



**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: Select Board  
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: November 1, 2019

Re: *FY 2020 Financials*

The attached reports summarize the Town's financial position through September 30, 2019.  
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 – FY13 – FY20

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

The attached reports of the Town Accountant summarize FY 2020 revenues and expenditures for the General Fund, Enterprise Funds, Compensation Fund, Reserve Fund, Revolving Funds and Capital Projects through September 30, 2019.

**General Fund**

The total general fund receipts of all sources collected through September 30, 2019 are in line with the annual projections through the first quarter of the year. FY2020 local receipts are approximately \$599,000 greater than FY 2019 collections through the same period of time. This large increase is primarily due to one large building permit in August for \$416,000. Also contributing to this increase is investment income, where more cash was available at the beginning of this fiscal year due to the Columbia Gas Settlement. Off-set receipts collections are slightly higher than collections through the same period of time last fiscal year and are in line with the annual projections.

General fund personal services and other expenditures are both consistent with FY 2020 projections through September 2019. The school encumbers all of their projected salaries at the beginning of the fiscal year and has made adjustments since school started as they determine where staff will be funded. The required appropriation for pension was paid in full in August.

**Water Enterprise Fund**

The total water enterprise fund collections are consistent with the annual projections through September 2019 and are consistent with prior year receipts. Water personal services and other expenditures are both also consistent with FY 2020 projections through September 2019.

**Sewer Enterprise Fund**

The total sewer enterprise fund collections are lower than projections through September 2019. This is primarily due to timing of bills and payments, where the user charges decreased approximately \$490,000 from FY19. Sewer personal services came in less

than FY2020 projections and other expenditures are consistent with the FY 2020 projections through September 2019.

**Reserve Fund**

Town Meeting approved a reserve fund balance of \$200,000. In August 2019, the Finance Committee approved a transfer of \$60,000 to be used for emergency water system repairs at Andover High School.

**Compensation Fund**

Town Meeting approved a compensation fund balance of \$500,000. This money has not been used through September 2019.

**Revolving Accounts**

Town Meeting voted to approve 14 revolving funds with a total spending limit of \$1,980,000. Recreation has spent 42.8% of their allotment due to their many programs taking place in the summer which is the first two months of the fiscal year.

**Capital Projects**

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. There have been discussions with department heads regarding the use of old and nominal balances prior to using newer appropriations for the same purpose. The finance department is working on creating a policy for use of prior balances.

**Town of Andover**  
**FY 2020 General Fund Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 9/30/2020 and 9/30/2019**

<b>Local Receipts</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>FY 19 Budgeted Receipts</b>	<b>FY 19 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Motor Vehicle Excise	5,826,858	455,033	7.8%	5,331,697	529,852	9.9%	495,161	(74,819)
Hotel/Motel/Meals	2,358,666	781,791	33.1%	2,250,205	779,126	34.6%	108,461	2,665
Penalties and Interest on Taxes and Excises	461,500	193,014	41.8%	326,345	190,602	58.4%	135,155	2,412
Fees	59,850	37,390	62.5%	82,813	9,833	11.9%	(22,963)	27,557
Payments in Lieu of Taxes	412,000	-	0.0%	382,000	-	0.0%	30,000	-
Other Departmental Revenues	250,950	40,842	16.3%	270,492	49,893	18.4%	(19,542)	(9,051)
Other Departmental Revenues - School Medicare	366,924	-	0.0%	353,279	53,915	15.3%	13,645	(53,915)
Licenses and Permits	2,400,000	938,337	39.1%	2,832,111	465,447	16.4%	(432,111)	472,890
Fines & Forfeits	242,000	63,194	26.1%	275,000	64,360	23.4%	(33,000)	(1,166)
Investment Income	631,269	382,980	60.7%	146,100	150,506	103.0%	485,169	232,474
Special Assessments	-	-	N/A	-	-	N/A	-	-
<b>Total Estimated Receipts</b>	<b>13,010,017</b>	<b>2,892,582</b>	<b>22.2%</b>	<b>12,250,042</b>	<b>2,293,534</b>	<b>18.7%</b>	<b>759,975</b>	<b>599,048</b>

<b>Off-Set Receipts</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>FY 19 Budgeted Receipts</b>	<b>FY 19 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Recreation	583,510	122,817	21.0%	583,510	75,161	12.9%	-	47,656
Elder Services	106,000	34,204	32.3%	106,000	20,941	19.8%	-	13,263
Public Facilities - Rental Receipts	80,000	20,476	25.6%	80,000	16,945	21.2%	-	3,531
Cemetery - Interment Fees	60,000	8,159	13.6%	60,000	24,544	40.9%	-	(16,385)
Public Safety - Police Detail Fees	90,000	16,082	17.9%	90,000	27,820	30.9%	-	(11,738)
Public Safety / Fire - Ambulance Receipts	1,350,000	326,943	24.2%	1,300,000	331,134	25.5%	50,000	(4,191)
<b>Total Off-Set Receipts</b>	<b>2,269,510</b>	<b>528,681</b>	<b>23.3%</b>	<b>2,219,510</b>	<b>496,545</b>	<b>22.4%</b>	<b>50,000</b>	<b>32,136</b>

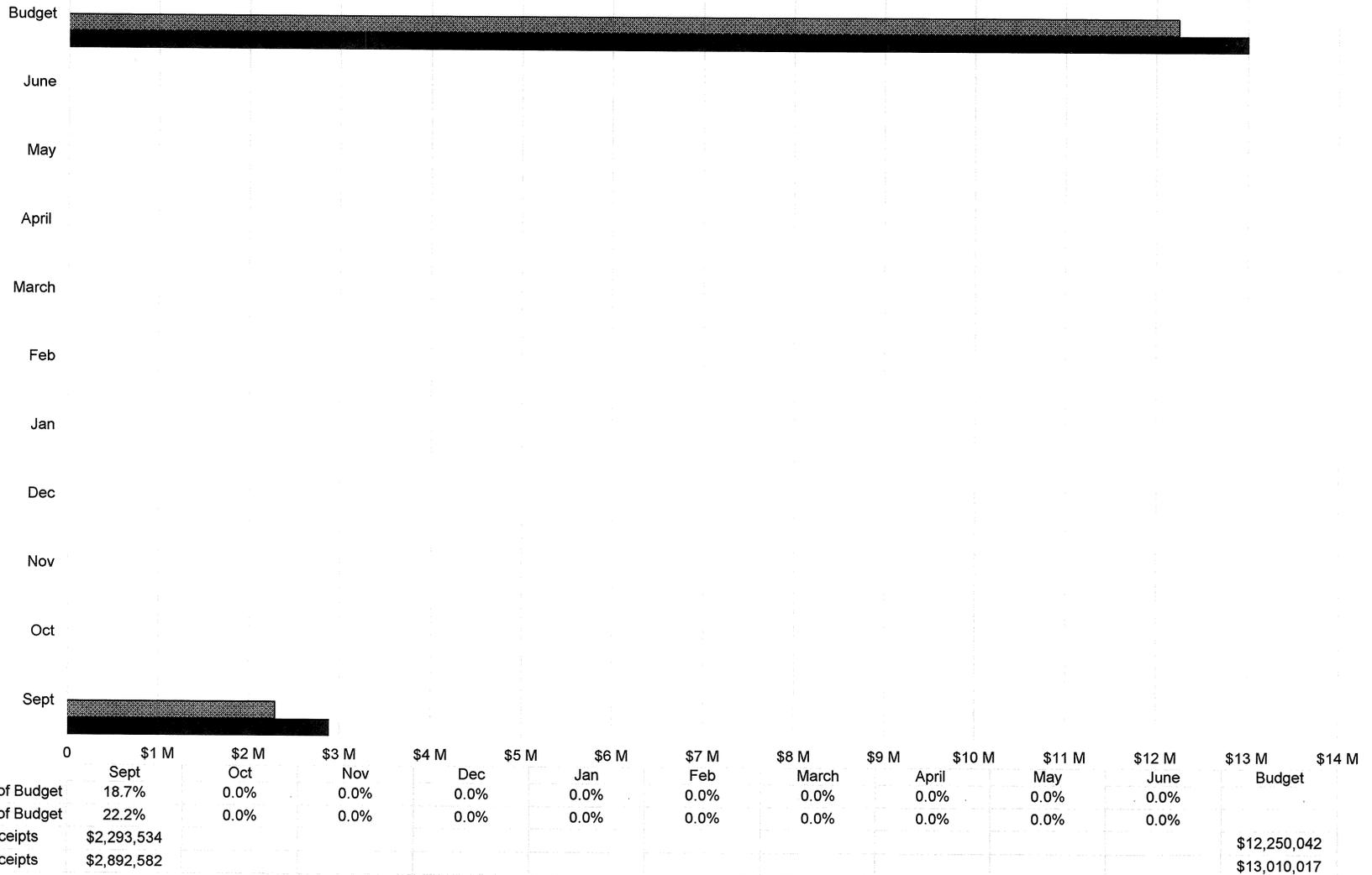
  

<b>Other Revenues</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>FY 19 Budgeted Receipts</b>	<b>FY 19 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Property Taxes (inc. Tax Titles)	148,337,563	38,085,310	25.7%	145,370,283	37,169,788	25.6%	2,967,280	915,522
State Aid	13,929,158	3,363,746	24.1%	12,783,980	2,131,550	16.7%	1,145,178	1,232,196
<b>Total Other Revenues</b>	<b>162,266,721</b>	<b>41,449,056</b>	<b>25.5%</b>	<b>158,154,263</b>	<b>39,301,338</b>	<b>24.9%</b>	<b>4,112,458</b>	<b>2,147,718</b>
<b>Total Revenues</b>	<b>177,546,248</b>	<b>44,870,319</b>	<b>25.3%</b>	<b>172,623,815</b>	<b>42,091,417</b>	<b>24.4%</b>	<b>4,922,433</b>	<b>2,778,902</b>

**Town of Andover**  
**FY 2020 Enterprise Funds Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 9/30/2020 and 9/30/2019**

<b>Water Fund</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>FY 19 Budgeted Receipts</b>	<b>FY 19 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
User Charges	8,511,201	2,405,788	28.3%	8,466,192	2,456,327	29.0%	45,009	(50,539)
Water Connection	41,000	6,991	17.1%	41,000	2,516	6.1%	-	4,475
Water Testing Fees	25,000	13,495	54.0%	22,000	9,280	42.2%	3,000	4,215
Meter Installations	9,000	5,220	58.0%	10,000	3,971	39.7%	(1,000)	1,249
Fire Flow Test	9,000	6,124	68.0%	9,000	10,185	113.2%	-	(4,061)
Special/Final Reads	25,000	9,932	39.7%	25,000	10,278	41.1%	-	(346)
Backflow/Cross Connection Fees	75,000	130	0.2%	75,000	65	0.1%	-	65
Water Tap	-	350	N/A	-	-	N/A	-	350
Liens	120,000	6,418	5.3%	120,000	16,906	14.1%	-	(10,488)
Fire Suppression	150,000	63,233	42.2%	150,000	72,084	48.1%	-	(8,851)
Interest /Misc Revenue	-	421	N/A	9,000	1,618	18.0%	(9,000)	(1,197)
Non-Revenue Interest	19,000	22,415	118.0%	19,000	12,746	67.1%	-	9,669
<b>Total Water Receipts</b>	<b>8,984,201</b>	<b>2,540,516</b>	<b>28.3%</b>	<b>8,946,192</b>	<b>2,595,976</b>	<b>29.0%</b>	<b>38,009</b>	<b>(55,460)</b>
<b>Sewer Fund</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>FY 19 Budgeted Receipts</b>	<b>FY 19 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
User Charges	4,841,042	972,926	20.1%	4,722,968	1,463,045	31.0%	118,074	(490,119)
Committed Interest/Income	235,000	3,725	1.6%	245,000	4,864	2.0%	(10,000)	(1,139)
Liens	90,000	2,905	3.2%	90,000	11,768	13.1%	-	(8,863)
Apport Assmnts	491,400	46,682	9.5%	519,000	48,814	9.4%	(27,600)	(2,132)
State Reimb/Grants	-	-	N/A	3,000	6,868	0.0%	(3,000)	(6,868)
Interest /Misc Revenue	-	481	N/A	9,000	1,838	20.4%	(9,000)	(1,357)
Non-Revenue Interest	45,046	13,957	31.0%	21,000	7,290	34.7%	24,046	6,667
<b>Total Sewer Receipts</b>	<b>5,702,488</b>	<b>1,040,676</b>	<b>18.2%</b>	<b>5,609,968</b>	<b>1,544,487</b>	<b>27.5%</b>	<b>92,520</b>	<b>(503,811)</b>
<b>Total Enterprise Revenues</b>	<b>14,686,689</b>	<b>3,581,192</b>	<b>24.4%</b>	<b>14,556,160</b>	<b>4,140,463</b>	<b>28.44%</b>	<b>130,529</b>	<b>(559,271)</b>

## Town of Andover Local Receipts FY 2020 and FY 2019



**Town of Andover**  
**FY 2020 Year-To-Date Budget Report**  
**Personal Services and Other Expenditures thru 9/30/2019**

<b>Personal Services</b>	<b>Original Appropriation</b>	<b>Transfers/ Adjustments</b>	<b>Revised Budget</b>	<b>YTD Expended</b>	<b>Encumbrances</b>	<b>Available Balance</b>	<b>% Expended &amp; Encumbered</b>	<b>% Expended</b>
General Government	6,510,793	22,559	6,533,352	1,438,016	22,550	5,072,786	22.4%	22.0%
Community Services	1,735,271	435	1,735,706	583,575	-	1,152,131	33.6%	33.6%
Public Facilities	2,374,145	-	2,374,145	554,365	-	1,819,780	23.4%	23.4%
Public Safety - Fire	8,057,923	11,777	8,069,700	1,946,189	11,777	6,111,734	24.3%	24.1%
Public Safety - Police	7,722,156	12,456	7,734,612	1,774,421	12,453	5,947,738	23.1%	22.9%
Public Works	3,464,080	11,487	3,475,567	803,967	11,187	2,660,413	23.5%	23.1%
Library	2,177,076	-	2,177,076	479,246	-	1,697,830	22.0%	22.0%
School	70,166,040	-	70,166,040	7,944,967	62,931,993	(710,920)	101.0%	11.3%
Compensation Fund	590,000	-	590,000	-	-	590,000	0.0%	0.0%
<b>Total Personal Services - General Fund</b>	<b>102,797,484</b>	<b>58,714</b>	<b>102,856,198</b>	<b>15,524,744</b>	<b>62,989,961</b>	<b>24,341,493</b>	<b>76.3%</b>	<b>15.1%</b>
Water Enterprise	2,056,092	-	2,056,092	514,673	-	1,541,419	25.0%	25.0%
Sewer Enterprise	333,049	-	333,049	57,129	-	275,920	17.2%	17.2%
<b>Total Personal Services - Enterprise Funds</b>	<b>2,389,141</b>	<b>-</b>	<b>2,389,141</b>	<b>571,802</b>	<b>-</b>	<b>1,817,339</b>	<b>23.9%</b>	<b>23.9%</b>
<b>Other Expenses</b>	<b>Original Appropriation</b>	<b>Transfers/ Adjustments</b>	<b>Revised Budget</b>	<b>YTD Expended</b>	<b>Encumbrances</b>	<b>Available Balance</b>	<b>% Expended &amp; Encumbered</b>	<b>% Expended</b>
General Government	2,160,275	167,817	2,328,092	783,056	553,616	991,420	57.4%	33.6%
Community Services	672,690	9,026	681,716	135,197	122,203	424,316	37.8%	19.8%
Public Facilities	1,398,600	222,771	1,621,371	253,988	646,584	720,799	55.5%	15.7%
Public Safety - Fire	527,150	28,863	556,013	129,117	151,075	275,821	50.4%	23.2%
Public Safety - Police	1,046,800	39,894	1,086,694	219,364	367,348	499,982	54.0%	20.2%
Public Works	5,272,339	532,637	5,804,976	1,017,429	1,923,120	2,864,427	50.7%	17.5%
Library	667,312	-	667,312	213,501	310,883	142,928	78.6%	32.0%
School	15,763,768	192,976	15,956,744	2,436,848	12,637,451	882,445	94.5%	15.3%
Technical Schools	647,149	-	647,149	137,150	411,451	98,548	84.8%	21.2%
Debt Service	15,149,625	-	15,149,625	3,275,004	-	11,874,621	21.6%	21.6%
Insurance	1,064,473	-	1,064,473	495,430	20,000	549,043	48.4%	46.5%
Health Insurance	21,340,842	-	21,340,842	2,630,540	-	18,710,302	12.3%	12.3%
Unemployment	160,000	-	160,000	35,396	2,925	121,679	24.0%	22.1%
Retirement	11,410,355	-	11,410,355	11,410,355	-	-	100.0%	100.0%
Reserve Fund	200,000	(60,000)	140,000	-	-	140,000	0.0%	0.0%
OPEB Appropriation	1,569,559	-	1,569,559	-	-	1,569,559	0.0%	0.0%
<b>Total Other Expenses - General Fund</b>	<b>79,050,937</b>	<b>1,133,984</b>	<b>80,184,921</b>	<b>23,172,376</b>	<b>17,146,655</b>	<b>39,865,890</b>	<b>50.3%</b>	<b>28.9%</b>
Water Enterprise	3,290,950	300,307	3,591,257	759,030	1,613,835	1,218,392	66.1%	21.1%
Sewer Enterprise	2,654,975	129,317	2,784,292	624,498	1,930,069	229,725	91.7%	22.4%
<b>Total Other Expenses - Enterprise Funds</b>	<b>5,945,925</b>	<b>429,624</b>	<b>6,375,549</b>	<b>1,383,528</b>	<b>3,543,904</b>	<b>1,448,116</b>	<b>77.3%</b>	<b>21.7%</b>
<b>Total - General Fund</b>	<b>181,848,421</b>	<b>1,192,698</b>	<b>183,041,119</b>	<b>38,697,120</b>	<b>80,136,616</b>	<b>64,207,383</b>	<b>64.9%</b>	<b>21.1%</b>
<b>Total - Enterprise Funds</b>	<b>8,335,066</b>	<b>429,624</b>	<b>8,764,690</b>	<b>1,955,330</b>	<b>3,543,904</b>	<b>3,265,455</b>	<b>62.7%</b>	<b>22.3%</b>

**Town of Andover**  
**FY 2020 Reserve Account and Compensation Fund**  
**As of 9/30/19**

**RESERVE FUND**

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Appropriation by Vote of Town Meeting April 2019	\$ 200,000.00
Transfers by Vote of Town Meeting	0.00
Transfers by Authority of the Finance Committee	60,000.00
Available Balance	<u>\$ 140,000.00</u>

**COMPENSATION FUND**

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Appropriation by Vote of Town Meeting April 2019	\$ 590,000.00
Transfers by Vote of Town Meeting	0.00
Transfer by Authority of the Select Board	0.00
Available Balance	<u>\$ 590,000.00</u>

**Town of Andover**  
**FY 2020 Revolving Accounts**  
**(M.G.L. CH. 44, § 53 E1/2)**  
**As of 9/30/19**

	CD & P Legal Notices Acct 5550	Library Lost/Damaged Materials Acct 5631	CD & P Health Services Clinics Acct 5557	Recreation Special Services Acct 5552	Youth Services Acct 5553	Facilities Field Maintenance Acct 5622	Elder Services Acct 5554	Police Antenna Uses Acct 5653	School Photocopy Fees Acct 4510	Facilities Compost Program Acct 5666	DPW Solid Waste Fees Acct 5667	CD & P Stormwater Management Acct 5668	Fire Emergency Billing Acct 5669	Health Services Inspections Acct 5670
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 6/30/2019	21,135	4,474	46,933	730,240	405,283	88,502	159,243	6,742	6,283	20,747	32,852	0	22,400	54,270
Expenditures thru 6/30/2019	20,812	452	49,617	683,717	425,005	80,724	161,340	0	0	14,914	8,059	0	23,197	28,943
Balance thru 6/30/2019	14,640	17,958	41,618	421,752	250,919	118,492	192,812	33,049	20,916	30,806	47,282	0	35,428	64,272
Receipts thru 9/30/2019	4,975	1,105	8,731	218,076	107,629	8,040	41,935	1,135	1,401	3,954	4,293	0	7,345	1,805
Expenditures thru 9/30/2019	5,075	60	2,155	267,472	62,570	19,158	33,053	0	0	6,120	0	0	856	1,065
Balance thru 9/30/2019	14,541	19,004	48,193	372,356	295,979	107,374	201,694	34,183	22,317	28,640	51,575	0	41,918	65,013

Spending Authorization Art 16 - ATM 19	\$30,000	\$20,000	\$60,000	\$625,000	\$500,000	\$150,000	\$225,000	\$50,000	\$15,000	\$60,000	\$40,000	\$5,000	\$100,000	\$100,000
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Y-T-D % Spent	16.92%	0.30%	3.59%	42.80%	12.51%	12.77%	14.69%	0.00%	0.00%	10.20%	0.00%	0.00%	0.86%	1.06%
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**Town of Andover  
Capital Projects  
9/30/2019**

	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>Total Available</u>	
Budget	912,500	1,003,000	1,040,000	1,078,000	1,120,000	1,495,643	1,040,000	1,011,600		
Expended	912,500	1,003,000	1,037,364	1,075,010	1,114,770	1,371,311	743,084	144,900		
Encumbered	-	-	-	2,990	2,100	85,975	146,460	196,491		
<b>Total School CIP</b>	Available	-	-	2,636	0	3,130	38,356	150,456	670,209	864,787
Budget	145,000	70,000	85,000	112,000	222,000	579,018	487,000	1,044,098		
Expended	135,237	70,000	60,095	65,900	157,061	550,755	347,401	73,280		
Encumbered	-	-	9,905	-	-	13,050	9,181	30,200		
<b>Total General Government CIP</b>	Available	9,763	-	15,000	46,100	64,939	15,213	130,418	940,618	1,222,051
Budget	-	-	62,000	-	-	32,214	-	0		
Expended	-	-	39,976	-	-	28,601	-	0		
Encumbered	-	-	-	-	-	-	-	0		
<b>Total Youth Services CIP</b>	Available	-	-	22,024	-	-	3,613	-	-	25,637
Budget	25,000	21,100	17,000	70,000	50,000	-	-	-		
Expended	25,000	21,100	17,000	66,873	50,000	-	-	-		
Encumbered	-	-	-	-	-	-	-	-		
<b>Total Recreation CIP</b>	Available	-	-	-	3,127	-	-	-	-	3,127
Budget	65,000	79,000	50,000	25,000	25,000	-	-	10,000		
Expended	65,000	79,000	50,000	20,933	23,423	-	-	-		
Encumbered	-	-	-	-	-	-	-	-		
<b>Total Library CIP</b>	Available	-	-	-	4,067	1,577	-	-	10,000	15,645
Budget	375,000	589,400	550,000	590,000	623,000	800,000	946,000	1,303,000		
Expended	375,000	589,400	550,000	574,836	611,551	737,121	401,053.05	5,111.10		
Encumbered	-	-	-	13,500	3,494	29,426	302,934.21	48,300.00		
<b>Total Facilities CIP</b>	Available	-	-	-	1,664	7,955	33,453	242,013	1,249,589	1,534,673
Budget	225,500	215,500	281,000	285,000	195,000	293,500	250,077	195,000		
Expended	181,820	215,500	249,728	281,849	195,000	293,400	202,374	-		
Encumbered	43,680	-	-	-	-	-	-	-		
<b>Total Police CIP</b>	Available	-	0	31,272	3,151	-	100	47,703	195,000	277,226
Budget	82,000	142,000	79,000	50,000	20,000	63,500	214,000	-		
Expended	66,800	142,000	20,455	37,332	16,623	61,352	71,715	-		
Encumbered	15,200	-	-	-	-	-	-	-		
<b>Total Fire CIP</b>	Available	-	-	58,545	12,668	3,378	2,148	142,285	-	219,024
Budget	190,000	160,000	206,000	240,000	285,000	415,000	328,000	400,000		
Expended	181,477	151,112	205,813	233,375	225,018	333,541	208,961	14,820		
Encumbered	-	7,888	187	6,625	1,082	35,326	22,989	185,180		
<b>Total DPW CIP</b>	Available	8,523	1,000	-	-	58,900	46,132	96,050	200,000	410,605
Budget	1,107,500	1,277,000	1,330,000	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098		
Expended	1,030,334	1,268,112	1,193,067	1,281,097	1,278,675	2,004,771	1,231,504	93,211		
Encumbered	58,880	7,888	10,092	20,125	4,576	77,802	335,103	263,680		
<b>Total Town CIP</b>	Available	18,285	1,000	126,841	70,778	136,749	100,659	658,469	2,595,207	3,707,988
Budget	2,020,000	2,280,000	2,370,000	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698		
Expended	1,942,834	2,271,112	2,230,430	2,356,107	2,393,445	3,376,082	1,974,588	238,112		
Encumbered	58,880	7,888	10,092	23,115	6,676	163,778	481,564	460,171		
<b>Grand Total</b>	Available	18,285	1,001	129,478	70,778	139,879	139,015	808,925	3,265,415	4,572,775