



CITY OF PEABODY FISCAL 2020 BUDGET

**Mayor Edward A. Bettencourt, Jr.
June 11, 2019**



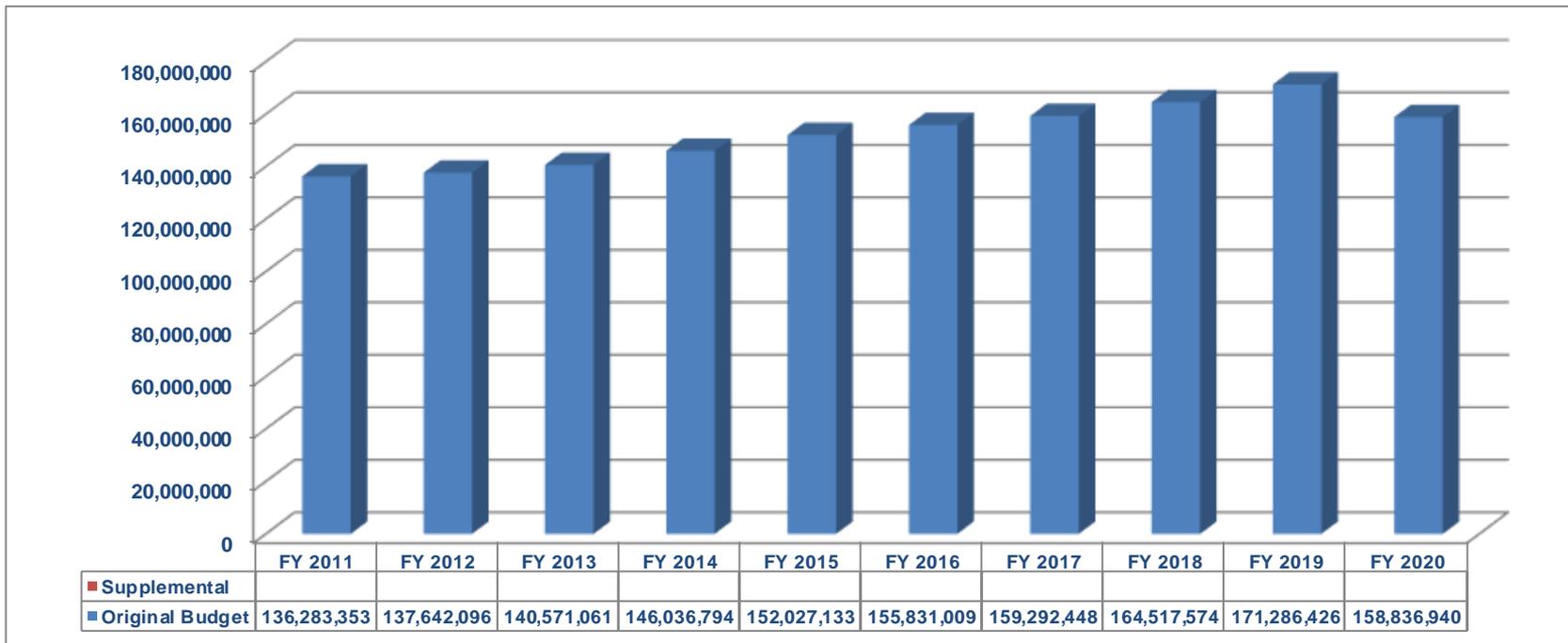
FISCAL YEAR 2020 BUDGET AGENDA

- Opening Remarks - Mayor Bettencourt
- Fiscal Year 2020 Budget Highlights
- Water & Sewer Budget Fiscal 2020
- Skating Rink Budget Fiscal 2020
- Golf Course Budget Fiscal 2020



10 YEAR BUDGET HISTORY - FISCAL 2011-2020

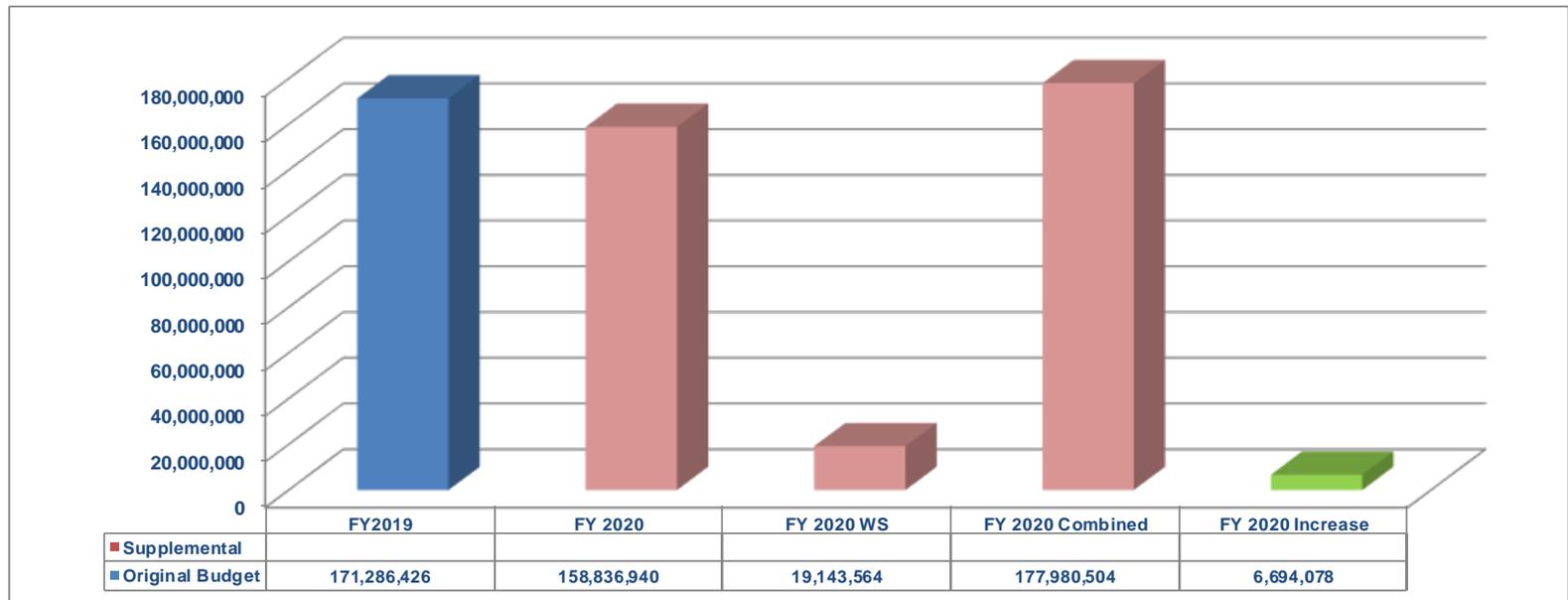
The Fiscal 2020 Operating Budget totals \$158,836,940 a decrease of \$12.4 million. The overall decrease is created by moving 19.1 million to the Water & Sewer Enterprise





Budget Comparison with WS Enterprise FY2019 to FY2020

Combining the FY2020 City Budget of \$158,836,940 with the Water and Sewer Enterprise Budget of \$19,143,564 Totals \$177,980,504. An overall increase of \$6.7 million over FY2019 or 3.9%.

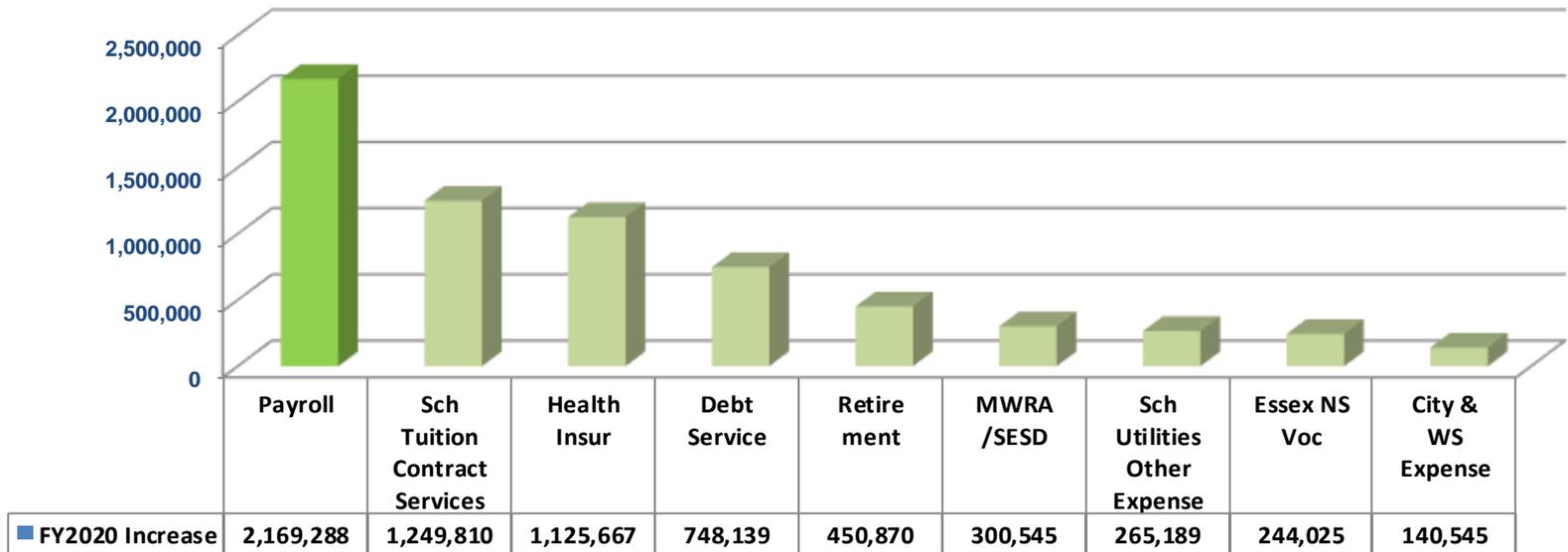




Overall Increase City Budget & Water Sewer Enterprise

The overall FY2020 Budget Increase with the Water and Sewer Enterprise is \$6,694,078 made up of the following Budget Drivers.

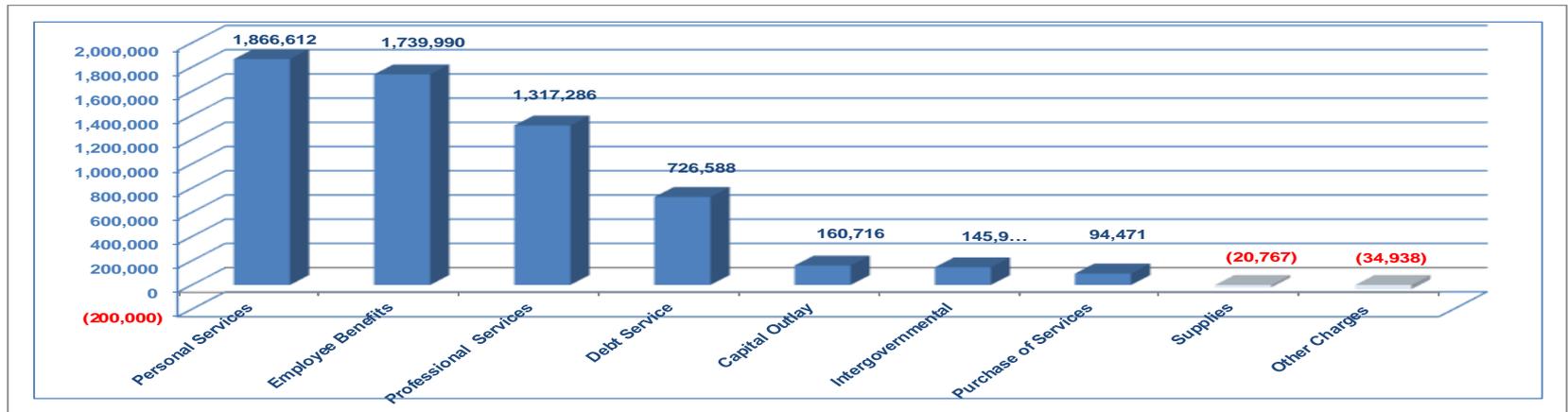
FY2020 Increase \$6,694,078





FISCAL 2020 BUDGET CHANGES BY EXPENSE TYPE

For Comparison FY2019 has been reduced for Water & Sewer to better show City and School changes for FY2020. 31% or \$1.8 million of the Budget Increase is for Salaries; \$1.7 million for Employee Benefits; \$1.3 million for Professional Service; \$726,588 for Debt Service; \$160,716 for Capital Outlay, \$145,968 and \$94,471 in Purchase Services and Supplies. Budget Decreases totaled **(\$55,705)**.



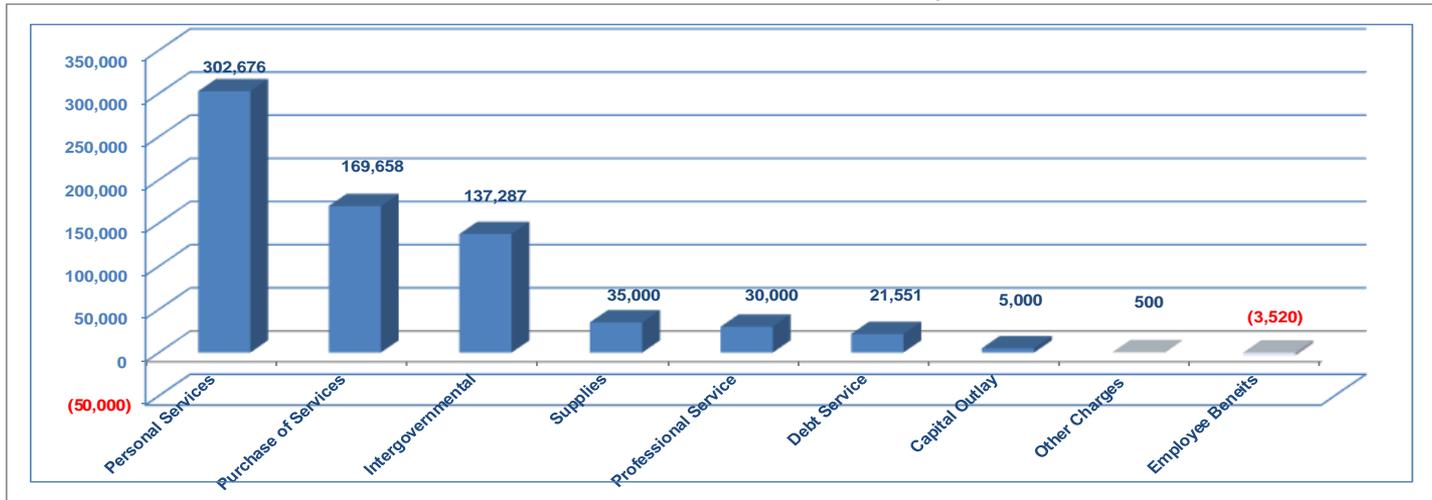
| | City | | | | School | | | | | |
|-----------------------|-------------|-------------|-------------|-----------------|-------------|---------------|---------------|---------------|---------------|----------|
| | FY2020 City | FY2019 City | FY2019 W&S | FY2019 Adjusted | City Change | FY2020 School | FY2019 School | School Change | Budget Change | % Change |
| Personal Services | 31,467,724 | 32,548,409 | (1,942,963) | 30,605,446 | 862,278 | 53,070,579 | 52,066,245 | 1,004,334 | 1,866,612 | 31.1% |
| Employee Benefits | 26,646,038 | 26,469,455 | (959,490) | 25,509,965 | 1,136,073 | 11,524,179 | 10,920,262 | 603,917 | 1,739,990 | 29.0% |
| Professional Services | 5,491,307 | 6,577,388 | (1,055,500) | 5,521,888 | (30,581) | 10,082,909 | 8,735,042 | 1,347,867 | 1,317,286 | 22.0% |
| Debt Service | 8,135,805 | 8,248,900 | (839,683) | 7,409,217 | 726,588 | - | - | - | 726,588 | 12.1% |
| Capital Outlay | 649,561 | 677,621 | (37,500) | 640,121 | 9,440 | 767,744 | 616,468 | 151,276 | 160,716 | 2.7% |
| Intergovernmental | 1,000 | 8,323,693 | (8,322,693) | 1,000 | - | 3,707,619 | 3,561,651 | 145,968 | 145,968 | 2.4% |
| Purchase of Services | 1,248,575 | 6,037,258 | (4,693,983) | 1,343,275 | (94,700) | 1,650,880 | 1,461,709 | 189,171 | 94,471 | 1.6% |
| Supplies | 1,413,010 | 2,003,107 | (589,400) | 1,413,707 | (697) | 592,646 | 612,716 | (20,070) | (20,767) | -0.3% |
| Other Charges | 2,140,695 | 2,161,395 | (4,200) | 2,157,195 | (16,500) | 246,669 | 265,107 | (18,438) | (34,938) | -0.6% |

Total Budget Changes \$ 77,193,715 \$ 93,047,226 \$ (18,445,412) \$ 74,601,814 \$ 2,591,901 \$ 81,643,225 \$ 78,239,200 \$ 3,404,025 \$ 5,995,926 100%



FISCAL 2020 WATER & SEWER CHANGES BY EXPENSE TYPE

Water & Sewer increases \$698,152 combined with the \$5,995,926 increase in City Budget totals \$6,694,078. The total increase for the City Budget and Water & Sewer Enterprise.

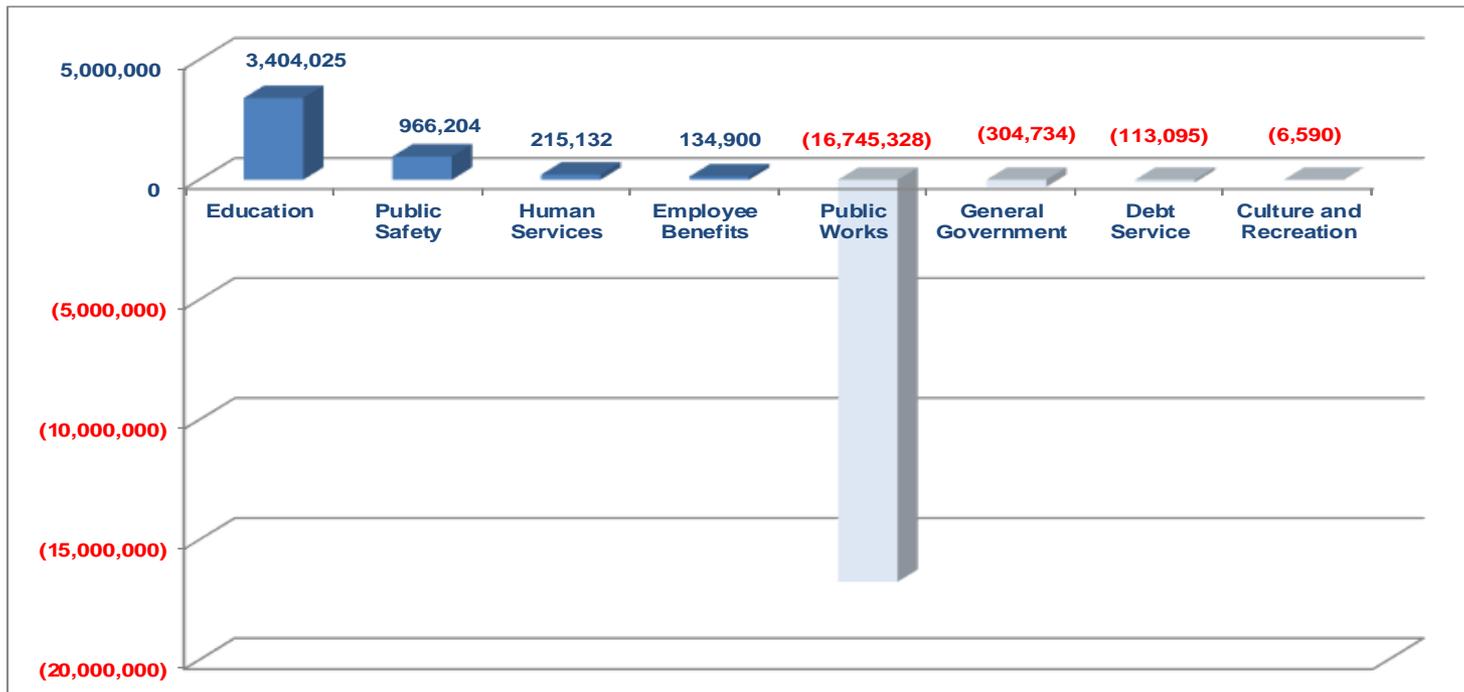


| | FY2020 W&S | FY2019 W&S | W & S Change | % Change |
|-----------------------------|---------------------|---------------------|-------------------|-------------|
| Personal Services | 2,245,639 | 1,942,963 | 302,676 | 43.4% |
| Purchase of Services | 4,863,641 | 4,693,983 | 169,658 | 24.3% |
| Intergovernmental | 8,459,980 | 8,322,693 | 137,287 | 19.7% |
| Supplies | 624,400 | 589,400 | 35,000 | 5.0% |
| Professional Services | 1,085,500 | 1,055,500 | 30,000 | 4.3% |
| Debt Service | 861,234 | 839,683 | 21,551 | 3.1% |
| Capital Outlay | 42,500 | 37,500 | 5,000 | 0.7% |
| Other Charges | 4,700 | 4,200 | 500 | 0.1% |
| Employee Benefits | 955,970 | 959,490 | (3,520) | -0.5% |
| Total Budget Changes | \$19,143,564 | \$18,445,412 | \$ 698,152 | 100% |



FISCAL 2020 CITY & SCHOOL BUDGET CHANGES BY FUNCTION

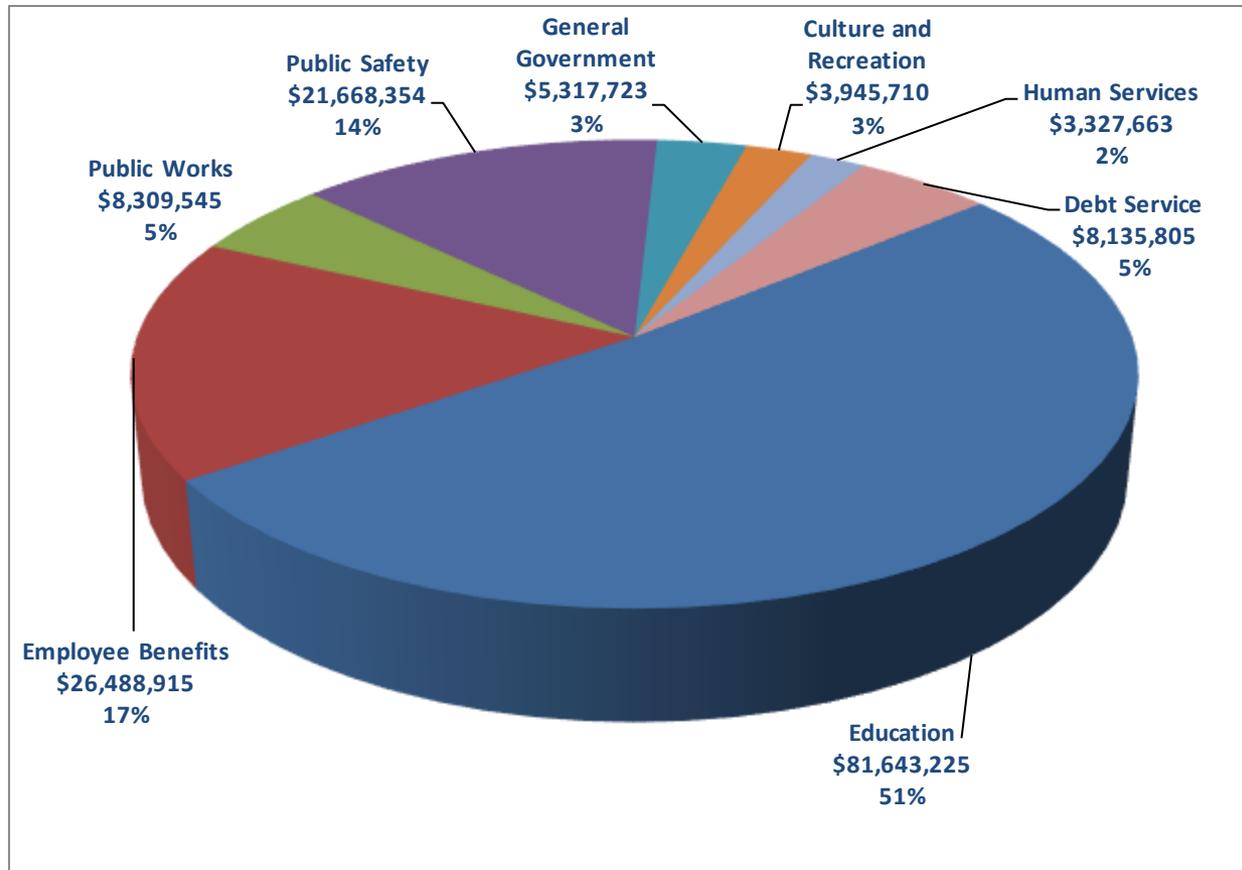
The Fiscal 2020 City & School Budgets decreased by **\$(12.4)** Million. Education increased \$3.4 million, Public Safety \$966,204, Human Services \$215,132 and Employee Benefits \$134,900. Total increases \$4,720,261. Public Works decreased **\$(16,745,328)** General Government **\$(304,734)** and Debt Service **\$(113,095)** and Culture and Recreation of **\$(6,590)**. Total Decreases **\$(17,169,747)**





FISCAL 2020 \$158.8 MILLION CITY & SCHOOL BUDGETS BY FUNCTION

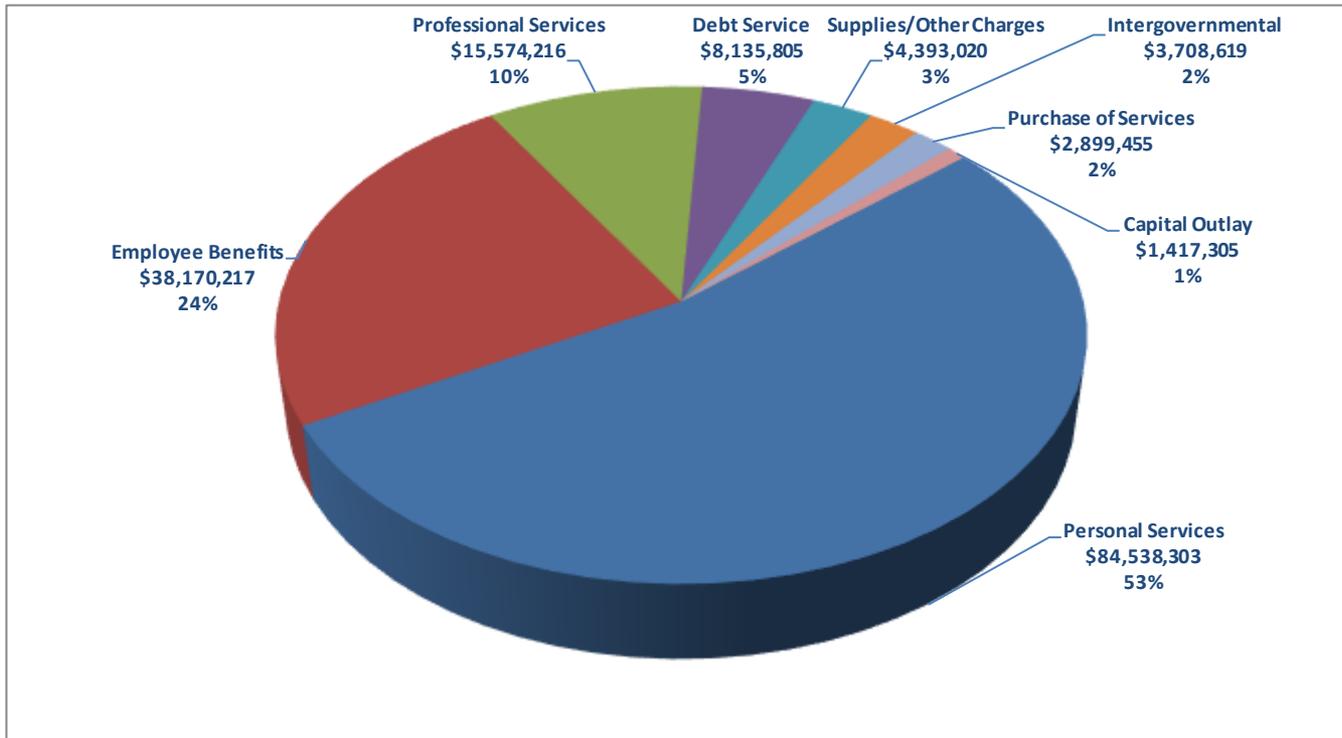
In Fiscal 2020, 51 cents of every budget dollar will be spent on Education, followed by 17 cents for Employee Benefits, 14 cents for Public Safety and 5 cents for Public Works.





FISCAL 2020 BUDGET BY EXPENSE TYPE

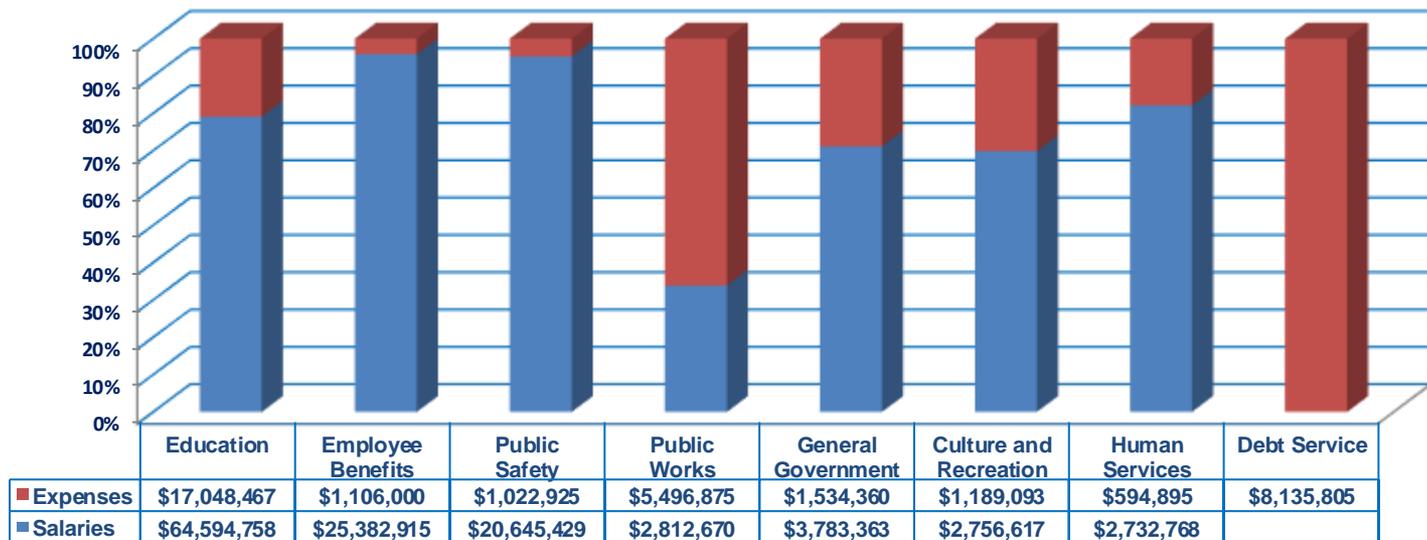
The Fiscal 2020 Budget will allocate 77% of every budget dollar for Salaries and Benefits. Professional Services 10%, Debt Service 5% with Supplies, Intergovernmental, Purchase Services and Capital Outlay the Remaining 8%.



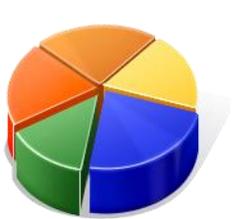


FISCAL 2020 SALARIES VS. EXPENSES

The Fiscal 2020 Operating Budget is labor driven with 77% spent on Salaries and Benefits and 23% on expenses. 80% of the School Budget is spent on salaries and benefits; 95% of the Public Safety Budget is spent on salaries and benefits; 95% of the Public Safety Budget is spent on Salaries while Salaries account for only 34% of the Public Works Budget.

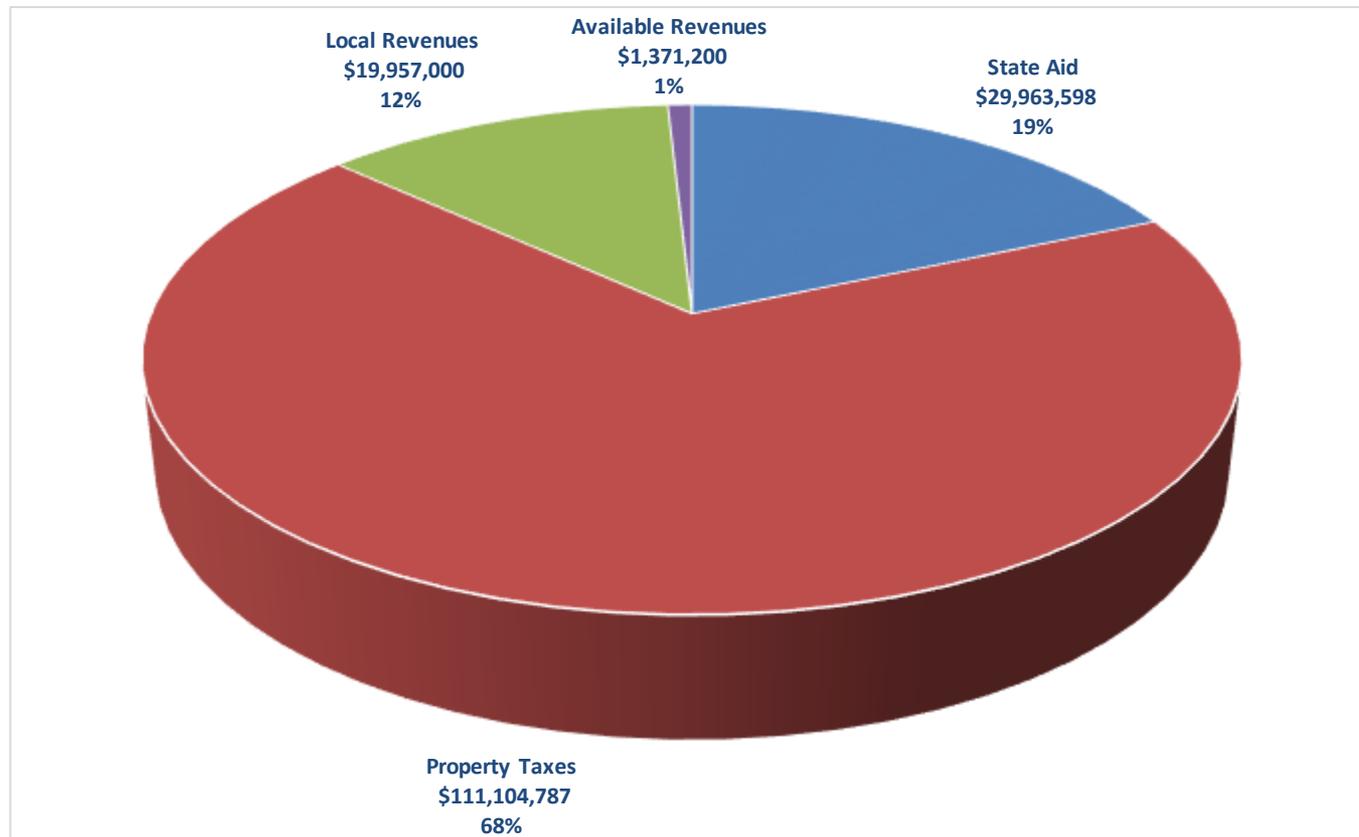


| | Salaries | Expenses | Total Budget | % Salaries | % Expenses |
|---------------------------------|----------------------|---------------------|----------------------|---------------|---------------|
| Education | \$64,594,758 | \$17,048,467 | \$81,643,225 | 79.12% | 20.88% |
| Employee Benefits | \$25,382,915 | \$1,106,000 | \$26,488,915 | 95.82% | 4.18% |
| Public Safety | \$20,645,429 | \$1,022,925 | \$21,668,354 | 95.28% | 4.72% |
| Public Works | \$2,812,670 | \$5,496,875 | \$8,309,545 | 33.85% | 66.15% |
| General Government | \$3,783,363 | \$1,534,360 | \$5,317,723 | 71.15% | 28.85% |
| Culture and Recreation | \$2,756,617 | \$1,189,093 | \$3,945,710 | 69.86% | 30.14% |
| Human Services | \$2,732,768 | \$594,895 | \$3,327,663 | 82.12% | 17.88% |
| Debt Service | | \$8,135,805 | \$8,135,805 | 0.00% | 100.00% |
| Total Fiscal 2020 Budget | \$122,708,520 | \$36,128,420 | \$158,836,940 | 77.25% | 22.75% |



FISCAL 2020 SOURCES OF REVENUE

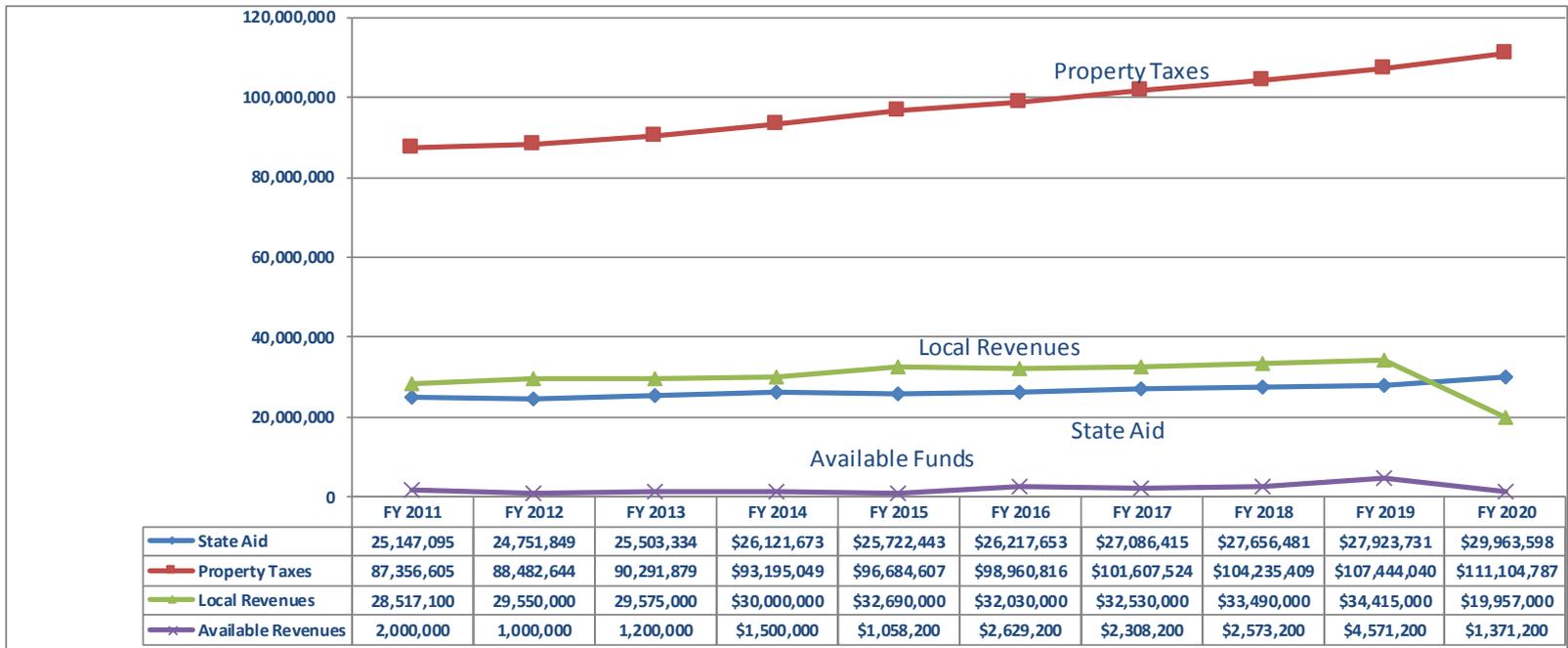
In Fiscal 2020, \$132.4 million or 81% of all City Revenues will be generated at the local level. Property Taxes represent 68% or \$111.1 million, with local revenues totaling \$19.9 million or 12% and State Aid at \$29.9 million or 19%.





10 YEAR HISTORY OF REVENUES FY 2011-2020

Our reliance on Property Taxes continues to increase. Since 2011, the Tax Levy has increased by \$23.7 million or 27%. State Aid level has increased \$ 4.8 million. The Local Revenue Decrease result of Water Sewer Transfer.





FISCAL 2020 BUDGET PROJECTIONS - EXPENSES

The Total Amount to be raised in Fiscal 2020 including State Charges is \$162,396,585. A decrease of \$12 million (6.91%) from Fiscal 2019.

| | Actual 2017 Budget | Actual 2018 Budget | Actual 2019 Budget | Projected 2020 Budget | Change | 2020 Change |
|----------------------------------|-----------------------|-----------------------|-----------------------|--------------------------|---------------------|----------------|
| School Salaries | 48,514,381 | 50,382,614 | 52,066,245 | 53,070,579 | 1,004,334 | |
| Employee Benefits | 9,503,947 | 10,002,107 | 10,920,262 | 11,524,179 | 603,917 | |
| School Operating Expenses | 12,268,465 | 11,510,072 | 11,148,886 | 12,700,635 | 1,551,749 | |
| School Budget | 70,286,793 | 71,894,793 | 74,135,393 | 77,295,393 | 3,160,000 | 4.26% |
| Vocational School Assessment | 3,473,721 | 3,979,299 | 4,103,807 | 4,347,832 | 244,025 | 5.95% |
| Salaries | 30,154,095 | 31,638,559 | 32,548,409 | 31,467,724 | (1,080,685) | -3.32% |
| Salary Reserve | | | | | | |
| Employee Benefits | 24,773,758 | 25,477,859 | 26,469,455 | 26,646,038 | 176,583 | 0.67% |
| Operating Expenses | 22,674,751 | 23,491,064 | 25,655,462 | 10,944,148 | (14,711,314) | -57.34% |
| Debt Service | 8,079,330 | 8,036,000 | 8,373,900 | 8,135,805 | (238,095) | -2.84% |
| City Budget | 85,681,934 | 88,643,482 | 93,047,226 | 77,193,715 | (15,853,511) | -17.0% |
| Total Budget | 159,442,448 | 164,517,574 | 171,286,426 | 158,836,940 | (12,449,486) | -7.27% |
| Increase From Prior Year | 2.3% | 3.2% | 4.1% | -7.3% | -7.3% | |
| Other Amounts to be Raised: | | | | | | |
| State & County Assessments | 2,807,206 | 2,924,971 | 3,156,644 | 3,309,645 | 153,001 | |
| Abatements/Other Amounts | 1,204,728 | 500,000 | - | 250,000 | 250,000 | |
| Other Amounts | 4,011,934 | 3,424,971 | 3,156,644 | 3,559,645 | 403,001 | 12.77% |
| Gross Amount to be Raised | 163,454,382 | 167,942,545 | 174,443,070 | 162,396,585 | (12,046,485) | -6.91% |



FISCAL 2020 BUDGET PROJECTIONS - REVENUES

The Fiscal 2020 Budget will be funded primarily by Property Taxes. The Tax Levy will increase by \$3 million or 2.8%. Net State Aid has increased by \$2 million Local revenues will decrease due to Water & Sewer Transfer. We will use \$1million from Free Cash and \$371,200 from other accounts to offset a portion of the budget increases.

| Sources of Revenue: | 2017 Budget | 2018 Budget | Actual 2019 Budget | Proposed 2020 Budget | Change | % Change |
|---------------------------------|--------------------|--------------------|-----------------------|-------------------------|---------------------|--------------|
| Available Revenues | 2,058,200 | 2,073,200 | 4,321,200 | 1,371,200 | (2,950,000) | -68.3% |
| State Aid | 27,038,514 | 27,556,647 | 27,938,322 | 29,963,598 | 2,025,276 | 7.2% |
| Local Revenues | 32,590,000 | 34,155,079 | 34,073,205 | 19,957,000 | (14,116,205) | -41.4% |
| Tax Levy | 101,767,668 | 104,157,619 | 108,110,343 | 111,104,787 | 2,994,444 | 2.8% |
| Total Sources of Revenue | 163,454,382 | 167,942,545 | 174,443,070 | 162,396,585 | (12,046,485) | -6.9% |



FISCAL FY2020 Projected Free Cash/Reserves

FY2019 Free Cash was certified at \$11,265,155. \$1,250,000 was used to Reduce the FY2019 Tax Rate and I estimate an additional \$1.7 million to closeout FY2019 leaving \$8.2 million. After using \$1 million to reduce the FY2020 tax rate the Free Cash balance will be approximately 7.2 million. \$1.25 million of Stabilization was used to offset the cost of MWRA water leaving a balance of \$2.7 million. Beginning Reserve Balances for FY2020 will total approximately \$10 million

| Description | FY 2019 Activity | | Total Reserves |
|---------------------------------|--------------------------------------|---------------|----------------|
| | Unreserved Fund Balance Free Cash | Stabilization | |
| Balance July 1, 2018 | 11,265,155 | 3,713,706 | 14,978,861 |
| Vote to Reduce FY 2019 Tax Levy | (1,250,000) | (1,250,000) | (2,500,000) |
| Projected: | | | |
| School Supplemental | (1,161,662) | | (1,161,662) |
| FY2019 Budget Closeout | (600,000) | | (600,000) |
| Total Reductions | (3,011,662) | (1,250,000) | (4,261,662) |
| FY2019 Stabilization Payback | | 125,000 | 125,000 |
| Interest | | 200,000 | 200,000 |
| Subtotal | 8,253,493 | 2,788,706 | 11,042,199 |
| Vote to Reduce FY 2020 Tax Levy | (1,000,000) | | (1,000,000) |
| Projected: | | | |
| FY2020 Beginning Balance | 7,253,493 | 2,788,706 | 10,042,199 |



FISCAL 2020 BUDGET PROJECTIONS-STATE AID

Preliminary estimates for 2020 State Aid based on the Senate Budget will be \$29.9 million which reflects a \$1.8 million increase in Education Aid and \$225,051 in other Local Aid.

| State Aid Account Description | Fiscal 2017 Actual | Fiscal 2018 Actual | Fiscal 2019 Actual | Fiscal 2020 Estimates | Net Change FY 2020- 2019 |
|----------------------------------|-----------------------|-----------------------|-----------------------|--------------------------|-----------------------------|
| Education Aid | 19,705,419 | 19,914,507 | 20,065,033 | 21,865,258 | 1,800,225 |
| Gen Govt Local Aid | 6,940,639 | 7,211,324 | 7,463,720 | 7,665,240 | 201,520 |
| State Aid Reimbursements | 207,332 | 198,853 | 210,037 | 222,599 | 12,562 |
| Veterans Benefits | 124,192 | 170,244 | 135,856 | 142,890 | 7,034 |
| Police Career Incentive Reimb | | | | | 0 |
| Parking Surcharges | | | | | 0 |
| SBAB Interest Reimbursement | | | | | 0 |
| Misc Governmental Reimb | 60,932 | 61,719 | 63,676 | 67,611 | 3,935 |
| Subtotal State Aid | 27,038,514 | 27,556,647 | 27,938,322 | 29,963,598 | 2,025,276 |



FISCAL 2020 BUDGET PROJECTIONS - STATE CHARGES

Fiscal 2020 State Charges have increased by \$81,868 or 3.2%. School Choice Tuition increased \$68,859 Charter School decreased **\$(29,298)** and MBTA increased \$32,192.

| State Assessments <i>ESTIMATED CHARGES:</i> | Fiscal 2017 Actual | Fiscal 2018 Actual | Fiscal 2019 Actual | Fiscal 2020 Estimate | Net Change FY 2020-2019 |
|--|-----------------------|-----------------------|-----------------------|-------------------------|----------------------------|
| Essex County Tech Tuition | | | | | |
| School Choice Tuition | 266,457 | 268,781 | 265,202 | 334,061 | 68,859 |
| Charter School Sending | 682,653 | 746,561 | 914,657 | 885,359 | (29,298) |
| Mosquito Control Projects | 81,404 | 76,052 | 81,371 | 82,072 | 701 |
| Air Pollution Districts | 15,809 | 15,986 | 16,367 | 16,552 | 185 |
| Metro Area Planning Council | 26,394 | 26,867 | 27,354 | 28,115 | 761 |
| Registry Surcharge | 52,440 | 54,720 | 54,720 | 56,940 | 2,220 |
| MBTA | 1,125,572 | 1,133,062 | 1,157,043 | 1,189,235 | 32,192 |
| Special Education 71B | 8,950 | 4,296 | 3,239 | 9,487 | 6,248 |
| Total Charges | 2,259,679 | 2,326,325 | 2,519,953 | 2,601,821 | 81,868 |
| Net Change | 81,359 | 66,646 | 193,628 | 81,868 | |
| % Change | 3.7% | 2.9% | 8.3% | 3.2% | |



FISCAL 2020 BUDGET PROJECTIONS - LOCAL REVENUES

Fiscal 2020 Local Revenues Show Water & Sewer transferred, a projected increase of 1.5 million in landfill fees, \$230,000 increase in Permits, \$100,000 increases in Recreation Revenue, Interest & Medicaid.

| Account Description | Fiscal 2017 Actual | Fiscal 2018 Actual | Fiscal 2019 Budget | Fiscal 2019 YTD 5/24 | Fiscal 2020 Projections |
|--------------------------------|-----------------------|-----------------------|-----------------------|-------------------------|----------------------------|
| Motor Vehicle Excise Taxes | 7,937,331 | 8,438,341 | 8,300,000 | 7,918,568 | 8,400,000 |
| Hotel Taxes | 1,590,934 | 1,511,043 | 1,511,000 | 1,278,456 | 1,511,000 |
| Meals Tax | 1,401,507 | 1,529,791 | 1,529,000 | 1,325,490 | 1,529,000 |
| Interest & Fees on Taxes | 525,365 | 464,341 | 464,000 | 447,522 | 464,000 |
| Payments in Lieu of Taxes | 841,441 | 844,768 | 845,000 | 764,720 | 845,000 |
| Water User Charges | 5,934,329 | 5,559,363 | 6,000,000 | 5,771,712 | - |
| Sewer User Charges | 9,563,580 | 9,552,967 | 10,102,000 | 9,294,945 | - |
| Landfill Revenues | 643,556 | 1,198,994 | 80,000 | 107,214 | 1,500,000 |
| Fees | 458,001 | 475,705 | 475,000 | 471,264 | 475,000 |
| Rental Fees | 68,586 | 69,600 | 70,000 | 59,740 | 70,000 |
| Recreation Revenue | 700,000 | 700,000 | 725,000 | 725,000 | 825,000 |
| Departmental Revenue | 350,110 | 264,985 | 265,000 | 343,119 | 265,000 |
| Licenses & Permit Fees | 1,978,654 | 1,940,821 | 1,940,000 | 1,965,975 | 2,170,000 |
| Parking Fines & Forfeits | 176,993 | 138,641 | 138,000 | 133,500 | 138,000 |
| Interest Income | 117,635 | 145,993 | 145,000 | 251,314 | 250,000 |
| Water Filtration Grant | | | | | |
| Medicaid Reimbursements | 850,113 | 472,213 | 418,206 | 287,616 | 515,000 |
| SESD Refunds | 500,000 | 500,000 | 500,000 | - | 500,000 |
| Urban Redevelopment Taxes | 66,810 | 66,732 | 66,000 | - | |
| Debt Service Transfer/CPC | 240,000 | 240,000 | 0 | | |
| Misc Receipt | 55,588 | 0 | 0 | | |
| Billboard Revenue | 314,000 | 437,500 | 500,000 | 331,350 | 500,000 |
| Subtotal Local Revenues | 34,314,533 | 34,551,799 | 34,073,206 | 31,477,505 | 19,957,000 |



FISCAL 2020 BUDGET PROJECTIONS - VALUES

Preliminary estimates indicate that Residential Values will increase by 5% and CIP Values will decrease slightly due to N.S. Mall Renovations. New Growth in the Property Tax Base is estimated at \$45 million generating \$812,329 in new tax dollars. The Projected Excess Levy Capacity is \$11.2 million.

| | Actual 2017 Budget | Actual 2018 Budget | Actual 2019 Budget | Projected 2020 Budget |
|---------------------------------|-----------------------|-----------------------|-----------------------|--------------------------|
| Residential Values | 5,521,557,650 | 5,846,471,170 | 6,367,740,750 | 6,686,127,788 |
| CIP Values | 1,516,432,706 | 1,541,147,234 | 1,604,116,369 | 1,600,157,533 |
| Total Values | 7,037,990,356 | 7,387,618,404 | 7,971,857,119 | 8,286,285,320 |
| | | | | |
| New Growth - Residential | 24,855,800 | 22,762,300 | 24,493,600 | 20,000,000 |
| New Growth - CIP | 30,991,890 | 31,781,570 | 32,843,380 | 25,000,000 |
| Total New Growth | 55,847,690 | 54,543,870 | 57,336,980 | 45,000,000 |
| | | | | |
| New Growth - Residential Taxes | 296,281 | 267,685 | 280,697 | 220,200 |
| New Growth - CIP Taxes | 749,694 | 771,974 | 791,854 | 592,129 |
| Total New Growth - Taxes | 1,045,975 | 1,039,658 | 1,072,550 | 812,329 |
| | | | | |
| Levy Limit | 110,787,135 | 114,596,472 | 118,533,935 | 122,309,612.01 |
| Actual Levy | 101,767,668 | 104,157,619 | 108,110,343 | 111,104,787 |
| Excess Levy Capacity | 9,019,467 | 10,438,853 | 10,423,592 | 11,204,825 |



FISCAL 2020 BUDGET PROJECTIONS-TAX LEVY

Based on a Tax Levy of \$111.1 million using a CIP Factor of 175% and an average Residential Value of \$413,490 the average annual tax bill may increase by \$213.30. This number will change once new growth and actual values as well as final State Aid and Local Receipts Projections are determined.

| | Actual 2017 Budget | Actual 2018 Budget | Projected 2019 Budget | Projected 2020 Budget |
|------------------------------|-----------------------|-----------------------|--------------------------|--------------------------|
| Commercial Levy | 36,837,791 | 37,157,057 | 37,993,753 | 37,546,865 |
| Residential Levy | 64,929,877 | 67,000,562 | 70,116,590 | 73,557,922 |
| Total Levy | 101,767,668 | 104,157,619 | 108,110,343 | 111,104,787 |
| Equalized Tax Rate | \$14.46 | \$14.10 | \$13.56 | \$13.41 |
| C.I.P Rate 175% | \$24.29 | \$24.11 | \$23.69 | \$23.46 |
| Residential Rate | \$11.76 | \$11.46 | \$11.01 | \$11.00 |
| Average Residential Value | 340,100 | 361,300 | 393,800 | 413,490 |
| Average Residential Tax Bill | \$3,999.35 | \$4,140.50 | \$4,335.74 | \$4,549.04 |
| Change in Annual Tax Bill | \$137.29 | \$141.15 | \$195.24 | \$213.30 |
| | 3.6% | 3.5% | 4.7% | 4.9% |



Communities in Essex County - FY2019 Data

DOR DATA 05/28/2019 Single Family

| Municipality | Year | Values | Parcels | Average Value | Tax Bill |
|---|-------------|----------------------|---------------|----------------|-----------------|
| Manchester By The Sea | 2019 | 1,830,957,400 | 1,599 | 1,109,813 | 12,859 |
| Wenham | 2019 | 745,267,900 | 1,108 | 672,624 | 12,121 |
| Boxford | 2019 | 1,698,596,100 | 2,640 | 643,408 | 10,475 |
| Topsfield | 2019 | 1,126,105,400 | 1,877 | 599,950 | 10,199 |
| Andover | 2019 | 5,631,065,600 | 8,622 | 653,104 | 9,973 |
| Hamilton | 2019 | 1,421,809,300 | 2,368 | 600,426 | 9,895 |
| Swampscott | 2019 | 2,052,999,200 | 3,459 | 593,524 | 9,022 |
| Lynnfield | 2019 | 2,459,905,850 | 3,864 | 636,622 | 8,855 |
| Marblehead | 2019 | 5,108,464,503 | 6,223 | 820,901 | 8,816 |
| Essex | 2019 | 567,265,620 | 993 | 571,264 | 8,780 |
| Middleton | 2019 | 1,267,799,000 | 2,082 | 608,933 | 8,336 |
| West Newbury | 2019 | 785,068,500 | 1,378 | 569,716 | 8,301 |
| Newburyport | 2019 | 2,597,936,200 | 4,366 | 595,038 | 7,783 |
| Ipswich | 2019 | 1,961,528,300 | 3,617 | 542,308 | 7,641 |
| Gloucester | 2019 | 4,222,908,800 | 7,207 | 585,945 | 7,436 |
| North Andover | 2019 | 3,492,463,300 | 6,314 | 553,130 | 7,417 |
| Nahant | 2019 | 733,089,400 | 1,133 | 647,034 | 7,059 |
| Georgetown | 2019 | 1,091,773,860 | 2,487 | 438,992 | 6,927 |
| Amesbury | 2019 | 1,304,530,100 | 3,481 | 374,757 | 6,884 |
| Beverly | 2019 | 4,356,633,000 | 8,512 | 511,822 | 6,761 |
| Rowley | 2019 | 759,298,400 | 1,663 | 456,584 | 6,703 |
| Rockport | 2019 | 1,557,300,200 | 2,406 | 647,257 | 6,382 |
| Danvers | 2019 | 2,875,402,700 | 6,140 | 468,307 | 6,219 |
| Groveland | 2019 | 808,307,900 | 1,896 | 426,323 | 6,118 |
| Merrimac | 2019 | 634,846,400 | 1,646 | 385,690 | 6,098 |
| Salem | 2019 | 1,910,271,100 | 4,939 | 386,773 | 5,840 |
| Newbury | 2019 | 1,239,568,100 | 2,370 | 523,025 | 5,654 |
| Saugus | 2019 | 3,072,059,600 | 7,209 | 426,142 | 5,190 |
| Lynn | 2019 | 3,778,481,200 | 11,606 | 325,563 | 4,656 |
| Methuen | 2019 | 3,495,294,305 | 10,813 | 323,249 | 4,587 |
| Haverhill | 2019 | 3,432,261,300 | 10,454 | 328,320 | 4,580 |
| Salisbury | 2019 | 802,219,500 | 2,083 | 385,127 | 4,568 |
| Peabody | 2019 | 4,530,137,800 | 10,963 | 413,221 | 4,550 |
| Peabody Residential Value including Condos & 2/3 Family Units | | | | | |
| Peabody | 2019 | 6,367,740,750 | 15,216 | 393,800 | 4,335.74 |
| Peabody Projected | 2020 | 6,686,127,788 | 15,216 | 413,490 | 4,549.04 |



SUMMARY FISCAL 2020 BUDGET

- Operating Budget - \$158,836,940
- Effective Increase of \$5,995,926 or 3.9%
- Sources of Funding
 - ▶ Property Taxes - \$111.1 Million
 - ▶ Local Revenues - \$19.9 Million
 - ▶ Available Revenues - \$1,371,200
 - ▶ Unreserved Fund Balance \$1,000,000
 - ▶ Health Trust \$ 250,000
 - ▶ Parking Meter \$ 21,200
 - ▶ Sale of Lots \$ 60,000
 - ▶ Cemetery Interest \$ 40,000
 - ▶ State Aid - \$29.9 Million



FISCAL 2020 ENTERPRISE BUDGETS

- WATER & SEWER
- SKATING RINK
- GOLF COURSE

Enterprise Funds Established Under Ch44 Sec53 F1/2

Mission is to be Self Sustaining by User Fees

City Council Vote Required to Authorize Budget



WATER & SEWER ENTERPRISE REVENUE

| | | 15% Increase 6 Mos | 9% New Increase 12 Mos |
|-------------------------------------|------------|-----------------------|---------------------------|
| Projected Revenue: Gen. Fund Budget | FY 2019 | FY2019 Projected | FY2020 Budget |
| Water | 6,000,000 | 6,447,432 | 7,240,211 |
| Sewer | 6,959,949 | 7,626,862 | 9,040,216 |
| Rousselot | 3,142,051 | 3,127,386 | 3,212,963 |
| Total | 16,102,000 | 17,201,680 | 19,493,390 |



WATER & SEWER ENTERPRISE SEWER EXPENSE

| Sewer Expense: | FY 2019 | | |
|----------------------|---|---------------------|--------------------|
| | General Fund Budget Estimated Benefits & Debt Service | FY2019 Projected | FY2020 Budget |
| Salaries & Wages | 278,171 | 213,686 | 360,223 |
| Employee Benefits | 173,700 | 173,700 | 178,815 |
| Utilities | 58,000 | 64,873 | 63,000 |
| Outside Services | 135,000 | 256,138 | 390,000 |
| Contracted Services | 230,000 | 330,861 | 0 |
| Materials & Supplies | 7,000 | 5,381 | 7,000 |
| Intergovernmental | 8,306,093 | 8,303,210 | 8,437,980 |
| Debt Service | 171,870 | 171,870 | 167,765 |
| Total | <u>\$9,359,834</u> | <u>\$9,519,719</u> | <u>\$9,604,783</u> |



WATER & SEWER ENTERPRISE WATER EXPENSE

Water Expense:

FY 2019

General Fund Budget

| | Estimated Benefits & Debt Service | FY2019 Projected | FY2020 Budget |
|--|--------------------------------------|---------------------|------------------|
|--|--------------------------------------|---------------------|------------------|

| | | | |
|--------------------------------|-------------|-------------|-------------|
| Salaries & Wages | 1,686,792 | 1,578,690 | 1,903,916 |
| Employee Benefits | 763,790 | 763,790 | 758,655 |
| Utilities | 451,900 | 419,791 | 452,900 |
| MWRA Water Purchase | 4,192,983 | 4,162,771 | 4,361,641 |
| Outside Services | 712,500 | 752,119 | 717,500 |
| Office Supplies/Administrative | 18,200 | 5,644 | 18,700 |
| Materials & Supplies | 575,000 | 537,124 | 610,000 |
| Intergovernmental | 16,600 | 21,573 | 22,000 |
| | | | |
| Debt Service | 667,813 | 667,813 | 693,469 |
| Total | \$9,085,578 | \$8,909,315 | \$9,538,781 |



WATER & SEWER ENTERPRISE ESTIMATED RETAINED EARNINGS

| | | 15% Increase 6 Mos With Benefits/Debt Service | 9% New Increase 12 Mo: |
|---------------------------------|------------------|---|---------------------------|
| | FY2019 Budget | FY2019 Projected | FY2020 Budget |
| Revenues | 16,102,000 | 17,201,680 | 19,493,390 |
| Operating Expenses | (16,668,239) | (17,589,351) | (18,282,330) |
| Gross Profit/Loss Operations | (\$566,239) | (\$387,671) | \$1,211,060 |
| Less: Financing Costs | | | |
| Debt Service | 0 | (839,683) | (861,234) |
| Net Revenue/(Deficit) | (\$566,239) | (\$1,227,354) | \$349,826 |
| Retained Earnings: | | | |
| Beginning | \$0 | \$0 | \$0 |
| Ending | \$0 | \$0 | \$349,826 |
| Estimates | | | |
| Indirect Costs in General Fund: | | | |
| Sewer | | | (\$211,107) |
| Water | | | (372,302) |
| | | | (\$583,409) |



McVANN O'KEEFE SKATING RINK REVENUES

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|-------------------------|------------------|------------------|---------------------|------------------|
| Revenues: | | | | |
| Ice Rental Fee | 518,240 | 507,000 | 499,731 | 507,000 |
| Public Skating | 80,214 | 74,000 | 81,209 | 81,000 |
| Special Events | 6,635 | 7,000 | 17,191 | 17,000 |
| Special Programs | 21,750 | 24,000 | 24,945 | 25,000 |
| Concession/Vending | 18,935 | 22,000 | 22,395 | 22,000 |
| Rentals Interest, Other | 25,773 | 28,000 | 28,574 | 28,000 |
| Total Revenues | \$671,546 | \$662,000 | \$674,045 | \$680,000 |



McVANN O'KEEFE SKATING RINK

OPERATING EXPENSES

| | Actual | Budget | Projected | Budget |
|-----------------------|------------|------------|------------|------------|
| EXPENSE: | | | | |
| Salaries & Wages | 353,800 | 358,800 | 331,935 | 396,069 |
| Utilities | 136,432 | 153,000 | 151,394 | 153,900 |
| CIP | 55,716 | 30,000 | 50,160 | 25,000 |
| Supplies | 15,485 | 20,006 | 18,997 | 18,437 |
| Professional Services | 34,738 | 28,300 | 38,357 | 28,700 |
| Commonwealth | 17,079 | 19,600 | 18,729 | 18,600 |
| Repairs | 32,317 | 30,000 | 45,052 | 38,000 |
| Operating Expense | 645,567 | 639,706 | 654,624 | 678,706 |
| Debt Service | 98,500 | 96,894 | 96,894 | 95,294 |
| Total Expenses | \$744,067 | \$736,600 | \$751,518 | \$774,000 |



McVANN O'KEEFE SKATING RINK

REVENUE/EXPENSES & RETAINED EARNINGS

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|------------------------------|------------------|------------------|---------------------|------------------|
| Revenues | 671,546 | 662,000 | 674,045 | 680,000 |
| Operating Expenses | (645,567) | (639,706) | (654,624) | (678,706) |
| Gross Profit/Loss Operations | \$25,979 | \$22,294 | \$19,421 | \$1,294 |
| Less: Financing Costs | | | | |
| Debt Service | (98,500) | (96,894) | (96,894) | (96,894) |
| Net Revenue/(Deficit) | (\$72,521) | (\$74,600) | (\$77,473) | (\$95,600) |
| Retained Earnings: | | | | |
| Beginning | 256,756 | 184,235 | 184,235 | 106,762 |
| Ending | \$184,235 | \$109,635 | \$106,762 | \$11,162 |



THE MEADOW AT PEABODY GOLF COURSE SALES STATISTICS

| | 2019 | | 2018 | | 2017 | | 2016 | |
|--------------------|--------------|--------|--------------|--------|--------------|--------|--------------|--|
| | \$ | % | \$ | % | \$ | % | \$ | |
| July | \$ 222,216 | 16.4% | \$ 252,315 | 17.3% | \$ 245,040 | 17.4% | \$ 245,472 | |
| August | \$ 219,022 | 16.2% | \$ 262,650 | 18.0% | \$ 247,182 | 17.6% | \$ 254,944 | |
| September | \$ 180,726 | 13.3% | \$ 173,293 | 11.9% | \$ 179,823 | 12.8% | \$ 185,642 | |
| October | \$ 103,019 | 7.6% | \$ 139,740 | 9.6% | \$ 101,138 | 7.2% | \$ 111,165 | |
| November | \$ 21,057 | 1.6% | \$ 50,484 | 3.5% | \$ 44,602 | 3.2% | \$ 61,220 | |
| December | \$ 17,067 | 1.3% | \$ 20,673 | 1.4% | \$ 11,419 | 0.8% | \$ 38,793 | |
| <i>Summer/Fall</i> | \$ 763,106 | | \$ 899,155 | | \$ 829,204 | | \$ 897,236 | |
| Feb/March | \$ 43,998 | 3.2% | \$ 43,939 | 3.0% | \$ 2,211 | 0.2% | \$ 44,447 | |
| April | \$ 128,031 | 9.5% | \$ 94,447 | 6.5% | \$ 109,858 | 7.8% | \$ 119,865 | |
| May (Proj 11) | \$ 169,500 | 12.5% | \$ 187,814 | 12.9% | \$ 182,610 | 13.0% | \$ 201,034 | |
| June (Proj) | \$ 249,365 | 18.4% | \$ 230,794 | 15.8% | \$ 280,684 | 20.0% | \$ 245,275 | |
| <i>Spring</i> | \$ 590,894 | | \$ 556,994 | | \$ 575,363 | | \$ 610,621 | |
| Total Revenue | \$ 1,354,000 | 100.0% | \$ 1,456,149 | 100.0% | \$ 1,404,567 | 100.0% | \$ 1,507,857 | |
| Revenue Budget | \$ 1,535,800 | | \$ 1,543,000 | | \$ 1,501,500 | | \$ 1,497,500 | |
| | \$ (181,800) | | \$ (86,851) | | \$ (96,933) | | \$ 10,357 | |



GOLF COURSE REVENUES

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|-----------------------|--------------------|--------------------|---------------------|--------------------|
| Revenues: | | | | |
| Green Fees | 840,570 | 947,800 | 795,000 | 933,900 |
| Carts | 437,617 | 421,000 | 404,000 | 437,000 |
| Concession | 40,993 | 41,000 | 38,000 | 40,000 |
| Pro Shop | 38,192 | 42,000 | 40,000 | 40,000 |
| Golf Outings | 73,396 | 72,000 | 65,000 | 70,000 |
| Interest, Other | 25,381 | 12,000 | 12,000 | 12,000 |
| Total Revenues | \$1,456,149 | \$1,535,800 | \$1,354,000 | \$1,532,900 |



GOLF COURSE EXPENSES CLUB HOUSE

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|-----------------------------|--------------------------|--------------------------|-----------------------------|--------------------------|
| CLUB HOUSE EXPENSE: | | | | |
| Salaries & Wages | 262,956 | 263,500 | 214,889 | 270,851 |
| Building | 13,052 | 6,000 | 3,633 | 6,000 |
| Utilities | 29,020 | 29,800 | 27,777 | 29,000 |
| Supplies-Pro Shop | 33,144 | 33,000 | 24,906 | 28,204 |
| Supplies-Grill | 28,791 | 32,600 | 24,314 | 27,000 |
| Professional Servic | 25,245 | 25,000 | 25,571 | 25,000 |
| Office Supplies | 2,720 | 3,344 | 1,768 | 3,275 |
| Lease | 67,775 | 105,000 | 80,102 | 79,000 |
| Club House Expense | \$462,703 | \$498,244 | \$402,960 | \$468,330 |



GOLF COURSE EXPENSES

Grounds

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|-------------------------|------------------|------------------|---------------------|------------------|
| GROUNDS EXPENSE: | | | | |
| Salaries & Wages | 285,679 | 321,856 | 272,574 | 327,273 |
| Building | 7,531 | 6,000 | 12,046 | 6,000 |
| Utilities | 32,002 | 42,000 | 30,964 | 42,000 |
| Maintenance/Grounds | 210,596 | 189,600 | 172,448 | 194,030 |
| Professional Services | 1,648 | 1,700 | 1,095 | 1,700 |
| Office Supplies | 0 | 400 | 299 | 397 |
| Capital Improvement: | 7,211 | 8,000 | 0 | 3,570 |
| Grounds Expense | \$544,667 | \$569,556 | \$489,426 | \$574,970 |



GOLF COURSE

Revenue/Expense/Debt & Retained Earnings

| | FY2018 Actual | FY2019 Budget | FY2019 Projected | FY2020 Budget |
|--------------------------------|------------------|------------------|---------------------|------------------|
| Revenues | 1,456,149 | 1,535,800 | 1,354,000 | 1,532,900 |
| Operating Expenses | 1,007,370 | 1,067,800 | 892,386 | 1,043,300 |
| Gross Profit Operations | \$448,779 | \$468,000 | \$461,614 | \$489,600 |
| Less: Financing Costs | | | | |
| Debt Service | (485,600) | (468,000) | (468,000) | (489,600) |
| Net Revenue/(Deficit) | (\$36,821) | \$0 | (\$6,386) | \$0 |
| Retained Earnings: | | | | |
| Beginning | 65,134 | 13,313 | 13,313 | 6,927 |
| Golf Study | (15,000) | | | |
| Ending | \$13,313 | \$13,313 | \$6,927 | \$6,927 |



CITY OF PEABODY FISCAL 2020 BUDGET

**Mayor Edward A. Bettencourt, Jr.
June 11, 2019**