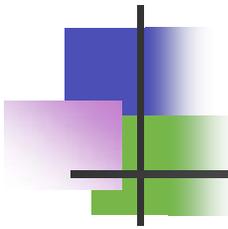


CITY OF PEABODY FISCAL 2010 BUDGET

**Mayor Michael J. Bonfanti
June 11, 2009**

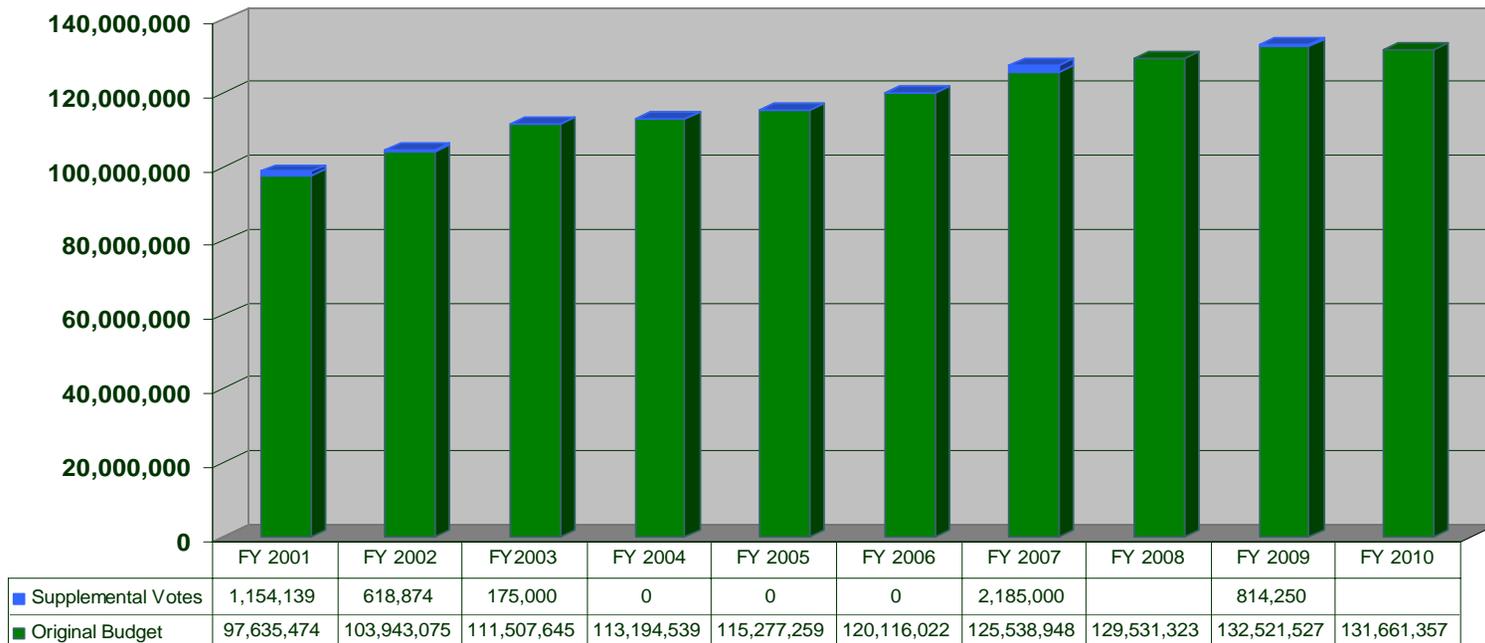


FISCAL YEAR 2010 BUDGET AGENDA

- Opening Remarks - Mayor Bonfanti
- Fiscal Year 2010 Budget Highlights
- Skating Rink Budget Fiscal 2010
- Golf Course Budget Fiscal 2010

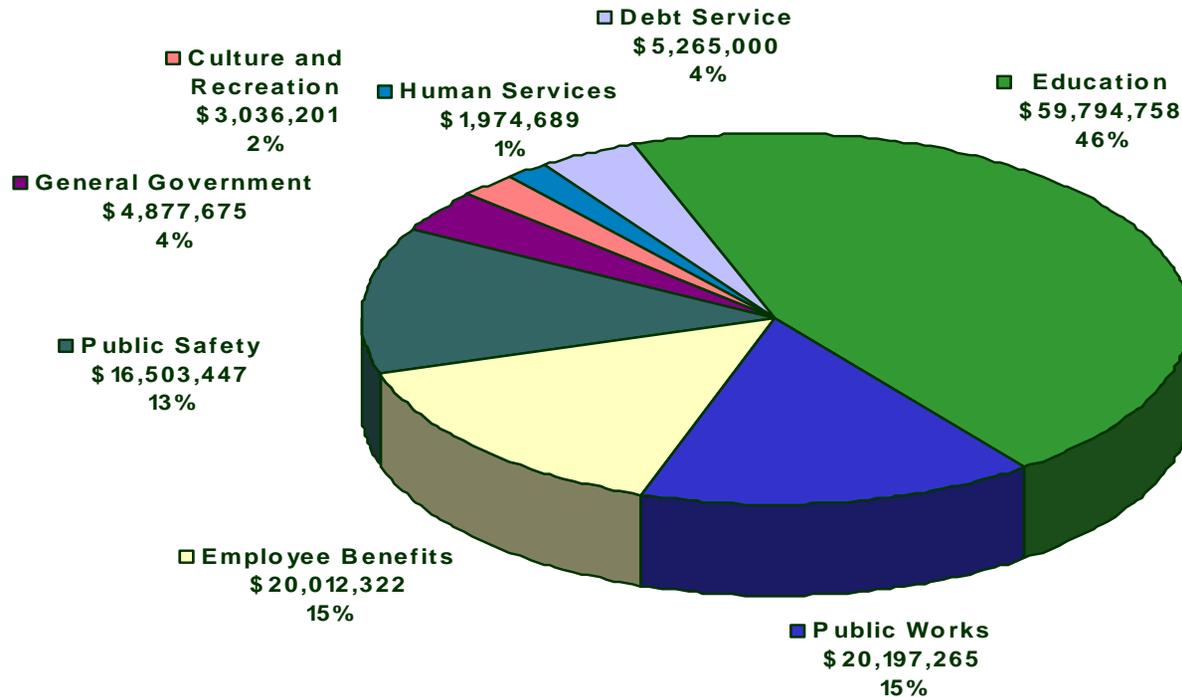
HISTORY OF BUDGETS - FISCAL 2001-2010

FISCAL 2010 BUDGET TOTALS \$131,661,357 A DECREASE OF \$860,170 OR -0.6% FROM 2009. INCLUDING SUPPLEMENTAL APPROPRIATIONS TO DATE, THE BUDGET HAS DECREASED \$1,674,420 OR 1.3%



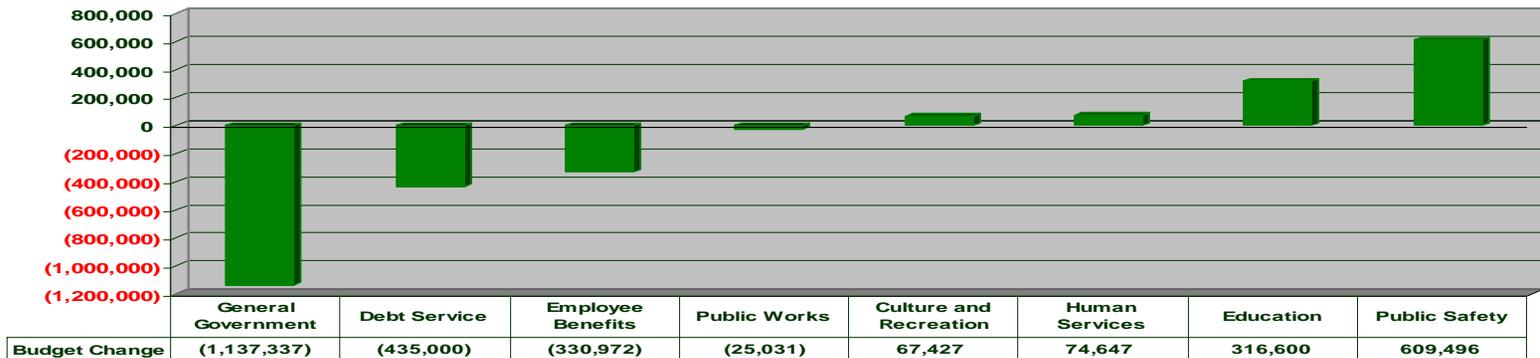
FISCAL 2010 BUDGET BY FUNCTION

IN FISCAL 2010, 46 CENTS OF EVERY BUDGET DOLLARS WILL BE SPENT ON EDUCATION, FOLLOWED BY 15 CENTS EACH FOR PUBLIC WORKS AND EMPLOYEE BENEFITS AND 13 CENTS FOR PUBLIC SAFETY



FISCAL 2010 BUDGET CHANGES BY FUNCTION

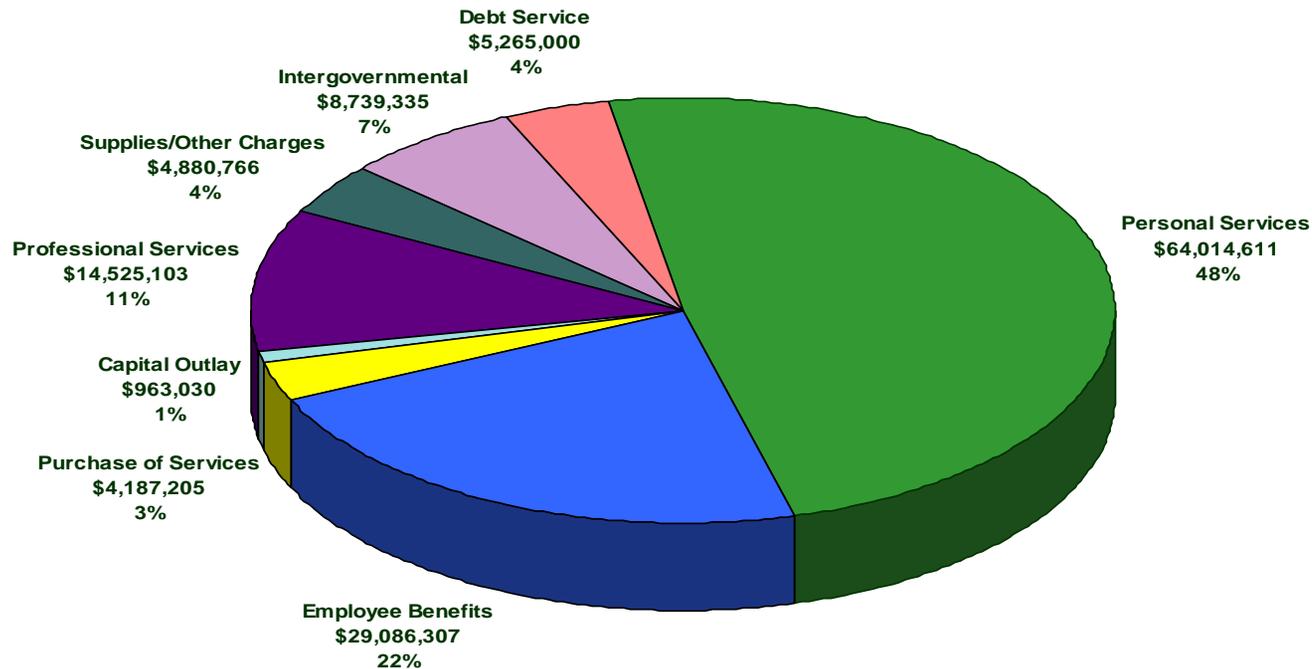
THE FISCAL 2010 BUDGET DECREASED BY (\$860,170).
 GENERAL GOVERNMENT, DEBT SERVICE, EMPLOYEE BENEFITS
 AND PUBLIC WORKS CUMULATIVE DECREASE OF \$1.9 MILLION WHILE
 EDUCATION AND PUBLIC SAFETY INCREASED \$316,600 AND \$609,496



	FY 2010	FY 2009	Change	% Change
General Government	4,877,675	6,015,012	(1,137,337)	-18.9%
Debt Service	5,265,000	5,700,000	(435,000)	-7.6%
Employee Benefits	20,012,322	20,343,294	(330,972)	-1.6%
Public Works	20,197,265	20,222,296	(25,031)	-0.1%
Culture and Recreation	3,036,201	2,968,774	67,427	2.3%
Human Services	1,974,689	1,900,042	74,647	3.9%
Education	59,794,758	59,478,158	316,600	0.5%
Public Safety	16,503,447	15,893,951	609,496	3.8%
Budget Totals	131,661,357	132,521,527	(860,170)	-0.6%

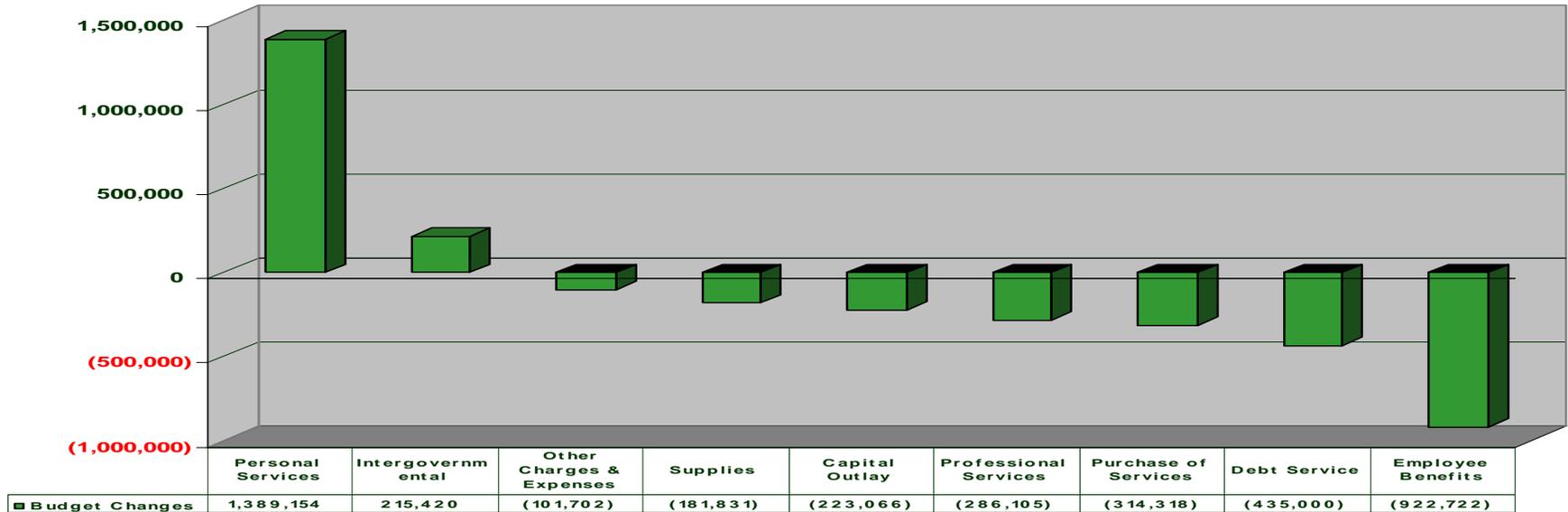
FISCAL 2010 BUDGET BY EXPENSE TYPE

THE FISCAL 2010 BUDGET WILL ALLOCATE 70% OF EVERY BUDGET DOLLAR FOR SALARIES AND BENEFITS. PROFESSIONAL SERVICES, INTERGOVERNMENTAL FEES AND DEBT SERVICE WILL ACCOUNT FOR 11%, 7% AND 4%, RESPECTIVELY, OF EVERY BUDGET DOLLAR.



FISCAL 2010 BUDGET CHANGES BY EXPENSE TYPE

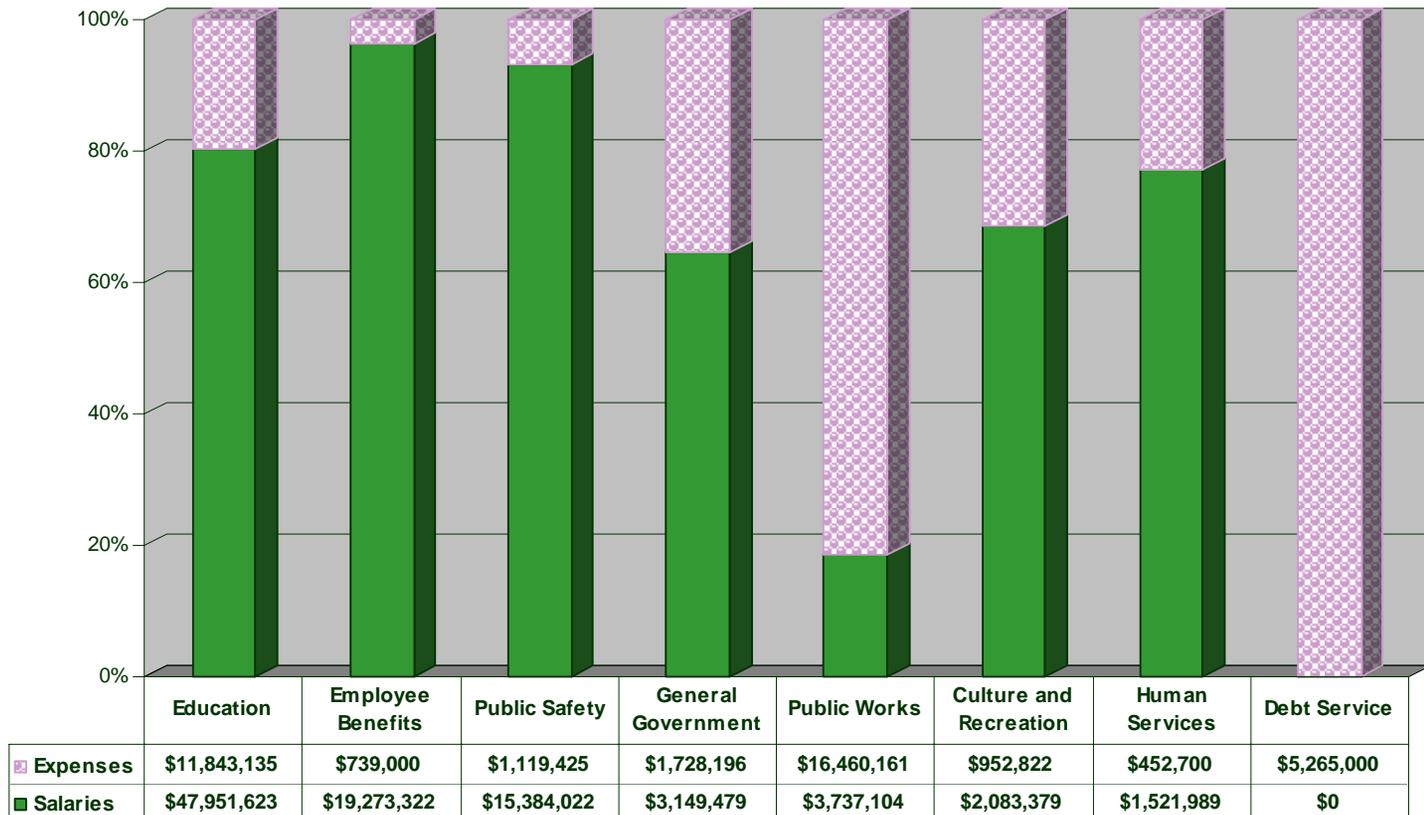
IN TOTAL PERSONAL SERVICES INCREASED BY \$1.4 MILLION DOLLARS WHILE EMPLOYEE BENEFITS DECREASED BY \$922,722. INTERGOVERNMENTAL FEES FOR SESD INCREASED \$215,420 AND THE REMAINDER OF THE BUDGET DECREASED BY \$1.5 MILLION DOLLARS.



	Expense Type Changes			% of Changes Total Budget
	City Budget	School Budget	Total Budget	
Personal Services	111,035	1,278,119	1,389,154	161.5%
Intergovernmental	215,420		215,420	25.0%
Other Charges & Expenses	(44,918)	(56,784)	(101,702)	-11.8%
Supplies	23,683	(205,514)	(181,831)	-21.1%
Capital Outlay	(108,884)	(114,182)	(223,066)	-25.9%
Professional Services	(338,751)	52,646	(286,105)	-33.3%
Purchase of Services	(270,488)	(43,830)	(314,318)	-36.5%
Debt Service	(435,000)	-	(435,000)	-50.6%
Employee Benefits	(326,867)	(595,855)	(922,722)	-107.3%
Total Budget Changes	(1,174,770)	314,600	(860,170)	-100.0%

FISCAL 2010 SALARIES VS. EXPENSES

THE 2010 OPERATING BUDGET IS LABOR INTENSIVE WITH 70% 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.



FISCAL 2005-2010 HEALTH INSURANCE COSTS

HEALTH CARE COSTS WILL TOTAL \$25.6 MILLION IN 2010.

AN INCREASE OF \$1.4 MILLION OR 8% OVER FISCAL 2009.

SINCE 2005 HEALTH COSTS HAVE RISEN \$10.2 MILLION OR 55%.

EMPLOYEE CONTRIBUTIONS HAVE INCREASED TO 15% EFFECTIVE JAN 1 2009.

	Actual 6/30/2005	Actual 6/30/2006	Actual 6/30/2007	Actual 6/30/2008	6/2/2009 FY 2009 YTD Actual	FY 2009 Budget 7/1/2008	Projected Budget Fiscal 2010
Health Insurance Expenses							
Blue Care Elect - Medical & Drugs	4,771,174	5,231,528	5,357,566	5,208,018	4,370,634	5,668,701	5,397,865
Blue Care Elect - Administrative	301,465	281,231	268,570	246,834	191,799	241,658	235,000
Medex and Medex Penalties	2,916,828	3,196,215	3,368,952	3,693,334	3,600,798	4,057,509	4,560,255
Medex Administrative Fees	182,934	185,440	192,275	19,525	163,254	210,000	200,000
HMO Blue - Medical & Drugs	7,104,383	8,724,768	9,803,710	11,559,954	10,721,459	12,982,459	13,950,000
HMO Blue - Administrative Fees	710,285	779,965	726,895	781,527	673,785	800,000	815,000
Claims Monitoring/refunds	20,000	23,000	20,000	24,500	26,498	24,500	32,000
Reinsurance - Stop Loss	320,403	312,850	296,312	312,081	260,017	365,500	456,875
Working Deposit/Refunds/Group	110,257	186	15,371	12,800	10,133	0	
Total Expenses	16,437,729	18,735,183	20,049,651	21,858,573	20,018,377	24,350,327	25,646,995
Annual Dollar Increase	969,410	2,297,454	1,314,468	1,808,922		2,491,754	1,296,668
Cumulative \$ Increase		3,266,864	4,581,332	6,390,254		8,882,008	10,178,676
Annual % Increase	6.3%	14%	7.0%	12.4%		7.4%	8.0%
Cumulative % Increase		20.30%	27.30%	39.70%		47.10%	55.10%

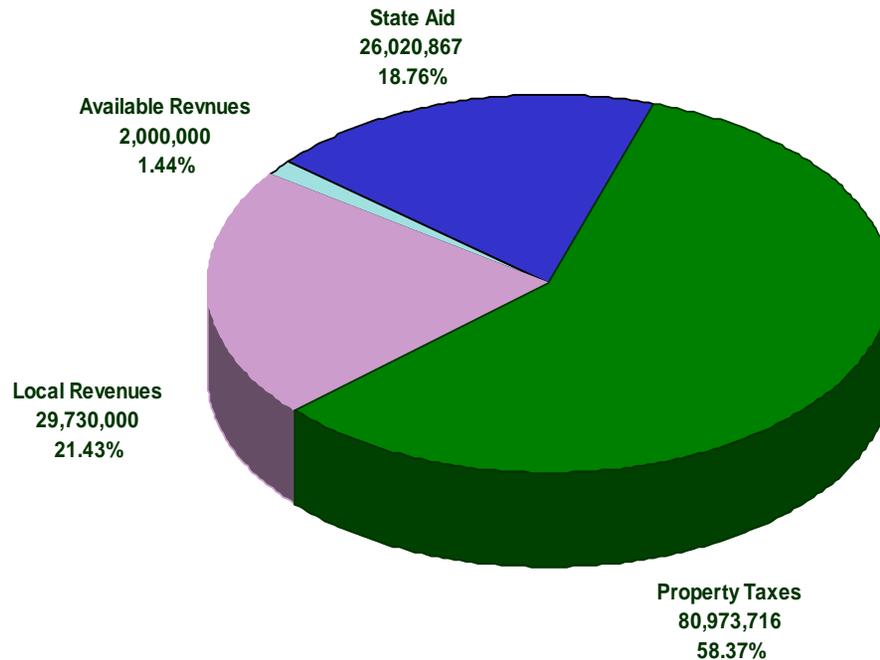
FISCAL 2010 HEALTH INSURANCE RATES

THE CITY PAYS 85% OF ALL HEALTH COSTS. EMPLOYEES NOW PAY 15%. THE CITY WILL PAY HEALTH CARE COSTS FOR 2,235 ACTIVE AND RETIRED EMPLOYEES. THE AVERAGE ANNUAL COST FOR A FAMILY PLAN IS \$19,830 AND \$7,476 FOR AN INDIVIDUAL PLAN.

Plan	Family Plan Cost	Enrollment	Individual Plan Cost	Enrollment	Total Annual Cost	Total Enrollments
Blue Care Elect						
City Share - 85%	19,947	221	7,499	144	5,488,143	
Employee Share - 15%	3,520	221	1,323	144	968,432	
	\$23,467		\$8,822		\$6,456,575	365
HMO BLUE						
City Share - 85%	15,805	650	5,888	352	12,345,826	
Employee Share - 15%	2,789	650	1,038	352	2,178,226	
	\$18,594		\$6,926		\$14,524,052	1002
Medex						
City Share - 100%		0	\$5,376	868	\$4,666,368	868
Totals		871		1,364	\$25,646,995	2,235

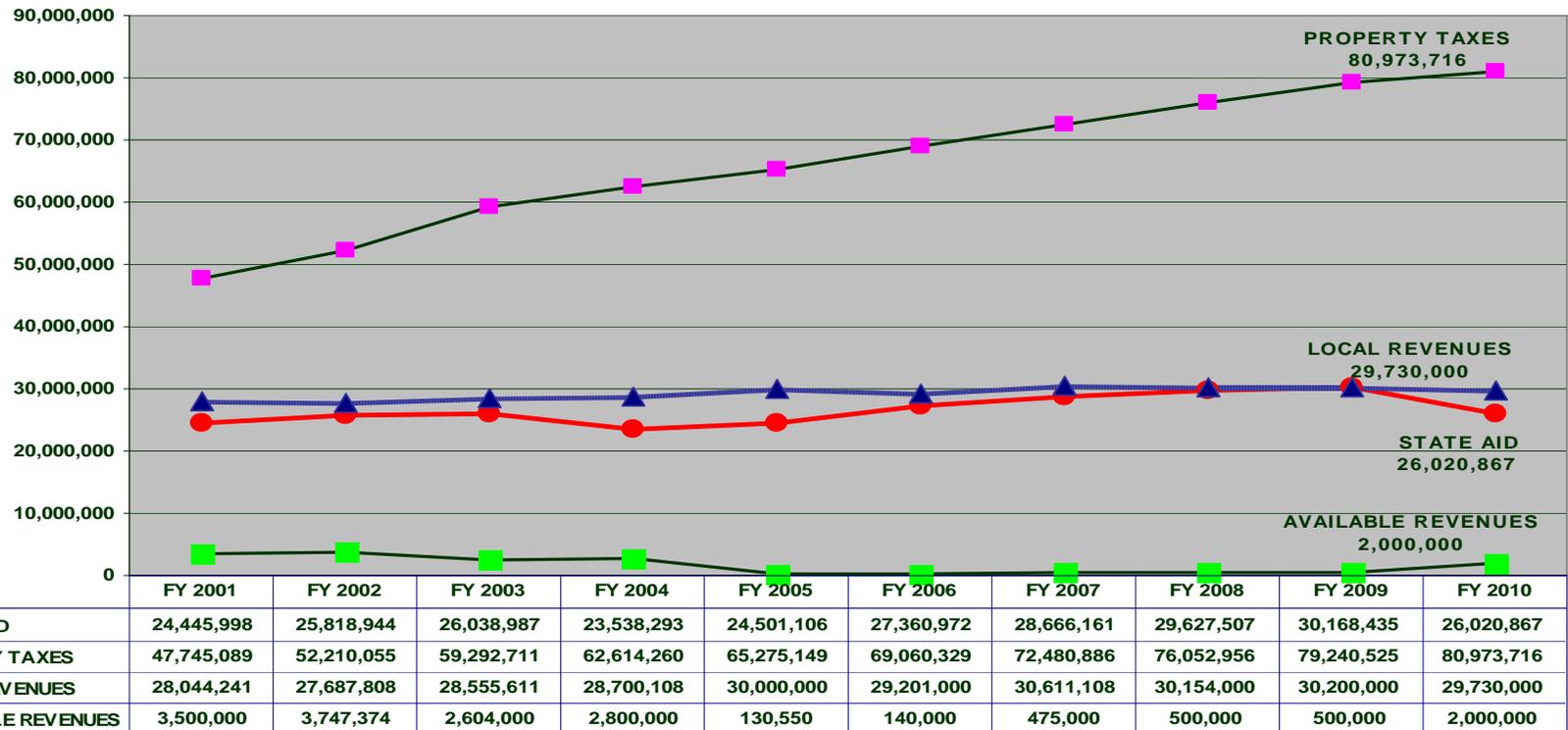
FISCAL 2010 SOURCES OF REVENUES

IN FISCAL 2010, 81.2% OF ALL CITY REVENUES WILL BE GENERATED AT THE LOCAL LEVEL. PROPERTY TAXES TOTAL 58.4%, WHILE LOCAL REVENUES TOTAL 22.8%. STATE AID REPRESENTS 18.7%, A DECLINE OF \$4.1 MILLION FROM LAST YEAR BASED ON THE SENATE BUDGET.



SOURCES OF REVENUE - FISCAL 2001 - 2010

OVER THE PAST 10 YEARS PROPERTY TAXES HAVE BEEN OUR PRIMARY SOURCE OF REVENUE AVERAGING 53% WHILE 26% OF OUR REVENUES HAVE COME FROM LOCAL RECEIPTS AND AVAILABLE RESOURCES. STATE AID AVERAGED 21% DURING THIS SAME TIME PERIOD. IN 2010 STATE AID WILL DECLINE TO 18% OF OUR REVENUE BASE.



FISCAL 2010 BUDGET PROJECTIONS

THE TOTAL AMOUNT TO BE RAISED IN FISCAL 2010 INCLUDING STATE CHARGES AND ALLOWANCES FOR ABATEMENTS WILL BE \$138,724,583 - A DECREASE OF \$1.7 MILLION OR 1.25% FROM FISCAL 2009.

6/8/2009 Operating Budget	Actual 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Actual 2009 Budget	Projected 2010 Budget	Net Change
School Salaries	33,765,191	36,184,179	37,812,467	38,330,811	38,274,769	39,552,888	1,278,119
Salary Reserve	734,680	465,000	485,925	-			-
Employee Benefits	7,200,165	7,301,029	7,629,575	8,353,850	8,994,590	8,398,735	(595,855)
School Operating Expenses	10,589,659	10,430,944	10,900,336	11,953,780	12,208,799	11,843,135	(365,664)
School Budget	52,289,695	54,381,152	56,828,304	58,638,441	59,478,158	59,794,758	316,600
Salaries	19,819,957	20,955,863	23,165,073	24,062,885	24,350,688	24,461,723	111,035
Salary Reserve	400,000	300,000	600,000	600,000	1,200,000	-	(1,200,000)
Employee Benefits	16,993,616	17,958,478	18,650,252	19,673,229	21,014,439	20,687,272	(327,167)
Operating Expenses	21,070,991	20,646,530	21,092,083	20,859,768	20,778,242	21,452,604	674,362
Debt Service	4,703,000	5,874,000	5,500,000	5,697,000	5,700,000	5,265,000	(435,000)
City Budget	62,987,564	65,734,871	69,007,408	70,892,882	73,043,369	71,866,599	(1,176,770)
Total Budget	115,277,259	120,116,023	125,835,712	129,531,323	132,521,527	131,661,357	(860,170)
	2,082,720 1.8%	4,838,764 4.2%	5,719,689 4.8%	3,695,611 2.9%	2,990,204 2.3%	(860,170) -0.6%	
Other Amounts to be Raised:							
State & County Assessments	3,938,065	4,460,957	5,344,190	5,729,544	6,060,976	5,963,226	(97,750)
Abatements/Other Amounts	1,379,114	1,377,919	1,446,669	1,073,596	1,890,595	1,100,000	(790,595)
Other Amounts	5,317,179	5,838,876	6,790,859	6,803,140	7,951,571	7,063,226	(888,345)
Gross Amount to be Raised	120,594,438	125,954,899	132,626,571	136,334,463	140,473,098	138,724,583	(1,748,515)

FISCAL 2010 BUDGET PROJECTIONS

THE FISCAL 2010 BUDGET WILL BE FUNDED PRIMARLY BY PROPERTY TAXES AT \$80.9 MILLION, LOCAL REVENUES ARE EXPECTED TO DECLINE BY \$903,000 AND WE WILL USE \$2.0 FROM RESERVES TO OFFSET \$4.1 REDUCTION IN STATE AID.

Sources of Revenue:	Actual 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Actual 2009 Budget	2010 Budget	Net Change
Available Revenues	130,550	111,550	1,664,050	500,000	500,000	2,000,000	1,500,000
State Aid	24,502,930	27,377,164	29,566,972	29,627,507	30,131,005	26,020,867	(4,110,138)
Local Revenues	30,298,549	30,388,108	29,786,108	30,021,000	30,633,000	29,730,000	(903,000)
Tax Levy	65,662,409	68,078,077	71,609,441	76,185,956	79,209,093	80,973,716	1,764,623
Total Sources of Revenue	120,594,438	125,954,899	132,626,571	136,334,463	140,473,098	138,724,583	(1,748,515)

FISCAL 2010 REVENUE PROJECTIONS

STATE AID BASED ON THE SENATE BUDGET WILL BE \$26 MILLION WHICH REFLECTS A \$4.1 MILLION REDUCTION FROM 2009. "9C CUTS" IN 2009 TOTALED \$875,468 FROM LOCAL AID AND \$2,115,704 FROM CHAPTER 70. ARRA STABILIZATION FUNDS WERE USED TO REPLACE CHAPTER 70 CUTS.

State Aid Revenue	Fiscal 2005 Actual Rev	Fiscal 2006 Actual Rev	Fiscal 2007 Actual Rev	Fiscal 2008 Actual Rev	Fiscal 2009 Projected	Fiscal 2009 YTD Actual	Fiscal 2010 Projected
Education Aid	16,453,772	18,728,280	19,286,644	19,860,981	20,404,546	15,184,050	19,802,568
Gen Govt Local Aid	7,414,082	7,974,455	8,889,495	8,984,119	8,984,119	6,300,355	5,676,056
State Aid Reimbursements	66,197	148,209	66,954	80,497	227,254	76,964	263,827
Veterans Benefits	134,035	72,437	206,276	66,606	50,192	190,922	83,193
Police Career Incentive Reimb	357,618	371,035	421,973	439,118	434,119	399,130	0
Parking Surcharges	10,020	7,000	9,260	9,200		6,500	0
SBAB Interest Reimbursement			677,027	-	-		
Misc Governmental Reimb	51,505	92,624	87,517	46,948	68,205		195,223
Subtotal State Aid	24,487,230	27,394,040	29,645,146	29,487,469	30,168,435	22,157,921	26,020,867
Net Change		2,906,811	2,251,106	(157,677)	680,966		(4,147,568) -13.7%

FISCAL 2010 BUDGET PROJECTIONS

STATE CHARGES TOTAL \$5.9 MILLION IN FISCAL 2010 BASED ON THE HOUSE/SENATE BUDGET. STATE CHARGES HAVE DECREASED BY \$97,726 OR 1.6% IN FY 2010.

<i>ESTIMATED CHARGES:</i>	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Senate Fiscal 2010	Net Change FY 2009 - 2010
Essex County Tech Tuition	246,617	274,211	355,271	274,840	277,762	306,697	28,935
School Choice Tuition	188,353	222,361	303,635	434,409	234,019	249,628	15,609
Charter School Sending					393,583	342,129	(51,454)
Retired Teachers - Health	2,393,132	2,880,959	3,549,748	3,740,073	3,956,863	3,864,856	(92,007)
Retired Employees-Health	9,597	0		840	0		-
Mosquito Control Projects	63,513	66,857	72,253	71,910	71,743	70,657	(1,086)
Air Pollution Districts	13,049	13,471	13,909	14,214	14,596	14,397	(199)
Metro Area Planning Cour	13,103	13,553	14,155	14,837	15,163	15,265	102
Registry Surcharge	36,300	41,160	48,100	43,460	47,260	44,400	(2,860)
MBTA	963,314	929,468	976,590	1,031,615	1,042,638	1,053,153	10,515
Special Education 71B	11,087	18,917	10,529	12,489	7,325	2,044	(5,281)
Energy Conservation							-
Total Charges	3,938,065	4,460,957	5,344,190	5,638,687	6,060,952	5,963,226	(97,726)
Net Change	498,473	522,892	883,233	294,497	422,265	(97,726)	
% Change	14.5%	13.3%	19.8%	5.5%	7.5%	-1.6%	

FISCAL 2010 BUDGET PROJECTIONS

COMBINED NET STATE AID IN FISCAL 2010 WILL TOTAL \$20.1 MILLION A DECREASE OF \$4.1 MILLION OR 16.8% FROM FY 2009

<i>NET STATE AID:</i>	Fiscal 2005	Fiscal 2006	Fiscal 2007	Fiscal 2008	Fiscal 2009	Fiscal 2010	Net Change 2009 to 2010
Total State Aid	24,502,930	27,377,164	28,889,945	29,627,507	30,168,435	26,020,867	(4,147,568)
Total Charges	3,938,065	4,460,957	5,344,190	5,638,687	6,048,670	5,963,226	(85,444)
Net State Aid	20,564,865	22,916,207	23,545,755	23,988,820	24,119,765	20,057,641	(4,062,124)
Net Change	361,763	2,351,342	629,548	443,065	130,945	(4,062,124)	
% Change	1.8%	11.4%	2.7%	1.9%	0.5%	-16.8%	

FISCAL 2010 BUDGET PROJECTIONS

FISCAL 2010 LOCAL REVENUES ARE PROJECTED TO DECREASE BY \$903,000 TO REFLECT DECLINES IN MOTOR EXCISE TAX BASE, BUILDING PERMIT ACTIVITY AND INTEREST INCOME.

Revenues	Fiscal 2005 Actual Rev	Fiscal 2006 Actual Rev	Fiscal 2007 Actual Rev	Fiscal 2008 Actual Rev	Fiscal 2009 Projected	Fiscal 2009 YTD Actual	Fiscal 2010 Projected
Personal Property Taxes	1,326,871	1,370,227	1,418,934	1,715,701			
Real Estate Taxes	61,842,090	65,072,629	69,226,362	72,910,296	79,240,525	77,626,914	80,973,716
CL 41A Deferred Taxes	33,991	20,102	14,501	4,519		5,948	
Tax Liens Redeemed	330,882	175,288	149,662	424,613		312,605	
Subtotal Property Taxes	63,533,834	66,638,246	70,809,459	75,055,129	79,240,525	77,945,467	80,973,716
Motor Vehicle Excise Taxes	5,815,599	5,760,935	5,605,026	5,958,016	5,600,000	5,269,362	5,400,000
Hotel Taxes	748,243	744,975	821,412	874,485	820,000	623,572	820,000
Interest & Fees on Taxes	307,549	279,380	298,625	434,617	400,000	332,942	375,000
Payments in Lieu of Taxes	739,151	677,385	693,632	785,864	785,000	711,441	800,000
Water User Charges	5,034,908	5,236,493	5,019,006	5,810,962	5,800,000	4,885,179	5,800,000
Sewer User Charges	9,528,969	9,286,735	8,596,946	10,106,068	10,100,000	8,382,248	9,600,000
Landfill Revenues	918,403	839,465	124,109	123,269	500,000	479,932	800,000
Fees	272,158	296,614	372,603	302,821	300,000	334,881	375,000
Rental Fees	43,895	43,895	47,553	58,231	58,000	45,723	50,000
Recreation Revenue	400,000	450,000	450,000	450,000	450,000	550,000	550,000
Departmental Revenue	210,914	231,737	297,392	209,516	225,000	173,800	250,000
Licenses & Permit Fees	4,559,132	2,586,678	1,996,268	4,238,705	2,800,000	1,981,403	2,200,000
Special Assessments	74	71	66	-			
Parking Fines & Forfeits	249,768	335,020	300,116	258,176	260,000	235,568	275,000
Interest Income	564,530	987,074	1,335,592	976,792	900,000	527,676	700,000
Water Filtration Grant	451,108	451,108	451,108	-	-		
Medicaid Reimbursements	534,409	122,110	408,560	702,161	400,000	252,041	400,000
SESD Refunds	500,000	500,000	800,000	700,000	500,000	800,000	600,000
Urban Redevelopment Taxes	250,790	254,003	260,302	263,837	260,000	164	260,000
Medicare Part D Reimb			600,113	443,803	475,000	363,931	475,000
Transfer from Overlay Surplus			1,004,663				
Neswc Refund/Gov Reimb		2,313,398	18,704	411,784		15,151	-
Subtotal Local Revenues	31,129,598	31,397,078	29,501,796	33,109,108	30,633,000	25,965,014	29,730,000

FISCAL 2010 BUDGET PROJECTIONS

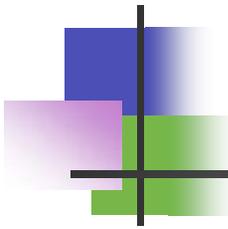
NEW GROWTH IN THE PROPERTY TAX BASE IS ESTIMATED AT \$90,000,000 GENERATING ALMOST \$1,404,507 IN NEW TAXES. RESIDENTIAL VALUES WILL BE ADJUSTED DOWN BY APPROXIMATELY 5%. CIP ESTIMATED TO DECLINE BY 2%. NEW GROWTH PRIMARILY ATTRIBUTED TO NORTH SHORE MALL.

Property Values	Voted 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Actual 2009 Budget	Projected 2010 Budget	Net Change
Residential Values	4,940,333,949	5,706,690,587	5,998,719,826	5,583,290,317	5,352,486,241	5,084,861,929	(267,624,312)
CIP Values	1,435,252,511	1,538,432,663	1,550,703,934	1,553,136,443	1,632,333,409	1,599,686,741	(32,646,668)
Total Values	6,375,586,460	7,245,123,250	7,549,423,760	7,136,426,760	6,984,819,650	6,684,548,670	(300,270,980)
New Growth - Residential	78,009,994	146,580,600	124,488,943	109,314,442	35,373,450	25,000,000	(10,373,450)
New Growth - CIP	40,627,365	25,230,840	26,474,625	23,388,590	53,620,870	65,000,000	11,379,130
Total New Growth	118,637,359	171,811,440	150,963,568	132,703,032	88,994,320	90,000,000	1,005,680
New Growth - Residential Taxes	631,101	1,216,670	946,116	848,280	307,252	232,500	(74,752)
New Growth - CIP Taxes	643,131	433,435	425,067	377,960	955,970	1,172,007	216,037
Total New Growth - Taxes	1,274,232	1,650,106	1,371,298	1,226,240	1,263,222	1,404,507	141,285
Levy Limit	69,766,460	73,160,707	76,365,913	79,501,301	82,749,974	86,223,231	3,473,257
Actual Levy	65,662,409	68,078,077	71,609,441	76,185,956	79,209,093	80,973,716	1,764,623
Excess Levy Capacity	4,104,051	5,082,630	4,756,472	3,315,345	3,540,881	5,249,515	1,708,634

FISCAL 2010 BUDGET PROJECTIONS

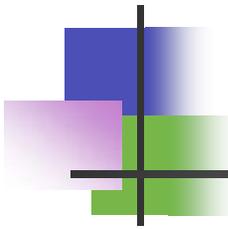
BASED ON A TAX LEVY OF \$80.9 MILLION USING THE SAME CIP FACTOR of 157% AND ADJUSTED RESIDENTIAL VALUES, THE AVERAGE ANNUAL TAX BILL WILL INCREASE APPROXIMATELY \$47. THIS NUMBER CAN CHANGE DEPENDING ON ACTUAL NEW GROWTH AND ACTUAL VALUES AS WELL AS FINAL STATE AID NUMBERS.

Tax Levy	Actual 2005 Budget	Actual 2006 Budget	Actual 2007 Budget	Actual 2008 Budget	Actual 2009 Budget	Projected 2010 Budget	Net Change
Commercial Levy	24,655,910	24,700,504	25,059,376	27,689,824	29,430,971	30,423,318	992,347
Residential Levy	41,006,499	43,377,573	46,550,065	48,496,132	49,778,122	50,550,398	772,276
Total Levy	65,662,409	68,078,077	71,609,441	76,185,956	79,209,093	80,973,716	1,764,623
Equalized Tax Rate	\$10.30	\$9.40	\$9.49	\$10.68	\$11.34	\$12.11	
C.I.P Rate 157%	\$17.18	\$16.06	\$16.16	\$17.83	\$18.03	\$19.02	
Residential Rate	\$8.30	\$7.60	\$7.76	\$8.69	\$9.30	\$9.94	
Average Residential Value	325,600	364,900	374,400	340,200	323,190	307,031	(17,010)
Average Residential Tax Bill	\$2,702.59	\$2,773.67	\$2,905.34	\$2,954.96	\$3,005.67	\$3,052.30	46.63
Change in Annual Tax Bill	\$68.49	\$71.08	\$131.67	\$49.61	\$50.71	\$46.63	



SUMMARY FISCAL 2010 BUDGET

- Operating Budget - \$131,661,357
- Decrease of \$860,170 or -0.6%
- Sources of Funding
 - ▶ Property Taxes - \$80 Million
 - ▶ Local Revenues - \$29.7 Million
 - ▶ Available Revenues - \$2,000,000
 - ▶ State Aid - \$26 Million



FISCAL 2010 BUDGETS

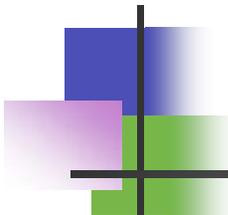
SKATING RINK AND GOLF COURSE

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

- **Lease - State Division of Capital Asset Management**

25 Year

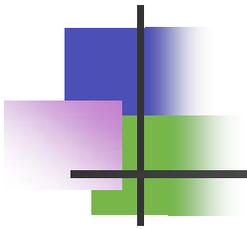
10 year Lease Beginning June 20, 2002

additional 3 separate 5 year options to extend

- **Reporting -State Department of Conservation and Recreation**

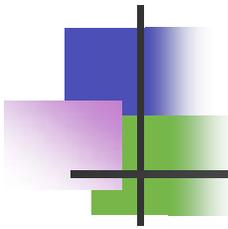
Length of Season - Users - Fees

Capital Improvements per RFP- Slab Refrigeration



McVANN O'KEEFE SKATING RINK REVENUES

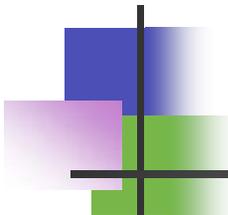
	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
Revenues				
Concessions	28,031	30,000	31,000	30,000
Vending	10,940	12,000	9,000	12,000
Public Skating	63,523	60,000	62,000	65,000
Ice Rental Fee	443,351	450,000	425,000	435,000
Special Programs	21,270	23,000	19,000	21,000
Special Events	11,338	12,000	13,000	13,000
Rentals, Interest, Other	54,744	45,000	56,000	54,000
Total Revenues	633,197	632,000	615,000	630,000



McVANN O'KEEFE SKATING RINK

OPERATING EXPENSES

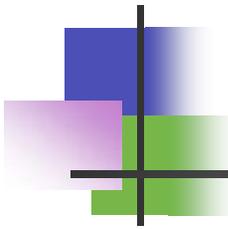
	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
Expenses				
Salaries & Wages	286,338	308,200	321,000	324,100
Utilities	110,669	120,200	109,000	117,400
CIP	32,627	32,000	25,000	30,000
Supplies	35,943	43,000	39,500	41,600
Professional Services	62,636	49,100	53,500	47,900
Commonwealth	14,697	20,000	17,000	19,000
Repairs	35,029	52,500	32,000	50,000
Total Expenses	577,939	625,000	597,000	630,000



McVANN O'KEEFE SKATING RINK

REVENUES/EXPENSES & RETAINED EARNINGS

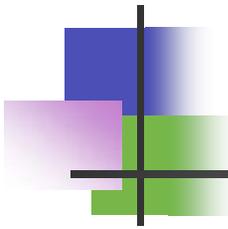
	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
Retained Earnings:				
Total Revenue	633,197	632,000	615,000	630,000
Total Expense	577,939	625,000	597,000	630,000
Excess Revenues over Expenses	55,258	7,000	18,000	-
Beginning Retained Earnings, Operations	573,482		628,740	646,740
Ending Retained Earnings, Operations	628,740		646,740	646,740
Projected Retained Earnings June 2010				646,740
Projects Committed per Lease Agreement:				
Slab/ Refrigeration				\$ (1,130,000)
Lighting/Heating/Zamboni/Other				(125,000)
Amount to be Provided from Future Operations				(\$608,260)



The Meadow at Peabody Golf Course

Enterprise Fund Revolving Accounts for (League and Handicap) Fees

- Opened For Play October 2001 (Back 9 holes)
- Currently in the Eighth Season (April-Nov) of Full Operations



GOLF COURSE OPERATING STATISTICS

Rounds - (April - November)

	<u>2008</u>	%	<u>2007</u>	%	<u>2006</u>	%
9 Hole Rounds	16,487	48.9%	16,356	48.9%	13,849	41.7%
18 Hole Rounds	17,235	51.1%	17,067	51.1%	19,351	58.3%
Total Rounds	<u>33,722</u>	100.0%	<u>33,423</u>	100.0%	<u>33,200</u>	100.0%

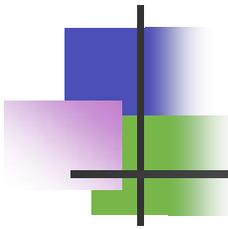
Rounds By User

Juniors	967	2.9%	1,139	3.4%	904	2.7%
Seniors	6,044	17.9%	5,626	16.8%	4,750	14.3%
Residents	10,952	32.5%	10,930	32.7%	10,453	31.5%
Non - Residents	15,759	46.7%	15,728	47.1%	17,093	51.5%
	<u>33,722</u>	100.0%	<u>33,423</u>	100.0%	<u>33,200</u>	100.0%

GOLF COURSE OPERATING STATISTICS

Sales By Month (Fiscal)

	2009		2008		2007	
		%		%		%
July	\$ 229,740	15.6%	\$ 244,574	16.8%	\$ 229,804	16.1%
August	\$ 237,630	16.1%	\$ 247,186	16.9%	\$ 236,919	16.6%
September	\$ 185,902	12.6%	\$ 206,200	14.1%	\$ 205,731	14.4%
October	\$ 133,994	9.1%	\$ 125,205	8.6%	\$ 119,944	8.4%
November	\$ 54,109	3.7%	\$ 42,434	2.9%	\$ 63,425	4.4%
December	\$ 18,543	1.3%	\$ 15,051	1.0%	\$ 17,966	1.3%
March	\$ 41,327	2.8%	\$ 16,893	1.2%	\$ 11,148	0.8%
April	\$ 141,900	9.6%	\$ 150,682	10.3%	\$ 99,853	7.0%
May	\$ 208,234	14.1%	\$ 170,317	11.7%	\$ 199,743	14.0%
June (09 Proj)	\$ 220,621	15.0%	\$ 240,000	16.5%	\$ 240,893	16.9%
	\$ 1,472,000	100.0%	\$ 1,458,542	100.0%	\$ 1,425,426	100.0%
Revenue Budget	\$ 1,472,000		\$ 1,415,000		\$ 1,440,000	

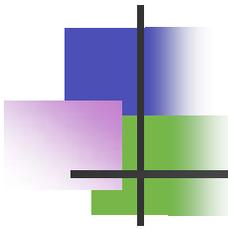


GOLF COURSE REVENUES

	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
Revenues:				
Green Fees	922,295	930,000	930,000	930,000
Carts	310,817	322,000	317,000	322,000
Concession	47,171	50,000	47,000	48,000
Pro Shop	63,735	60,000	64,000	65,000
Golf Outings	79,800	80,000	80,000	80,000
Interest, Other	34,724	30,000	34,000	34,000
Total Revenues	1,458,542	1,472,000	1,472,000	1,479,000

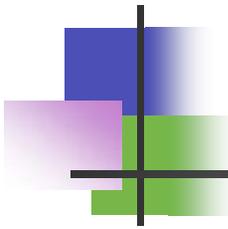
GOLF COURSE EXPENSES CLUB HOUSE

	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
CLUB HOUSE EXPENSE:				
Salaries & Wages	215,300	228,700	228,700	232,950
Building	29,698	14,700	14,500	8,000
Utilities	28,850	31,000	28,250	32,000
Supplies-Pro Shop	42,384	40,037	39,000	37,000
Supplies-Grill	35,186	37,000	36,000	35,000
Professional Services	21,364	21,000	22,780	24,100
Office Supplies	4,829	3,100	3,514	3,387
Lease	78,017	107,000	83,000	83,000
Training	1,070	1,100	500	800
Club House Expense	456,698	483,637	456,244	456,237
Debt Service	385,612	426,763	426,763	465,263
Subtotals Club House Exp	\$842,310	\$910,400	\$883,007	\$921,500



GOLF COURSE EXPENSES GROUNDS

	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
GROUNDS EXPENSE:				
Salaries & Wages	321,050	321,450	321,450	343,000
Building	8,976	7,000	6,500	7,000
Utilities	41,406	59,000	21,000	38,000
Maintenance/Grounds	186,544	171,000	200,000	167,000
Professional Services/Train	2,381	2,500	1,500	2,000
Office Supplies	87	650	100	500
Subtotals Grounds Expense	\$560,444	\$561,600	\$550,550	\$557,500
Total Expenses	\$1,402,754	\$1,472,000	\$1,433,557	\$1,479,000



GOLF COURSE

Revenue/Expense & Retained Earnings

	FY2008 Actual	FY2009 Budget	FY2009 Projected	FY2010 Budget
Total Revenues	1,458,542	1,472,000	1,472,000	1,479,000
Total Expenses	\$1,402,755	\$1,472,000	\$1,433,557	\$1,479,000
Net Revenues over Expenses	\$55,787	\$0	\$38,443	\$0
Retained Earnings, Operations:				
Beginning	\$202,694		\$258,481	\$296,924
Ending	\$258,481		\$296,924	\$296,924