



TOWN OF ANDOVER *Finance & Budget*

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

36 Bartlet Street
Andover, MA 01810
(978) 623-8920

hayley.green@andoverma.us
www.andoverma.gov

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: March 4, 2020

Re: ***FY 2020 Financials***

The attached reports summarize the Town's financial position through January 31, 2020.
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 January 31, 2020.

General Fund

The total general fund receipts of all sources collected through January 31, 2020 are in line with the annual projections through the first seven months of the year. FY2020 local receipts are approximately \$1,134,000 greater than FY 2019 collections through the same period of time. This large increase is primarily due to two large building permits, a FEMA receipt and investment income. Off-set receipts collections are lower than collections through the same period of time last fiscal year, but are in line with the annual projections.

General fund personal services and other expenditures are both consistent with FY 2020 projections through January 2020. The school's expenditures plus encumbrances is over budget for other expenses, but it under when compared with personal services. The technical schools required contribution is slightly higher than the appropriation, because this number is estimated at Town Meeting.

Water Enterprise Fund

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

Sewer Enterprise Fund

Total sewer enterprise fund collections are lower than the annual projections through January 2020. This is primarily due to timing of bills and payments, where the user charges decreased approximately \$337,000 from FY19. Sewer personal services and other expenditures are both lower than FY2020 projections through January 2020.

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 \$590,000. This money has not been allocated through January 2020.

Revolving Accounts

Town Meeting voted to approve 15 revolving funds with a total spending limit of \$1,990,000. All funds are within their spending limits.

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 with department heads to close balances that are no longer needed.

Town of Andover
FY 2020 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 1/31/2020 and 1/31/2019

Local Receipts	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Motor Vehicle Excise	5,826,858	845,101	14.5%	5,331,697	848,406	15.9%	495,161	(3,305)
Hotel/Motel/Meals	2,358,666	1,567,668	66.5%	2,250,205	1,651,398	73.4%	108,461	(83,730)
Penalties and Interest on Taxes and Excises	461,500	388,178	84.1%	326,345	339,228	103.9%	135,155	48,950
Fees	59,850	49,604	82.9%	82,813	26,154	31.6%	(22,963)	23,450
Payments in Lieu of Taxes	412,000	2,016	0.5%	382,000	2,016	0.5%	30,000	-
Other Departmental Revenues	250,950	116,657	46.5%	270,492	124,281	45.9%	(19,542)	(7,624)
Other Departmental Revenues - School Medicare	366,924	85,018	23.2%	353,279	134,291	38.0%	13,645	(49,273)
Non-Recurring Revenues	-	463,865	N/A	-	-	0.0%	-	463,865
Licenses and Permits	2,400,000	1,816,093	75.7%	2,832,111	1,452,386	51.3%	(432,111)	363,707
Fines & Forfeits	242,000	148,808	61.5%	275,000	142,953	52.0%	(33,000)	5,855
Investment Income	631,269	787,828	124.8%	146,100	415,419	284.3%	485,169	372,409
Special Assessments	-	557	N/A	-	513	N/A	-	44
Total Estimated Receipts	13,010,017	6,271,393	48.2%	12,250,042	5,137,045	41.9%	759,975	1,134,348

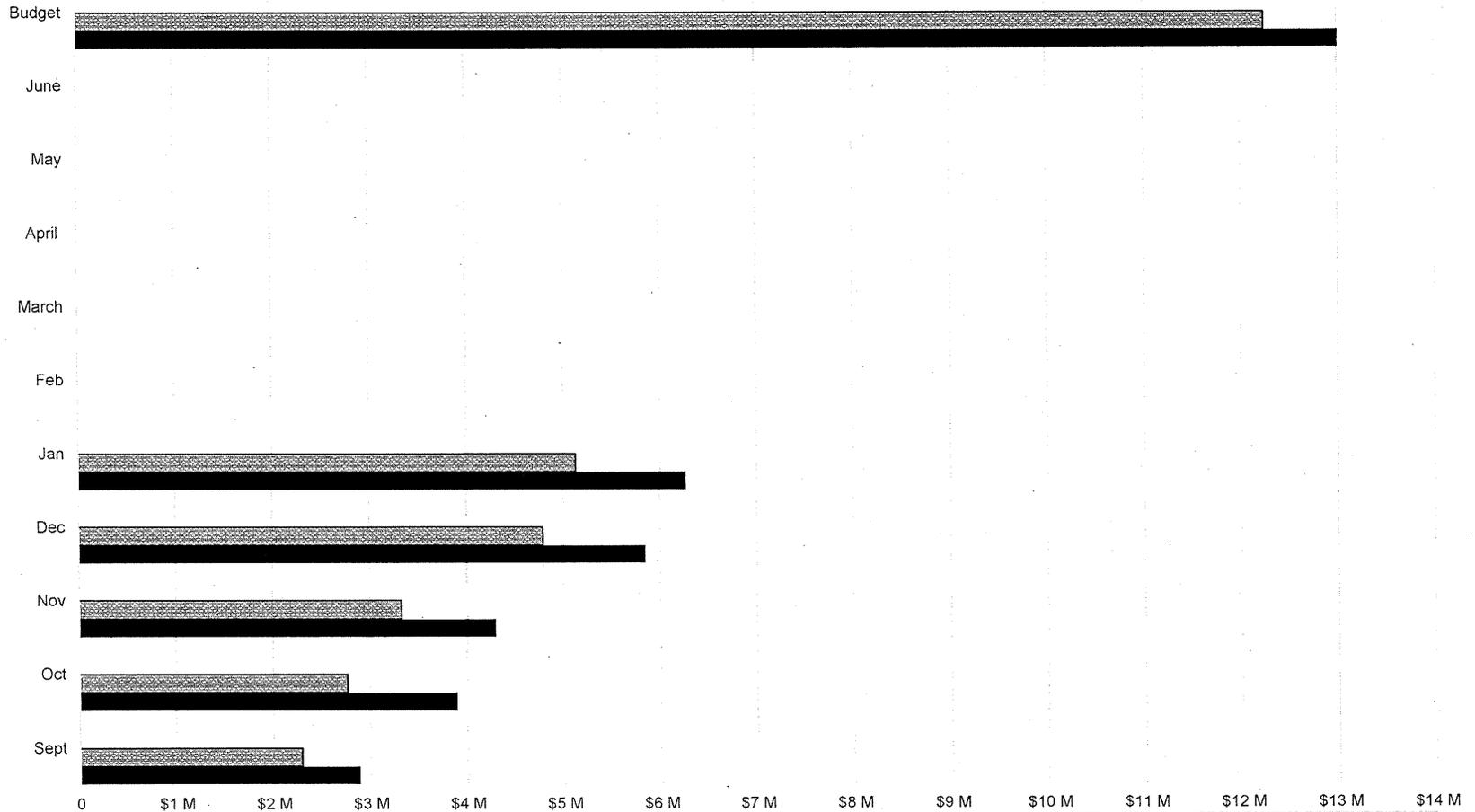
Off-Set Receipts	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	583,510	301,557	51.7%	583,510	348,439	59.7%	-	(46,882)
Elder Services	106,000	66,432	62.7%	106,000	57,240	54.0%	-	9,192
Public Facilities - Rental Receipts	80,000	56,128	70.2%	80,000	45,394	56.7%	-	10,734
Cemetery - Interment Fees	60,000	42,242	70.4%	60,000	41,416	69.0%	-	826
Public Safety - Police Detail Fees	90,000	42,389	47.1%	90,000	134,219	149.1%	-	(91,830)
Public Safety / Fire - Ambulance Receipts	1,350,000	835,873	61.9%	1,300,000	909,284	69.9%	50,000	(73,411)
Total Off-Set Receipts	2,269,510	1,344,621	59.2%	2,219,510	1,535,992	69.2%	50,000	(191,371)

Other Revenues	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Property Taxes (inc. Tax Titles)	151,611,876	108,343,951	71.5%	145,370,283	102,553,928	70.5%	6,241,593	5,790,023
State Aid	13,929,158	8,011,715	57.5%	12,783,980	7,490,237	58.6%	1,145,178	521,478
Total Other Revenues	165,541,034	116,355,666	70.3%	158,154,263	110,044,165	69.6%	7,386,771	6,311,501
Total Revenues	180,820,561	123,971,680	68.6%	172,623,815	116,717,202	67.6%	8,196,746	7,254,478

Town of Andover
FY 2020 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 1/31/2020 and 1/31/2019

Water Fund	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	8,511,201	5,809,671	68.3%	8,466,192	5,623,475	66.4%	45,009	186,196
Water Connection	41,000	40,957	99.9%	41,000	5,032	12.3%	-	35,925
Water Testing Fees	25,000	13,495	54.0%	22,000	10,180	46.3%	3,000	3,315
Meter Installations	9,000	7,245	80.5%	10,000	6,446	64.5%	(1,000)	799
Fire Flow Test	9,000	11,206	124.5%	9,000	13,685	152.1%	-	(2,479)
Special/Final Reads	25,000	18,002	72.0%	25,000	17,050	68.2%	-	952
Backflow/Cross Connection Fees	75,000	39,000	52.0%	75,000	37,245	49.7%	-	1,755
Water Tap	-	350	N/A	-	300	N/A	-	50
Liens	120,000	35,726	29.8%	120,000	39,948	33.3%	-	(4,222)
Fire Suppression	150,000	142,150	94.8%	150,000	155,644	103.8%	-	(13,494)
Interest /Misc Revenue	-	2,802	N/A	9,000	1,773	19.7%	(9,000)	1,029
Non-Revenue Interest	19,000	41,846	220.2%	19,000	30,121	158.5%	-	11,725
Total Water Receipts	8,984,201	6,162,450	68.6%	8,946,192	5,940,899	66.4%	38,009	221,551
Sewer Fund	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	4,841,042	2,653,154	54.8%	4,722,968	2,990,178	63.3%	118,074	(337,024)
Committed Interest/Income	235,000	103,734	44.1%	245,000	109,243	44.6%	(10,000)	(5,509)
Liens	90,000	25,965	28.9%	90,000	25,633	28.5%	-	332
Apport Assmnts	491,400	294,439	59.9%	519,000	315,626	60.8%	(27,600)	(21,187)
State Reimb/Grants	-	-	N/A	3,000	6,868	0.0%	(3,000)	(6,868)
Interest /Misc Revenue	-	2,351	N/A	9,000	2,496	27.7%	(9,000)	(145)
Non-Revenue Interest	45,046	26,162	58.1%	21,000	17,077	81.3%	24,046	9,085
Total Sewer Receipts	5,702,488	3,105,805	54.5%	5,609,968	3,467,121	61.8%	92,520	(361,316)
Total Enterprise Revenues	14,686,689	9,268,255	63.1%	14,556,160	9,408,020	64.63%	130,529	(139,765)

Town of Andover Local Receipts FY 2020 and FY 2019



	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
■ FY 2019 % of Budget	18.7%	22.6%	27.2%	39.1%	41.9%	0.0%	0.0%	0.0%	0.0%	0.0%	
■ FY 2020 % of Budget	22.2%	29.9%	33.1%	45.0%	48.2%	0.0%	0.0%	0.0%	0.0%	0.0%	
■ FY 2019 Receipts	\$2,293,534	\$2,765,082	\$3,329,067	\$4,792,643	\$5,137,045						\$12,250,042
■ FY 2020 Receipts	\$2,892,582	\$3,894,456	\$4,301,255	\$5,848,439	\$6,271,393						\$13,010,017

Town of Andover
FY 2020 Year-To-Date Budget Report

Personal Services and Other Expenditures thru 1/31/2020

Personal Services	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	6,510,793	22,559	6,533,352	3,708,725	375	2,824,252	56.8%	56.8%
Community Services	1,735,271	435	1,735,706	1,023,218	-	712,488	59.0%	59.0%
Public Facilities	2,374,145	-	2,374,145	1,393,146	-	980,999	58.7%	58.7%
Public Safety - Fire	8,057,923	11,777	8,069,700	4,914,420	-	3,155,280	60.9%	60.9%
Public Safety - Police	7,722,156	12,456	7,734,612	4,344,312	-	3,390,300	56.2%	56.2%
Public Works	3,464,080	11,487	3,475,567	2,176,232	-	1,299,335	62.6%	62.6%
Library	2,177,076	-	2,177,076	1,233,753	-	943,323	56.7%	56.7%
School	70,166,040	-	70,166,040	32,959,360	36,113,083	1,093,597	98.4%	47.0%
Compensation Fund	590,000	-	590,000	-	-	590,000	0.0%	0.0%
Total Personal Services - General Fund	102,797,484	58,714	102,856,198	51,753,166	36,113,458	14,989,574	85.4%	50.3%
Water Enterprise	2,056,092	-	2,056,092	1,307,447	-	748,645	63.6%	63.6%
Sewer Enterprise	333,049	-	333,049	142,356	-	190,693	42.7%	42.7%
Total Personal Services - Enterprise Funds	2,389,141	-	2,389,141	1,449,803	-	939,338	60.7%	60.7%
Other Expenses	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	2,160,275	167,817	2,328,092	1,459,438	418,375	450,279	80.7%	62.7%
Community Services	672,690	9,026	681,716	390,730	81,522	209,464	69.3%	57.3%
Public Facilities	1,398,600	222,771	1,621,371	665,571	471,306	484,494	70.1%	41.0%
Public Safety - Fire	527,150	28,863	556,013	310,920	102,724	142,369	74.4%	55.9%
Public Safety - Police	1,046,800	39,894	1,086,694	594,022	216,500	276,172	74.6%	54.7%
Public Works	5,272,339	532,637	5,804,976	3,126,794	2,341,351	336,831	94.2%	53.9%
Library	667,312	-	667,312	372,618	241,616	53,078	92.0%	55.8%
School	15,763,768	192,976	15,956,744	8,424,003	8,029,032	(496,291)	103.1%	52.8%
Technical Schools	647,149	-	647,149	337,010	337,436	(27,297)	104.2%	52.1%
Debt Service	15,149,625	-	15,149,625	10,496,792	-	4,652,833	69.3%	69.3%
Insurance	1,064,473	-	1,064,473	941,415	14,758	108,300	89.8%	88.4%
Health Insurance	21,340,842	-	21,340,842	7,307,009	-	14,033,833	34.2%	34.2%
Unemployment	160,000	-	160,000	116,029	1,950	42,021	73.7%	72.5%
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	-	-	100.0%	100.0%
Total Other Expenses - General Fund	79,050,937	1,133,984	80,184,921	47,522,265	12,256,570	20,406,086	74.6%	59.3%
Water Enterprise	3,290,950	300,307	3,591,257	1,996,063	1,067,998	527,196	85.3%	55.6%
Sewer Enterprise	2,654,975	129,317	2,784,292	1,324,562	1,352,328	107,402	96.1%	47.6%
Total Other Expenses - Enterprise Funds	5,945,925	429,624	6,375,549	3,320,625	2,420,326	634,598	90.0%	52.1%
Total - General Fund	181,848,421	1,192,698	183,041,119	99,275,431	48,370,028	35,395,660	80.7%	54.2%
Total - Enterprise Funds	8,335,066	429,624	8,764,690	4,770,428	2,420,326	1,573,936	82.0%	54.4%

Town of Andover
FY 2020 Reserve Account and Compensation Fund
As of 1/31/20

RESERVE FUND

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

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 1/31/20

	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	DPW Sign Shop 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	0
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	0
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	0
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	0
Receipts thru 1/31/2020	9,740	2,064	12,010	524,697	253,909	33,020	77,279	3,971	2,901	5,616	5,926	0	14,631	49,753	0
Expenditures thru 1/31/2020	11,312	1,616	41,942	505,071	211,149	59,422	71,258	0	0	6,720	11,200	0	35,924	3,190	0
Balance thru 1/31/2020	13,069	18,407	11,686	441,378	293,679	92,089	198,833	37,020	23,818	29,702	42,008	0	14,136	110,836	0

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	\$10,000
Y-T-D % Spent	37.71%	8.08%	69.90%	80.81%	42.23%	39.61%	31.67%	0.00%	0.00%	11.20%	28.00%	0.00%	35.92%	3.19%	0.00%

**Town of Andover
Capital Projects
1/31/2020**

	<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	1,037,534	1,076,714	1,116,870	1,482,046	899,988	348,889		
Encumbered	-	-	2,466	-	574	5,775	76,458	198,261		
Total School CIP	Available	-	-	-	1,286	2,556	7,822	63,554	464,450	539,668
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	368,019	73,319		
Encumbered	-	-	9,905	-	-	13,050	21,450	119,349		
Total General Government CIP	Available	9,763	-	15,000	46,100	64,939	15,213	97,531	851,430	1,099,976
Budget	-	-	62,000	-	-	32,214	-	-		
Expended	-	-	39,976	-	-	28,601	-	-		
Encumbered	-	-	-	-	-	-	-	-		
Total Youth Services CIP	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	-	-	-	-	-	-	-	-		
Total Recreation CIP	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	24,696	23,423	-	-	-		
Encumbered	-	-	-	-	-	-	-	-		
Total Library CIP	Available	-	-	-	304	1,577	-	-	10,000	11,882
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	588,336	612,356	762,192	724,051.52	59,353.22		
Encumbered	-	-	-	-	5,217	4,355	104,915.36	105,874.31		
Total Facilities CIP	Available	-	-	-	1,664	5,427	33,453	117,033	1,137,772	1,295,349
Budget	225,500	215,500	231,000	285,000	195,000	293,500	250,077	195,000		
Expended	225,500	215,500	205,153	281,849	195,000	293,400	202,374	-		
Encumbered	-	-	-	1,372	-	-	-	-		
Total Police CIP	Available	-	-	25,847	1,779	-	100	47,703	195,000	270,429
Budget	82,000	142,000	129,000	50,000	20,000	63,500	214,000	-		
Expended	82,000	142,000	70,455	37,332	16,623	61,352	71,715	-		
Encumbered	-	-	-	-	-	-	-	-		
Total Fire CIP	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	187,077	152,895	205,813	233,375	225,018	338,541	210,406	67,322		
Encumbered	-	6,105	187	6,625	1,082	30,326	21,544	132,678		
Total DPW CIP	Available	2,923	1,000	-	-	58,900	46,132	96,050	200,000	405,005
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	1,094,815	1,269,895	1,198,492	1,298,360	1,279,479	2,034,841	1,576,566	199,995		
Encumbered	-	6,105	10,092	7,997	6,300	47,732	147,909	357,900		
Total Town CIP	Available	12,685	1,000	121,416	65,643	134,221	100,659	500,602	2,394,203	3,330,430
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	2,007,315	2,272,895	2,236,025	2,375,074	2,396,350	3,516,887	2,476,554	548,884		
Encumbered	-	6,105	12,558	7,997	6,874	53,506	224,367	556,162		
Grand Total	Available	12,685	1,000	121,416	66,929	136,777	108,481	564,156	2,858,653	3,870,097