMPLOYEE BENEFITS HAVE INCREASED 100% FROM \$10.1 M TO \$20.4.  
 PUBLIC SAFETY AND PUBLIC WORKS BUDGETS HAVE INCREASED BY \$5.3 M AND \$3.7 M.



# FISCAL 2003-2009 HEALTH INSURANCE COSTS

HEALTH CARE COSTS WILL TOTAL \$24.2 MILLION IN 2009. AN INCREASE OF \$1.6 MILLION OR 7.4% OVER FISCAL 2008. SINCE 2003 HEALTH COSTS HAVE RISEN \$11.8 MILLION OR 83%.

Plan	Actual	Actual	Actual	Actual	Actual	FY 2008	FY 2009
	30-Jun-03	30-Jun-04	30-Jun-05	30-Jun-06	30-Jun-07	Budget 1-Jul-07	Projected Budget
Blue Care Elect	4,617,768	4,518,385	4,771,174	5,231,528	5,357,566	6,225,000	5,668,701
HMO Blue	5,422,728	6,421,911	7,104,383	8,724,768	9,803,710	10,847,000	12,982,459
Medex	2,424,778	2,614,520	2,916,828	3,196,215	3,368,952	3,700,000	4,057,509
Administrative Fees	1,090,836	1,118,460	1,194,684	1,246,636	1,187,740	1,222,000	1,093,915
Reinsurance - Stop Loss	366,282	390,047	320,403	312,850	296,312	512,000	365,553
Claims Monitoring	20,000	20,596	20,000	23,000	20,000	32,000	32,000
Working Deposit Increase	189,172	384,400	110,257	186	15,371	0	0
	<b>14,131,564</b>	<b>15,468,319</b>	<b>16,437,729</b>	<b>18,735,183</b>	<b>20,049,651</b>	<b>22,538,000</b>	<b>24,200,137</b>
Annual \$ Increase	1,739,437	1,336,755	969,410	2,297,454	1,314,468	2,488,349	1,662,137
Cumulative \$ Increase	0	3,076,192	4,045,602	6,343,056	7,657,524	10,145,873	11,808,010
Annual % Increase	14%	9%	6%	14%	7%	12%	7%
Cumulative % Increase	27%	36%	42%	56%	63%	76%	83%

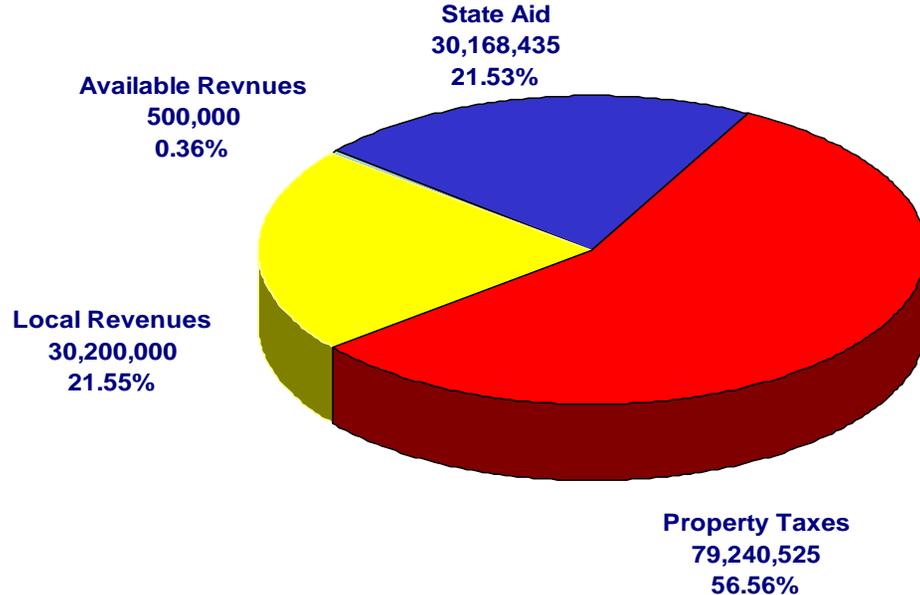
# FISCAL 2008 HEALTH INSURANCE RATES

THE CITY PAYS 90% OF ALL HEALTH COSTS. EMPLOYEES PAY 10%. THE CITY WILL PAY HEALTH CARE COSTS FOR 2,237 ACTIVE AND RETIRED EMPLOYEES. THE AVERAGE ANNUAL COST FOR A FAMILY PLAN IS \$19,472 AND \$7,291 FOR AN INDIVIDUAL PLAN.

	Family Plan Cost	Enrollment	Individual Plan Cost	Enrollment	Total Annual Cost	Total Enrollments
<b>Blue Care Elect</b>						
City Share - 90%	19,554	237	7,351	146	5,707,544	
Employee Share - 10%	2,173	237	816	146	634,137	
	\$21,727		\$8,167		\$6,341,681	383
<b>HMO BLUE</b>						
City Share - 90%	15,496	659	5,773	333	12,134,273	
Employee Share - 10%	1,722	659	642	333	1,348,584	
	\$17,218		\$6,415		\$13,482,857	992
<b>Medex</b>						
City Share - 100%		0	\$4,977	862	\$4,290,174	862
<b>Totals</b>		896		1,341	\$24,114,712	2,237

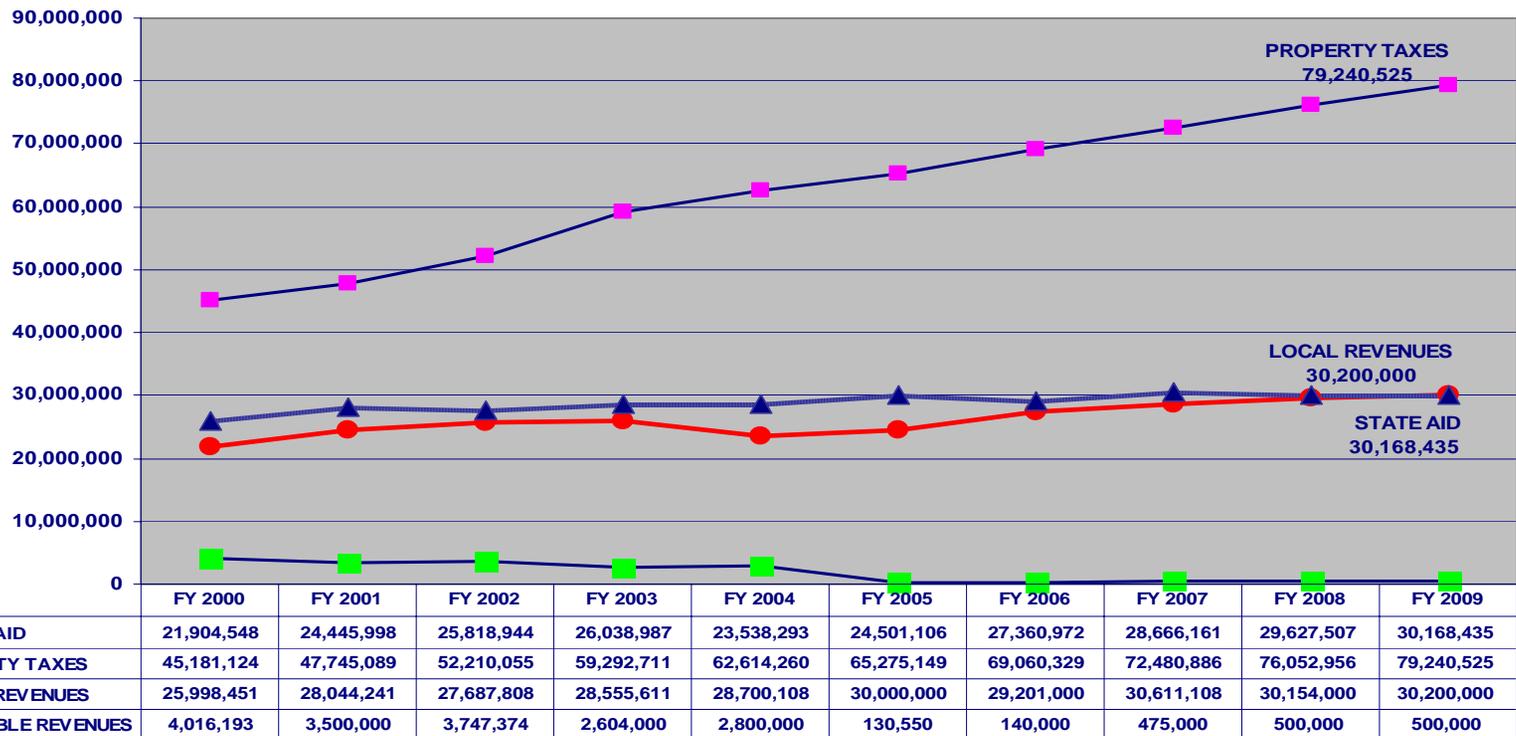
# FISCAL 2009 SOURCES OF REVENUES

IN FISCAL 2009, 78% OF ALL CITY REVENUES WILL BE GENERATED AT THE LOCAL LEVEL. PROPERTY TAXES TOTAL 56.5%, WHILE LOCAL REVENUES AND STATE AID BOTH REPRESENTS 21.5% OF TOTAL REVENUES.



# SOURCES OF REVENUE - FISCAL 2000 - 2009

OVER THE PAST 10 YEARS PROPERTY TAXES HAVE BEEN OUR PRIMARY SOURCE OF REVENUE AVERAGING 52% WHILE 26% OF OUR REVENUES HAVE COME FROM LOCAL RECEIPTS AND AVAILABLE RESOURCES. STATE AID AVERAGED 22% DURING THIS SAME TIME PERIOD.



# FISCAL 2009 BUDGET PROJECTIONS

THE TOTAL AMOUNT TO BE RAISED IN FISCAL 2009 INCLUDING STATE CHARGES AND ALLOWANCES FOR ABATEMENTS WILL BE \$140,108,960 - AN INCREASE OF \$3.7 MILLION OR 2.8% FROM FY 2008.

5/12/2008 Updated	Actual 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Proposed 2009 Budget	Net Change	% Change
School Salaries	33,765,191	36,184,179	37,812,467	38,330,811	38,274,769	(56,042)	-0.1%
Salary Reserve	734,680	465,000	485,925	-	-	-	0.0%
Employee Benefits	7,200,165	7,301,029	7,629,575	8,353,850	8,994,590	640,740	7.7%
School Operating Expenses	10,589,659	10,430,944	10,900,336	11,953,780	12,208,799	255,019	2.1%
School Budget	52,289,695	54,381,152	56,828,304	58,638,441	59,478,158	839,717	1.4%
Salaries	19,819,957	20,955,863	23,165,073	24,062,885	24,350,688	287,803	1.2%
Salary Reserve	400,000	300,000	600,000	600,000	1,200,000	600,000	100.0%
Employee Benefits	16,993,616	17,958,478	18,650,252	19,673,229	21,014,439	1,341,210	6.8%
Operating Expenses	21,070,991	20,646,530	21,092,083	20,859,768	20,778,242	(81,526)	-0.4%
Debt Service	4,703,000	5,874,000	5,500,000	5,697,000	5,700,000	3,000	0.1%
City Budget	62,987,564	65,734,871	69,007,408	70,892,882	73,043,369	2,150,487	3.0%
Total Budget	115,277,259	120,116,023	125,835,712	129,531,323	132,521,527	2,990,204	2.3%
	2,082,720	4,838,764	5,719,689	3,695,611	2,990,204		
	1.8%	4.2%	4.8%	2.9%	2.3%		
Other Amounts to be Raised:							
State & County Assessments	3,938,065	4,460,957	5,344,190	5,729,544	6,142,096	412,552	
Abatements/Other Amounts	1,379,114	1,377,919	1,446,669	1,073,596	1,445,337	371,741	
Other Amounts	5,317,179	5,838,876	6,790,859	6,803,140	7,587,433	784,293	11.5%
Gross Amount to be Raised	120,594,438	125,954,899	132,626,571	136,334,463	140,108,960	3,774,497	2.8%

# FISCAL 2009 BUDGET PROJECTIONS

THE FISCAL 2009 BUDGET WILL BE FUNDED FROM STATE AID, LOCAL REVENUES  
PROPERTY TAXES AVAILABLE REVENUES.

Sources of Revenue:	Actual 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	2009 Budget	Net Change
Available Revenues	130,550	111,550	1,664,050	500,000	500,000	-
State Aid	24,502,930	27,377,164	29,566,972	29,627,507	30,168,435	540,928
Local Revenues	30,298,549	30,388,108	29,786,108	30,154,000	30,200,000	46,000
Tax Levy	65,662,409	68,078,077	71,609,441	76,052,956	79,240,525	3,187,569
<b>Total Sources of Revenue</b>	<b>120,594,438</b>	<b>125,954,899</b>	<b>132,626,571</b>	<b>136,334,463</b>	<b>140,108,960</b>	<b>3,774,497</b>

# FISCAL 2009 REVENUE PROJECTIONS

STATE AID BASED ON THE HOUSE BUDGET WILL BE \$30.1 MILLION WITH THE LARGEST INCREASE COMING FROM EDUCATION AID.

	Fiscal 2005	Fiscal 2006	Fiscal 2007	2008 YTD	2008 Budget	2009 Budget	Net Change
Education Aid	16,453,772	18,728,280	19,286,644	14,805,892	19,888,781	20,404,546	515,765
Gen Govt Local Aid	7,414,082	7,974,455	8,889,495	6,738,089	8,984,119	8,984,119	-
State Aid Reimbursements	66,197	148,209	66,954	82,882	227,048	227,254	206
Veterans Benefits	134,035	72,437	206,276	50,104	56,781	50,192	(6,589)
Police Career Incentive Reimb	357,618	371,035	421,973	-	406,758	434,119	27,361
Parking Surcharges	10,020	7,000	9,260	7,880			-
SBAB Interest Reimbursement			677,027	-		-	-
Misc Governmental Reimb	51,505	92,624	87,517	115,882	64,020	68,205	4,185
Subtotal State Aid	24,487,230	27,394,040	29,645,146	21,800,729	29,627,507	30,168,435	540,928

# FISCAL 2009 BUDGET PROJECTIONS

STATE CHARGES TOTAL \$6 MILLION IN FISCAL 2009 BASED ON THE HOUSE/SENATE BUDGET. STATE CHARGES HAVE INCREASED \$409,983 OR 7.3%. RETIRED TEACHERS HEALTH INSURANCE INCREASED \$216,790 WHILE SCHOOL CHOICE TUITION INCREASED \$181,118.

<i>ESTIMATED CHARGES:</i>	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	House Fiscal 2009	Net Change 2008 to 2009
Essex County Tech Tuition	216,926	258,307	246,617	274,211	355,271	274,840	277,762	2,922
School Choice Tuition		152,583	188,353	222,361	303,635	434,409	615,527	181,118
Retired Teachers - Health	1,621,870	1,906,303	2,393,132	2,880,959	3,549,748	3,740,073	3,956,863	216,790
Retired Employees-Health	688	591	9,597	0		840	0	(840)
Mosquito Control Projects	64,094	59,504	63,513	66,857	72,253	71,910	71,743	(167)
Air Pollution Districts	12,669	12,612	13,049	13,471	13,909	14,214	14,596	382
Metro Area Planning Cour	12,214	12,519	13,103	13,553	14,155	14,837	15,163	326
Registry Surcharge	43,040	43,600	36,300	41,160	48,100	43,460	47,260	3,800
MBTA	1,033,837	988,522	963,314	929,468	976,590	1,031,615	1,042,638	11,023
Special Education 71B		5,051	11,087	18,917	10,529	12,489	7,118	(5,371)
Energy Conservation								-
<b>Total Charges</b>	<b>3,005,338</b>	<b>3,439,592</b>	<b>3,938,065</b>	<b>4,460,957</b>	<b>5,344,190</b>	<b>5,638,687</b>	<b>6,048,670</b>	<b>409,983</b>
<b>Net Change</b>	<b>531,536</b>	<b>434,254</b>	<b>498,473</b>	<b>522,892</b>	<b>883,233</b>	<b>294,497</b>	<b>409,983</b>	
<b>% Change</b>	<b>21.5%</b>	<b>14.4%</b>	<b>14.5%</b>	<b>13.3%</b>	<b>19.8%</b>	<b>5.5%</b>	<b>7.3%</b>	

# FISCAL 2009 BUDGET PROJECTIONS

COMBINED NET STATE AID IN FISCAL 2009 WILL TOTAL \$24.1 MILLION AN INCREASE OF \$130,945 OR 1/2%.

NET STATE AID	Fiscal 2003	Fiscal 2004	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Net Change 2008 to 2009
Total State Aid	25,267,113	23,642,694	24,502,930	27,377,164	28,889,945	29,627,507	30,168,435	540,928
Total Charges	3,005,338	3,439,592	3,938,065	4,460,957	5,344,190	5,638,687	6,048,670	409,983
Net State Aid	22,261,775	20,203,102	20,564,865	22,916,207	23,545,755	23,988,820	24,119,765	130,945
Net Change	(499,614)	(2,058,673)	361,763	2,351,342	629,548	443,065	130,945	
% Change	-2.2%	-9.2%	1.8%	11.4%	2.7%	1.9%	0.5%	

# FISCAL 2009 BUDGET PROJECTIONS

FISCAL 2009 LOCAL REVENUES ARE PROJECTED TO INCREASE BY \$46,000. INCREASES ANTICIPATED FOR LANDFILL OPERATIONS AND BUILDING PERMITS WHILE DECREASES ANTICIPATED IN INTEREST INCOME AND NON-RECURRING PAYMENTS.

Account Description	Fiscal 2005 Revenue	Fiscal 2006 Revenue	Fiscal 2007 Revenue	YTD Revenue 5/12/2008	Fiscal 2008 Budget	Fiscal 2009 Projected	Net Change 2008 to 2009
Motor Vehicle Excise Taxes	5,815,599	5,760,935	5,605,026	5,168,092	5,600,000	5,600,000	0
Hotel Taxes	748,243	744,975	821,412	726,700	820,000	820,000	0
Interest & Fees on Taxes	307,549	279,380	298,625	369,229	300,000	350,000	50,000
Payments in Lieu of Taxes	739,151	677,385	693,632	685,864	804,000	800,000	(4,000)
Water User Charges	5,034,908	5,236,493	5,019,006	5,111,581	6,100,000	6,100,000	0
Sewer User Charges	9,528,969	9,286,735	8,596,946	8,084,344	9,300,000	9,300,000	0
Landfill Revenues	918,403	839,465	124,109	103,398	124,000	500,000	376,000
Fees	272,158	296,614	372,603	292,893	370,000	370,000	0
Rental Fees	43,895	43,895	47,553	49,087	47,000	50,000	3,000
Recreation Revenue	400,000	450,000	450,000	450,000	450,000	450,000	0
Departmental Revenue	210,914	231,737	297,392	145,931	295,000	250,000	(45,000)
Licenses & Permit Fees	4,559,132	2,586,678	1,996,268	3,898,820	2,200,000	2,800,000	600,000
Special Assessments	74	71	66	0	0	0	0
Parking Fines & Forfeits	249,768	335,020	300,116	223,463	300,000	300,000	0
Interest Income	564,530	987,074	1,335,592	639,403	1,300,000	875,000	(425,000)
Water Filtration Grant	451,108	451,108	451,108	0	0	0	0
Medicaid Reimbursements	534,409	122,110	408,560	491,798	400,000	400,000	0
SESD Refunds	500,000	500,000	800,000	0	600,000	500,000	(100,000)
Urban Redevelopment Taxes	250,790	254,003	260,302		260,000	260,000	0
Medicare Part D Reimb			600,113	366,514	476,000	475,000	(1,000)
Transfer from Overlay Surplus			1,004,663		0		0
Neswc Refund/Gov Reimb		2,313,398	18,704	411,784	408,000		(408,000)
Subtotal Local Revenues	31,129,598	31,397,078	29,501,796	27,218,901	30,154,000	30,200,000	46,000

# FISCAL 2009 BUDGET PROJECTIONS

NEW GROWTH IN THE PROPERTY TAX BASE IS ESTIMATED AT \$50,000,000 GENERATING ALMOST \$707,332 IN NEW TAXES. RESIDENTIAL VALUES WILL BE ADJUSTED DOWN BY APPROXIMATELY 5%. CIP ESTIMATED TO REMAIN AT 2008 VALUES OR DECLINE SLIGHTLY.

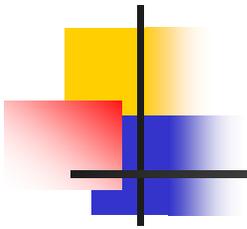
	Voted 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Projected 2009 Budget	Change
Residential Values	4,940,333,949	5,706,690,587	5,998,719,826	5,583,290,317	5,304,125,801	(279,164,516)
CIP Values	1,435,252,511	1,538,432,663	1,550,703,934	1,553,136,443	1,553,136,443	-
<b>Total Values</b>	<b>6,375,586,460</b>	<b>7,245,123,250</b>	<b>7,549,423,760</b>	<b>7,136,426,760</b>	<b>6,857,262,244</b>	<b>(279,164,516)</b>
New Growth - Residential	78,009,994	146,580,600	124,488,943	109,314,442	20,000,000	(89,314,442)
New Growth - CIP	40,627,365	25,230,840	26,474,625	23,388,590	30,000,000	6,611,410
<b>Total New Growth</b>	<b>118,637,359</b>	<b>171,811,440</b>	<b>150,963,568</b>	<b>132,703,032</b>	<b>50,000,000</b>	<b>(82,703,032)</b>
New Growth - Residential Taxes	631,101	1,216,670	946,116	848,280	173,416	(674,864)
New Growth - CIP Taxes	643,131	433,435	425,067	377,960	533,916	155,956
<b>Total New Growth - Taxes</b>	<b>1,274,232</b>	<b>1,650,106</b>	<b>1,371,298</b>	<b>1,226,240</b>	<b>707,332</b>	<b>(518,909)</b>
Levy Limit	69,766,460	73,160,707	76,365,913	79,501,301	82,196,165	2,694,864
Actual Levy	65,662,409	68,078,077	71,609,441	76,052,956	79,240,525	3,187,569
<b>Excess Levy Capacity</b>	<b>4,104,051</b>	<b>5,082,630</b>	<b>4,756,472</b>	<b>3,448,345</b>	<b>2,955,640</b>	<b>(492,705)</b>

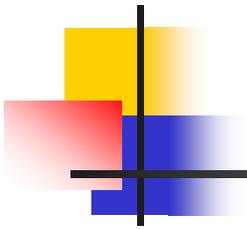
# FISCAL 2009 BUDGET PROJECTIONS

BASED ON A TAX LEVY OF \$79.2 MILLION USING THE SAME CIP FACTOR AND ADJUSTED RESIDENTIAL VALUES, THE AVERAGE ANNUAL TAX BILL WILL INCREASE APPROXIMATELY \$52. THIS NUMBER CAN CHANGE DEPENDING ON ACTUAL NEW GROWTH AND ACTUAL VALUES.

	Voted 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Projected 2009 Budget	Change
Commercial Levy	24,655,910	24,700,504	25,059,376	27,641,485	29,972,479	2,330,995
Residential Levy	41,006,499	43,377,573	46,550,065	48,411,471	49,268,046	856,575
<b>Total Levy</b>	<b>65,662,409</b>	<b>68,078,077</b>	<b>71,609,441</b>	<b>76,052,956</b>	<b>79,240,525</b>	<b>3,187,569</b>
Equalized Tax Rate	\$10.30	\$9.40	\$9.49	\$10.66	\$11.56	
C.I.P Rate - 167%	\$17.18	\$16.06	\$16.16	\$17.80	\$19.30	
Residential Rate	\$8.30	\$7.60	\$7.76	\$8.67	\$9.29	
Average Residential Value	325,600	364,900	374,400	340,200	323,190	
Average Residential Tax Bill	\$2,702.59	\$2,773.67	\$2,905.34	\$2,949.80	\$3,001.99	
Change in Annual Tax Bill	\$68.49	\$71.08	\$131.67	\$44.45	\$52.19	

# SUMMARY FISCAL 2009 BUDGET

- 
- Operating Budget - \$132,521,527
  - Increase of \$2,990,204 or 2.3%
  - Sources of Funding
    - ▶ Property Taxes - \$79.2 Million
    - ▶ Local Revenues - \$30.2 Million
    - ▶ Available Revenues - \$500,000
    - ▶ State Aid - \$30.1 Million



# FISCAL 2009 BUDGETS

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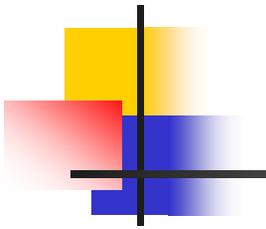
## SKATING RINK AND GOLF COURSE

**Enterprise Funds Established Under Ch44 Sec53 F1/2**

**Self Sustaining by User Fees - No Tax Dollars**

**Accumulated Surplus stays with the Fund**

**City Council Vote Required to Authorize Budget**

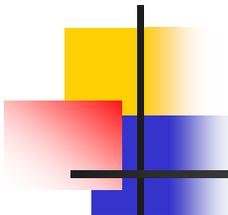


# McVANN O'KEEFE SKATING RINK

Managed By the City of Peabody

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- **Lease - State Department of Capital Planning and Management**  
**25 Years**  
10 year Lease Beginning June 20, 2002  
additional 3 separate 5 year options to extend
- **Reporting - State Department of Conservation and Recreation**  
Length of Season - Users - Fees  
Capital Improvements per RFP- Grand Stands - Roof - Paving - Slab



# McVANN O'KEEFE SKATING RINK OPERATING STATISTICS

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**Open 48 Weeks**

**Peak Season - (October - March)**

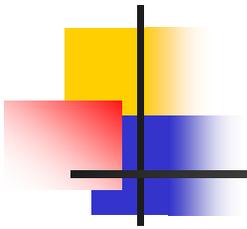
**Operating 18 Hours per day**

**Regional Rink - Customers**

Peabody, Danvers, Beverly, Salem, N. Reading

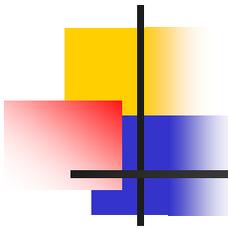
Swampscott, Marblehead, Lynnfield, Middleton

<b>User Groups Allocation</b>	<b>Hours</b>
Public Skating	32%
Youth Hockey	28%
Adult Independent	18%
High School Hockey	12%
Figure Skating Club	7%
Tot Program	3%
	<hr/>
	100%



# McVANN O'KEEFE SKATING RINK REVENUES

	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
<b>Revenues</b>				
Concessions	31,423	35,000	30,000	30,000
Vending	12,119	13,000	12,000	12,000
Public Skating	60,484	55,000	60,000	60,000
Ice Rental Fee	457,406	475,000	450,000	450,000
Special Programs	26,101	25,000	23,000	23,000
Special Events	15,448	13,000	12,000	12,000
Rentals, Interest, Other	53,981	30,000	48,000	45,000
<b>Total Revenues</b>	<b>656,962</b>	<b>646,000</b>	<b>635,000</b>	<b>632,000</b>

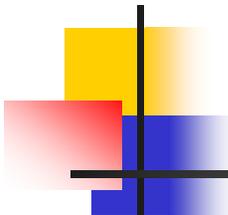


# McVANN O'KEEFE SKATING RINK

## OPERATING EXPENSES

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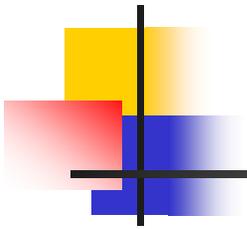
	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
<b>Expenses</b>				
Salaries & Wages	273,003	286,200	286,000	308,200
Utilities	107,718	115,000	107,000	116,200
CIP	62,446	50,000	47,000	32,000
Supplies	53,113	48,300	45,000	47,000
Professional Services	52,343	48,500	58,000	49,100
Commonwealth	18,315	20,000	15,000	20,000
Repairs	67,191	42,000	35,000	52,500
<b>Total Expenses</b>	<b>634,129</b>	<b>610,000</b>	<b>593,000</b>	<b>625,000</b>



# McVANN O'KEEFE SKATING RINK

## REVENUES/EXPENSES & RETAINED EARNINGS

	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
<b>Retained Earnings:</b>				
Total Revenue	656,962	646,000	635,000	632,000
Total Expense	634,129	610,000	593,000	625,000
Excess Revenues over Expenses	22,833	36,000	42,000	7,000
Beginning Retained Earnings, Operations	550,649		573,482	615,482
Ending Retained Earnings, Operations	573,482		615,482	622,482
Projected Retained Earnings June 2009				622,482
Projects Committed per Lease Agreement:				
Slab/ Refrigeration				\$ (1,130,000)
Lighting/Heating/Zamboni/Other				(125,000)
Amount to be Provided from Future Operations				<b>(\$632,518)</b>

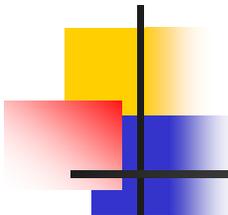


# The Meadow at Peabody Golf Course

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## Enterprise Fund Revolving Accounts for (League and Handicap) Fees

- Opened For Play October 2001 (Back 9 holes)
- 2008 is the Seventh Season (April-Nov) of Full Operations
- Pro Shop & Concessions- Process 80,000 Transactions



# GOLF COURSE OPERATING STATISTICS

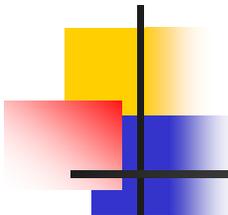
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## Rounds - (April - November)

	<u>2007</u>	%	<u>2006</u>	%	<u>2005</u>	%
9 Hole Rounds	15,676	48.9%	13,594	41.7%	14,878	45.9%
18 Hole Rounds	16,361	51.1%	18,997	58.3%	17,512	54.1%
Total Rounds	<u>32,037</u>	100.0%	<u>32,591</u>	100.0%	<u>32,390</u>	100.0%

## Rounds By User

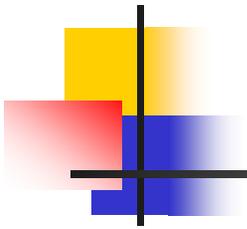
Juniors	1,139	3.6%	904	2.8%	593	1.8%
Seniors	5,626	17.6%	4,750	14.6%	4,107	12.7%
Residents	10,362	32.3%	10,203	31.3%	10,719	33.1%
Non - Residents	14,910	46.5%	16,734	51.3%	16,971	52.4%
	<u>32,037</u>	100.0%	<u>32,591</u>	100.0%	<u>32,390</u>	100.0%



# GOLF COURSE OPERATING STATISTICS

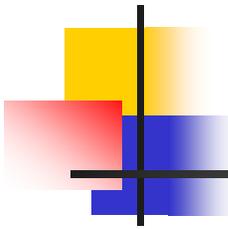
## Sales By Day

	<u>2007</u>	%	<u>2006</u>	%	<u>2005</u>	%
Monday	\$ 156,075	11.1%	\$ 168,584	12.7%	\$ 153,102	11.9%
Tuesday	\$ 153,141	10.8%	\$ 129,087	9.7%	\$ 132,648	10.3%
Wednesday	\$ 192,965	13.7%	\$ 164,247	12.4%	\$ 146,360	11.3%
Thursday	\$ 155,327	11.0%	\$ 159,391	12.0%	\$ 150,500	11.7%
Friday	\$ 197,270	14.0%	\$ 207,169	15.6%	\$ 208,090	16.1%
Saturday	\$ 271,955	19.3%	\$ 256,919	19.4%	\$ 242,056	18.7%
Sunday	\$ 285,390	20.2%	\$ 240,065	18.1%	\$ 259,021	20.1%
	<u>\$ 1,412,123</u>	100.0%	<u>\$ 1,325,462</u>	100.0%	<u>\$ 1,291,777</u>	100.0%



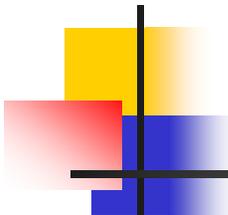
## GOLF COURSE REVENUES

	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
<b>Revenues:</b>				
<b>Green Fees</b>	895,774	930,000	930,000	930,000
<b>Carts</b>	316,803	315,000	310,000	322,000
<b>Concession</b>	52,301	58,000	50,000	50,000
<b>Pro Shop</b>	60,604	60,000	64,000	60,000
<b>Golf Outings</b>	54,882	37,000	70,000	80,000
<b>Interest, Other</b>	31,759	15,000	34,000	30,000
<b>Total Revenues</b>	1,412,123	1,415,000	1,458,000	1,472,000



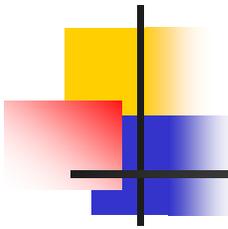
# GOLF COURSE EXPENSES CLUB HOUSE

	Actual	Budget	Projected	Budget
<b>CLUB HOUSE EXPENSE:</b>				
Salaries & Wages	211,823	215,000	215,000	228,700
Building	8,205	29,000	25,000	14,700
Utilities	28,850	30,000	26,600	31,000
Supplies-Pro Shop	48,709	40,135	40,000	40,037
Supplies-Grill	34,027	37,000	36,000	37,000
Professional Services	22,577	21,000	23,000	21,000
Office Supplies	3,921	3,100	3,600	3,100
Lease	68,706	72,250	72,200	107,000
Training	618	750	1,000	1,100
Debt Service	340,290	385,615	385,600	426,763
<b>Subtotals Club House Exp</b>	<b>\$767,726</b>	<b>\$833,850</b>	<b>\$828,000</b>	<b>\$910,400</b>
	FY2006	FY2007	FY2007	FY2008



## GOLF COURSE EXPENSES GROUNDS

	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
<b>GROUND'S EXPENSE:</b>				
Salaries & Wages	305,372	319,150	319,000	321,450
Building	6,770	7,000	8,500	7,000
Utilities	62,105	79,500	54,000	59,000
Maintenance/Grounds	215,022	152,300	178,000	171,000
Professional Services/Train	2,607	2,500	1,500	2,500
Office Supplies	490	700	100	650
<b>Subtotals Grounds Expense</b>	<b>\$592,366</b>	<b>\$561,150</b>	<b>\$561,100</b>	<b>\$561,600</b>
<b>Total Expenses</b>	<b>\$1,360,092</b>	<b>\$1,395,000</b>	<b>\$1,389,000</b>	<b>\$1,472,000</b>



# GOLF COURSE

## Revenue/Expense & Retained Earnings

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	FY2007 Actual	FY2008 Budget	FY2008 Projected	FY2009 Budget
Total Revenues	1,412,123	1,415,000	1,458,000	1,472,000
Total Expenses	\$1,360,092	\$1,395,000	\$1,389,100	\$1,472,000
Net Revenues over Expenses	\$52,031	\$20,000	\$68,900	\$0
<b>Retained Earnings, Operations:</b>				
Beginning	\$150,663		\$202,694	\$271,594
Ending	\$202,694		\$271,594	\$271,594