



TOWN OF ANDOVER *Finance & Budget*

Hayley Green, CPA, Town Accountant/Assistant Finance Director
Accounting Department

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Andrew P. Flanagan
Town Manager

Michael Lindstrom
Deputy Town Manager

To: Board of Selectmen
Finance Committee
Superintendent of Schools
School Committee

From: Hayley Green, Town Accountant/Assistant Finance Director *AG*

CC: Andrew Flanagan, Michael Lindstrom, Donna Walsh, Paul Szymanski,
Janet Wright, Jared Mullane, Town Website

Date: February 21, 2019

Re: ***FY 2019 Financials***

The attached reports summarize the Town's financial position through November 30, 2018. Included are the following:

- Executive Summary
- Budgeted versus Actual Revenues – General Fund and Enterprise Funds
- Revenue Comparison Graph – Local Receipts
- Personal Services and Other Expenditures by Department
- Reserve Account and Compensation Fund Analysis
- Chapter 44 § 53 E ½ Revolving Funds
- Capital Projects status – FY10 – FY19

Feel free to contact me, should you have any questions regarding the reports.

The attached reports of the Town Accountant summarize FY 2019 General Fund Revenues and Expenditures through November 30, 2018.

General Fund – Revenues

FY 2019 Total General Fund Collections of all sources collected through November 2018 are consistent with the annual projections.

FY 2019 Local Receipts collected through November 2018 are level with FY 2018 collections through the first five months of the fiscal year. Licenses and Permits continue to represent the largest portion of local receipts, despite substantial waived fees for two and a half months due to the gas incident. Our new treasurer has put into place a tax title policy, which has resulted in greater receipts from penalties and interest than in the past. Investment income is also outpacing projections based on a more active investment strategy implemented by the Treasurer.

FY2019 Off-Set Receipts collected through November 2018 are higher than collections through the same period of time last fiscal year. This is due to higher ambulance receipts and timing of recreation collections.

General Fund – Personal Services

FY 2019 General Fund Personal Services are consistent with FY 2019 projections through November 2018. Encumbrances for Town departments are collectively bargained incentives due to personnel from FY18. Encumbrances for the School department are known, budgeted salaries due to employees in FY19.

General Fund – Other Expenses

FY 2019 General Fund Other Expenses are consistent with FY 2019 projections through November 2018. The appropriation for health insurance and OPEB appear low due to the timing of transfers between the general fund and trust funds.

The attached reports of the Town Accountant summarize FY 2019 Water and Sewer Revenues and Expenditures through November 30, 2018.

Water Enterprise Fund – Revenues

FY 2019 Total Water Receipts are consistent with the annual projections. Even though rates increased, there was no significant change from prior year due to the credits for North Reading. More accounts were charged a fire suppression fee in FY19 than FY18 and in FY18 there were more commercial and residential connections than in FY19.

Sewer Enterprise Fund– Revenues

FY 2019 Total Sewer Receipts are consistent with the annual projections. User charges increased approximately \$412,000 from FY18, which is a result of increased rates and bills in FY19.

Water Enterprise Fund – Personal Services and Other Expenses

FY 2019 Water Enterprise Fund Personal Services are consistent with FY 2019 projections through November 2018.

FY 2019 Water Enterprise Fund Other Expenses are consistent with FY 2019 projections through November 2018.

Sewer Enterprise Fund – Personal Services and Other Expenses

FY 2019 Sewer Enterprise Personal Services are consistent with FY 2019 projections through November 2018.

FY 2019 Sewer Enterprise Fund Other Expenses are consistent with FY 2019 projections through November 2018.

Town of Andover
FY 2019 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2018 and 11/30/2017

Local Receipts	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	FY 18 Budgeted Receipts	FY 18 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Motor Vehicle Excise	5,331,697	709,616	13.3%	5,103,600	631,684	12.4%	228,097	77,932
Hotel/Motel/Meals	2,250,205	779,126	34.6%	2,107,000	754,094	35.8%	143,205	25,032
Penalties and Interest on Taxes and Excises	326,345	283,690	86.9%	416,100	128,505	30.9%	(89,755)	155,184
Fees	82,813	17,029	20.6%	75,000	44,576	59.4%	7,813	(27,547)
Payments in Lieu of Taxes	382,000	-	0.0%	382,000	-	0.0%	-	-
Other Departmental Revenues	270,492	90,783	33.6%	300,000	90,395	30.1%	(29,508)	388
Other Departmental Revenues - School Medicare	353,279	53,940	15.3%	352,500	36,346	10.3%	779	17,594
Licenses and Permits	2,832,111	1,009,784	35.7%	2,445,000	1,238,547	50.7%	387,111	(228,763)
Fines & Forfeits	275,000	108,558	39.5%	236,100	131,314	55.6%	38,900	(22,756)
Investment Income	146,100	296,578	203.0%	75,000	129,103	172.1%	71,100	167,475
Special Assessments	-	-	N/A	-	959	N/A	-	(959)
Total Estimated Receipts	12,250,042	3,349,104	27.3%	11,492,300	3,185,524	27.7%	757,742	163,580

Off-Set Receipts	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	FY 18 Budgeted Receipts	FY 18 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	583,510	255,111	43.7%	582,930	104,976	18.0%	580	150,135
Elder Services	106,000	38,828	36.6%	97,000	46,791	48.2%	9,000	(7,963)
Department of Facilities - Rental Receipts	80,000	33,900	42.4%	47,600	35,553	74.7%	32,400	(1,653)
Cemetery - Interment Fees	60,000	30,901	51.5%	46,000	28,103	61.1%	14,000	2,798
Public Safety - Police Detail Fees	90,000	104,152	115.7%	75,000	49,616	66.2%	15,000	54,536
Public Safety / Fire - Ambulance Receipts	1,300,000	636,786	49.0%	1,300,000	451,557	34.7%	-	185,229
Total Off-Set Receipts	2,219,510	1,099,678	49.5%	2,148,530	716,597	33.4%	70,980	383,081

Other Revenues	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	FY 18 Budgeted Receipts	FY 18 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Property Taxes (inc. Tax Titles)	145,370,283	70,295,039	48.4%	139,352,561	66,046,556	47.4%	6,017,722	4,248,482
State Aid	12,783,980	4,309,542	33.7%	12,161,547	5,106,912	42.0%	622,433	(797,370)
Total Other Revenues	158,154,263	74,604,581	47.2%	151,514,108	71,153,468	47.0%	6,640,155	3,451,112
Total Revenues	172,623,815	79,053,363	45.8%	165,154,938	75,055,589	45.4%	7,468,877	3,997,774

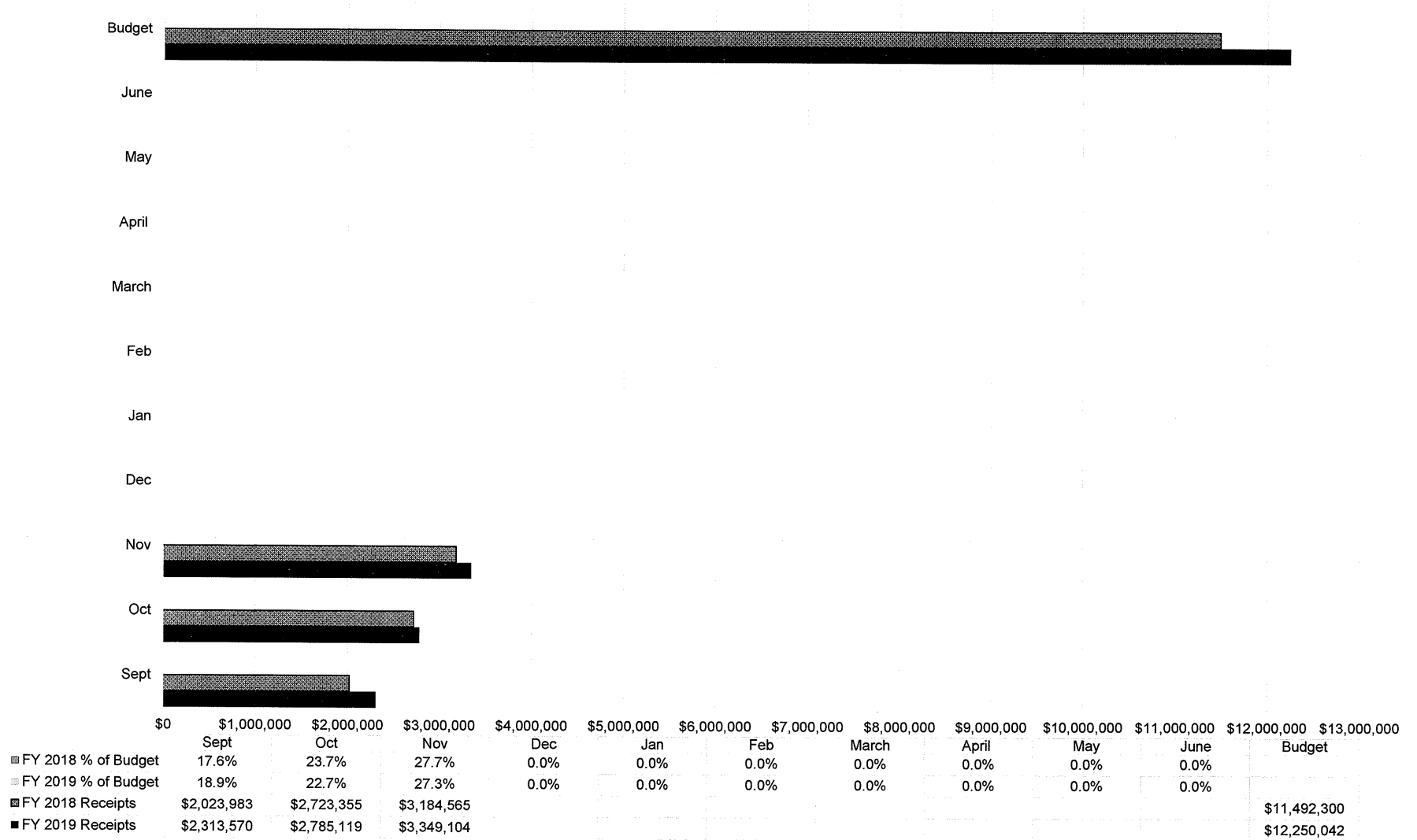
Town of Andover
FY 2019 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2018 and 11/30/2017

Water Fund	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	FY 18 Budgeted Receipts	FY 18 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	8,466,192	3,817,366	45.1%	8,191,018	3,815,057	46.6%	275,174	2,309
Water Connection	41,000	5,032	12.3%	40,000	51,160	127.9%	1,000	(46,128)
Water Testing Fees	22,000	10,180	46.3%	22,000	13,525	61.5%	-	(3,345)
Meter Installations	10,000	5,996	60.0%	12,000	5,055	42.1%	(2,000)	941
Fire Flow Test	9,000	12,185	135.4%	6,000	8,442	140.7%	3,000	3,743
Special/Final Reads	25,000	13,550	54.2%	27,000	15,250	56.5%	(2,000)	(1,700)
Backflow/Cross Connection Fees	75,000	16,250	21.7%	75,000	36,275	48.4%	-	(20,025)
Water Tap	-	-	N/A	-	425	N/A	-	(425)
Liens	120,000	18,917	15.8%	120,000	55,538	46.3%	-	(36,621)
Fire Suppression	150,000	104,819	69.9%	115,293	50,106	43.5%	34,707	54,713
Interest /Misc Revenue	9,000	1,773	19.7%	17,000	8,619	50.7%	(8,000)	(6,847)
Non-Revenue Interest	19,000	-	0.0%	11,000	-	0.0%	8,000	-
Total Water Receipts	8,946,192	4,006,069	44.8%	8,636,311	4,059,453	47.0%	309,881	(53,384)

Sewer Fund	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	FY 18 Budgeted Receipts	FY 18 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	4,722,968	2,054,992	43.5%	4,530,478	1,642,674	36.3%	192,490	412,318
Committed Interest/Income	245,000	7,309	3.0%	294,000	7,215	2.5%	(49,000)	94
Liens	90,000	13,138	14.6%	90,000	47,232	52.5%	-	(34,094)
Apport Assmnts	519,000	74,626	14.4%	678,000	70,177	10.4%	(159,000)	4,449
State Reimb/Grants	3,000	6,868	0.0%	-	-	0.0%	3,000	6,868
Interest /Misc Revenue	9,000	2,402	26.7%	15,000	7,432	49.5%	(6,000)	(5,030)
Non-Revenue Interest	21,000	-	0.0%	15,000	-	0.0%	6,000	-
Total Sewer Receipts	5,609,968	2,159,336	38.5%	5,622,478	1,774,731	31.6%	(12,510)	384,605

Total Enterprise Revenues	14,556,160	6,165,404	42.4%	14,258,789	5,834,184	40.92%	297,371	331,221
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Town of Andover Local Receipts FY 2019 and FY 2018



Town of Andover
FY 2019 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 11/30/2018

Personal Services	Original Appropriation	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	6,168,793	6,242,522	2,422,682	21,976	3,797,865	39.2%	38.8%
Community Services	1,712,735	1,713,886	851,990	-	861,896	49.7%	49.7%
Plant & Facilities	2,317,184	2,317,184	890,461	-	1,426,723	38.4%	38.4%
Public Safety - Fire	7,777,682	7,789,346	3,086,927	11,664	4,690,755	39.8%	39.6%
Public Safety - Police	7,627,531	7,639,858	3,051,180	-	4,588,678	39.9%	39.9%
Public Works	3,447,728	3,458,814	1,259,670	11,086	2,188,059	36.7%	36.4%
Library	2,163,080	2,174,349	854,942	11,269	1,308,138	39.8%	39.3%
School	66,753,383	66,753,383	18,233,605	47,427,782	1,091,996	98.4%	27.3%
Total Personal Services - General Fund	97,968,116	98,089,342	30,651,457	47,483,776	19,954,108	79.7%	31.2%
Water Enterprise	2,062,821	2,062,821	860,323	-	1,202,498	41.7%	41.7%
Sewer Enterprise	329,123	329,123	129,409	-	199,714	39.3%	39.3%
Total Personal Services - Enterprise Funds	2,391,944	2,391,944	989,732	-	1,402,212	41.4%	41.4%
Other Expenses	Original Appropriation	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	2,209,706	2,383,263	1,060,628	328,324	994,311	58.3%	44.5%
Community Services	671,115	683,877	205,424	148,866	329,587	51.8%	30.0%
Plant & Facilities	1,459,534	1,653,306	449,940	600,412	602,955	63.5%	27.2%
Public Safety - Fire	517,150	537,747	205,673	112,435	219,639	59.2%	38.2%
Public Safety - Police	1,099,407	1,165,305	422,493	233,420	509,392	56.3%	36.3%
Public Works	4,965,663	5,384,869	1,317,114	2,207,973	1,859,782	65.5%	24.5%
Library	666,012	668,833	294,956	261,164	112,713	83.1%	44.1%
School	15,757,275	16,068,328	6,288,235	9,718,808	61,285	99.6%	39.1%
Technical Schools	628,300	628,300	295,988	296,248	36,065	94.3%	47.1%
Debt Service	14,568,902	14,568,902	7,828,695	-	6,740,207	53.7%	53.7%
Insurance	967,703	970,445	862,697	7,742	100,006.00	89.7%	88.9%
Health Insurance	20,662,075	20,662,075	4,859,266	-	15,802,808.70	23.5%	23.5%
Unemployment	160,000	160,000	58,434	2,050	99,515.78	37.8%	36.5%
Retirement	10,371,338	10,371,338	10,371,338	-	-	100.0%	100.0%
Reserve Fund	200,000	200,000	-	-	200,000	0.0%	0.0%
OPEB Appropriation	1,416,888	1,416,888	-	-	1,416,888.00	0.0%	0.0%
Total Other Expenses - General Fund	76,321,068	77,523,476	34,520,881	13,917,440	29,085,156	62.5%	44.5%
Water Enterprise	3,199,600	3,893,082	1,424,407	1,293,226	1,175,449	69.8%	36.6%
Sewer Enterprise	2,537,257	2,737,574	1,175,286	1,358,026	204,262	92.5%	42.9%
Total Other Expenses - Enterprise Funds	5,736,857	6,630,656	2,599,693	2,651,252	1,379,711	79.2%	39.2%
Total - General Fund	174,289,184	175,612,818	65,172,337	61,401,216	49,039,264	72.1%	37.1%
Total - Enterprise Funds	8,128,801	9,022,600	3,589,425	2,651,252	2,781,923	69.2%	39.8%
Total General and Enterprise Funds	182,417,985	184,635,418	68,761,762	64,052,468	51,821,188	71.9%	37.2%

Town of Andover
FY 2019 Reserve Account and Compensation Fund
As of 11/30/18

RESERVE FUND

Appropriation by Vote of Town Meeting April 2018	\$ 200,000.00
Transfers by Vote of Town Meeting	0.00
Transfers by Authority of the Finance Committee	0.00
Available Balance	<u>\$ 200,000.00</u>

COMPENSATION FUND

There was no balance for the compensation fund voted at the Annual Town Meeting

Town of Andover
FY 2019 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 11/30/18

	CD & P Legal Notices	Library Lost/Damaged Materials	CD & P Health Services Clinics	DCS Special Services	Youth Services	P & F Field Maintenance	Elder Services	Police Antenna Uses	School Photocopy Fees	P & F Compost Program	DPW Solid Waste Fees	CD & P Stormwater Management	Fire Emergency Billing	Health Services Inspections
	Acct 5550	Acct 5631	Acct 5557	Acct 5552	Acct 5553	Acct 5622	Acct 5554	Acct 5653	Acct 4510	Acct 5666	Acct 5667	Acct 5668	Acct 5669	Acct 5670
Balance thru 6/30/2017	16,001	12,999	32,663	448,734	300,007	139,877	168,247	38,367	21,924	26,153	15,258	0	9,679	2,275
Receipts thru 6/30/2018	22,360	4,526	62,125	489,361	430,576	67,050	173,704	12,844	2,710	25,685	18,440	0	44,707	49,500
Expenditures thru 6/30/2018	24,043	3,588	50,487	562,866	459,941	96,212	147,043	24,905	10,000	26,866	11,208	0	18,160	12,830
Balance thru 6/30/2018	14,318	13,937	44,301	375,229	270,641	110,714	194,909	26,306	14,634	24,972	22,490	0	36,226	38,945
Receipts thru 11/30/2018	10,320	1,935	3,812	164,826	111,832	53,020	72,026	1,113	2,358	3,732	17,072	0	12,652	21,065
Expenditures thru 11/30/2018	9,740	312	32,630	329,625	106,750	27,182	78,285	0	0	1,944	5,299	0	12,165	10,471
Balance thru 11/30/2018	14,898	15,559	15,482	210,431	275,724	136,553	188,649	27,419	16,991	26,761	34,262	0	36,713	49,539

Spending Authorization Art 16 - ATM 18	\$20,000	\$20,000	\$60,000	\$625,000	\$400,000	\$150,000	\$225,000	\$50,000	\$10,000	\$60,000	\$40,000	\$5,000	\$100,000	\$100,000
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Y-T-D % Spent	48.70%	1.56%	54.38%	52.74%	26.69%	18.12%	34.79%	0.00%	0.00%	3.24%	13.25%	0.00%	12.16%	10.47%
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**Town of Andover
Capital Projects
11/30/2018**

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>Total Available</u>	
Budget	520,400	520,400	520,800	912,500	1,003,000	1,040,000	1,078,000	1,120,000	1,495,643	1,040,000		
Expended	520,290	519,381	519,356	911,377	1,003,000	1,037,364	1,065,934	1,066,948	1,203,389	187,685		
Encumbered	-	-	-	-	-	-	11,926	14,189	68,249	87,300		
Total School CIP	Available	110	1,019	1,444	1,123	-	2,636	140	38,863	224,006	765,015	1,034,356
Budget	57,600	57,600	75,000	145,000	70,000	85,000	112,000	222,000	579,018	487,000		
Expended	57,600	34,558	65,606	115,737	70,000	60,095	65,900	146,201	471,445	35,119		
Encumbered	-	-	-	-	-	9,905	-	-	21,979	526		
Total General Government CIP	Available	-	23,042	9,394	29,263	-	15,000	46,100	75,799	85,594	26,303	310,495
Budget	-	-	-	-	-	62,000	-	-	32,214	-		
Expended	-	-	-	-	-	39,976	-	-	28,601	-		
Encumbered	-	-	-	-	-	8,534	-	-	-	-		
Total Youth Services CIP	Available	-	-	-	-	13,490	-	-	3,613	-	-	17,103
Budget	-	-	10,000	25,000	21,100	17,000	70,000	50,000	-	-		
Expended	-	-	7,596	25,000	21,100	17,000	66,873	47,870	-	-		
Encumbered	-	-	-	-	-	-	-	-	-	-		
Total Recreation CIP	Available	-	-	2,404	-	-	-	3,127	2,130	-	-	7,661
Budget	-	-	-	65,000	79,000	50,000	25,000	25,000	-	-		
Expended	-	-	-	65,000	79,000	50,000	20,933	23,423	-	-		
Encumbered	-	-	-	-	-	-	-	-	-	-		
Total Library CIP	Available	-	-	-	-	-	4,067	1,577	-	-	-	5,645
Budget	365,000	355,500	319,600	375,000	589,400	550,000	590,000	623,000	800,000	946,000		
Expended	363,840	355,412	319,600	375,000	589,400	550,000	569,004	564,313	595,861	73,814		
Encumbered	-	-	-	-	-	-	982	21,436	94,440	87,213		
Total Facilities CIP	Available	1,160	88	-	-	-	20,013	37,251	109,699	784,973	953,184	
Budget	110,000	110,000	125,000	225,500	215,500	281,000	285,000	195,000	293,500	250,077		
Expended	110,000	110,000	125,000	165,840	212,679	241,475	281,849	195,000	166,664	85,256		
Encumbered	-	-	-	59,660	-	-	-	-	106,836	-		
Total Police CIP	Available	-	-	-	2,821	39,525	3,151	-	20,000	164,821	230,318	
Budget	86,000	97,500	70,000	82,000	142,000	79,000	50,000	20,000	63,500	214,000		
Expended	86,000	97,500	69,967	66,800	142,000	20,455	37,332	16,623	61,352	-		
Encumbered	-	-	-	-	-	-	-	-	-	71,715		
Total Fire CIP	Available	-	-	33	15,200	-	58,545	12,668	3,378	2,148	142,285	234,257
Budget	107,000	105,000	75,000	190,000	160,000	206,000	240,000	285,000	415,000	328,000		
Expended	107,000	105,000	75,000	181,477	151,112	205,813	232,744	224,920	173,384	22,113		
Encumbered	-	-	-	-	8,888	187	6,625	1,082	81,983	5,757		
Total DPW CIP	Available	-	-	-	8,523	-	-	631	58,998	159,633	300,130	527,914
Budget	725,600	725,600	674,600	1,107,500	1,277,000	1,330,000	1,372,000	1,420,000	2,183,232	2,225,077		
Expended	724,440	702,469	662,770	994,854	1,265,291	1,184,813	1,274,635	1,218,349	1,497,307	216,302		
Encumbered	-	-	-	59,660	8,888	18,626	7,607	22,518	305,239	165,211		
Total Town CIP	Available	1,160	23,131	11,830	52,986	2,821	126,561	89,758	179,133	380,686	1,418,512	2,286,577
Budget	1,246,000	1,246,000	1,195,400	2,020,000	2,280,000	2,370,000	2,450,000	2,540,000	3,678,875	3,265,077		
Expended	1,244,731	1,221,851	1,182,126	1,906,231	2,268,291	2,222,177	2,340,568	2,285,297	2,700,695	403,987		
Encumbered	-	-	-	59,660	8,888	18,626	19,533	36,707	373,488	252,511		
Grand Total	Available	1,269	24,149	13,274	54,109	2,821	129,197	89,898	217,996	604,692	2,608,579	3,320,932