



TOWN OF ANDOVER *Finance & Budget*

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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: April 16, 2020

Re: ***FY 2020 Financials***

The attached reports summarize the Town's financial position through February 29, 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 February 29, 2020.

General Fund

The total general fund receipts of all sources collected through February 29, 2020 are in line with the annual projections through the first eight months of the year. FY2020 local receipts are approximately \$2.1 million greater than FY 2019 collections through the same period of time. This large increase is primarily due to the timing of motor vehicle bills, 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 are lower than projections and other expenditures are consistent with FY 2020 projections through February 2020. The school's expenditures plus encumbrances is over budget for other expenses, but it is compared with personal services and encumbrances will be adjusted. The technical schools required contribution is slightly higher than the appropriation, because this number is estimated at Annual Town Meeting.

Water Enterprise Fund

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

Sewer Enterprise Fund

Total sewer enterprise fund collections are lower than the annual projections through February 2020. This is due to timing of bills and payments, where the user charges decreased approximately \$175,000 from FY19. Sewer personal services and other expenditures are both lower than FY2020 projections through February 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 February 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 2/29/2020 and 2/28/2019

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	1,755,315	30.1%	5,331,697	888,181	16.7%	495,161	867,134
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	421,174	91.3%	326,345	366,565	112.3%	135,155	54,609
Fees	59,850	52,704	88.1%	82,813	53,119	64.1%	(22,963)	(415)
Payments in Lieu of Taxes	412,000	2,016	0.5%	382,000	2,016	0.5%	30,000	-
Other Departmental Revenues	250,950	134,388	53.6%	270,492	188,401	69.7%	(19,542)	(54,013)
Other Departmental Revenues - School Medicare	366,924	85,055	23.2%	353,279	134,291	38.0%	13,645	(49,236)
Non-Recurring Revenues	-	463,865	N/A	-	-	0.0%	-	463,865
Licenses and Permits	2,400,000	2,066,803	86.1%	2,832,111	1,601,417	56.5%	(432,111)	465,386
Fines & Forfeits	242,000	172,005	71.1%	275,000	160,201	58.3%	(33,000)	11,804
Investment Income	631,269	893,347	141.5%	146,100	495,395	339.1%	485,169	397,952
Special Assessments	-	623	N/A	-	650	N/A	-	(27)
Total Estimated Receipts	13,010,017	7,614,963	58.5%	12,250,042	5,541,634	45.2%	759,975	2,073,329

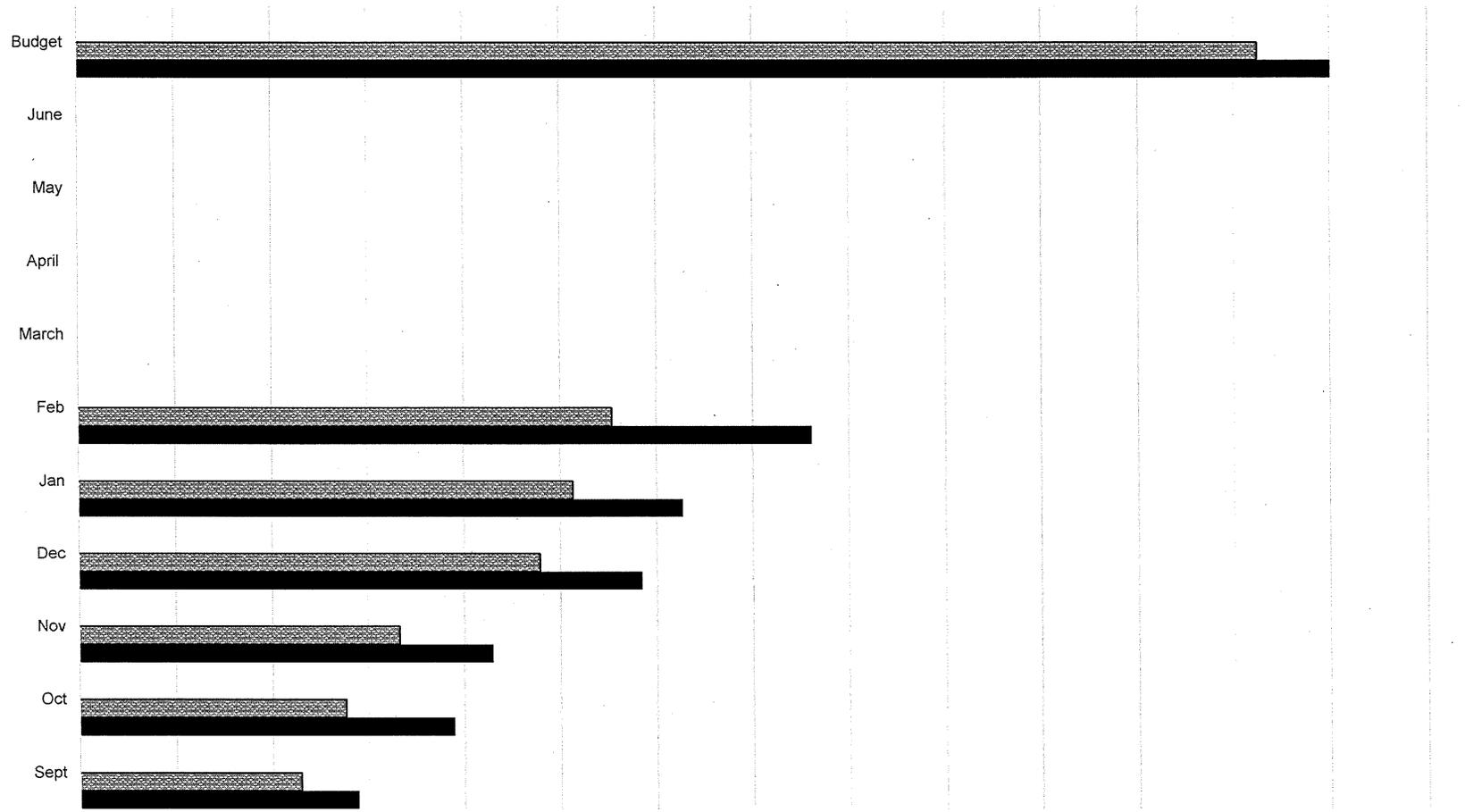
Off-Set Receipts	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	FY 19 Budgeted Receipts	FY 19 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	583,510	357,685	61.3%	583,510	352,054	60.3%	-	5,631
Elder Services	106,000	82,765	78.1%	106,000	64,261	60.6%	-	18,504
Public Facilities - Rental Receipts	80,000	60,934	76.2%	80,000	54,176	67.7%	-	6,758
Cemetery - Interment Fees	60,000	42,242	70.4%	60,000	46,174	77.0%	-	(3,932)
Public Safety - Police Detail Fees	90,000	45,031	50.0%	90,000	140,689	156.3%	-	(95,658)
Public Safety / Fire - Ambulance Receipts	1,350,000	956,147	70.8%	1,300,000	1,037,606	79.8%	50,000	(81,459)
Total Off-Set Receipts	2,269,510	1,544,804	68.1%	2,219,510	1,694,960	76.4%	50,000	(150,156)

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	112,494,513	74.2%	145,370,283	107,785,955	74.1%	6,241,593	4,708,558
State Aid	13,929,158	9,168,215	65.8%	12,783,980	8,551,396	66.9%	1,145,178	616,819
Total Other Revenues	165,541,034	121,662,728	73.5%	158,154,263	116,337,351	73.6%	7,386,771	5,325,377
Total Revenues	180,820,561	130,822,495	72.3%	172,623,815	123,573,945	71.6%	8,196,746	7,248,550

Town of Andover
FY 2020 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 2/29/2020 and 2/28/2019

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	6,202,639	72.9%	8,466,192	5,957,821	70.4%	45,009	244,818
Water Connection	41,000	42,215	103.0%	41,000	5,661	13.8%	-	36,554
Water Testing Fees	25,000	18,080	72.3%	22,000	10,180	46.3%	3,000	7,900
Meter Installations	9,000	7,470	83.0%	10,000	6,446	64.5%	(1,000)	1,024
Fire Flow Test	9,000	11,706	130.1%	9,000	13,685	152.1%	-	(1,979)
Special/Final Reads	25,000	18,981	75.9%	25,000	17,650	70.6%	-	1,331
Backflow/Cross Connection Fees	75,000	39,650	52.9%	75,000	37,245	49.7%	-	2,405
Water Tap	-	725	N/A	-	300	N/A	-	425
Liens	120,000	38,660	32.2%	120,000	80,083	66.7%	-	(41,423)
Fire Suppression	150,000	159,286	106.2%	150,000	165,671	110.4%	-	(6,385)
Interest /Misc Revenue	-	2,885	N/A	9,000	2,084	23.2%	(9,000)	801
Non-Revenue Interest	19,000	41,846	220.2%	19,000	30,121	158.5%	-	11,725
Total Water Receipts	8,984,201	6,584,143	73.3%	8,946,192	6,326,947	70.7%	38,009	257,196
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	2,835,127	58.6%	4,722,968	3,121,113	66.1%	118,074	(285,986)
Committed Interest/Income	235,000	113,327	48.2%	245,000	132,022	53.9%	(10,000)	(18,695)
Liens	90,000	27,602	30.7%	90,000	47,847	53.2%	-	(20,245)
Apport Assmnts	491,400	317,737	64.7%	519,000	386,763	74.5%	(27,600)	(69,026)
State Reimb/Grants	-	-	N/A	3,000	6,868	0.0%	(3,000)	(6,868)
Interest /Misc Revenue	-	2,642	N/A	9,000	2,625	29.2%	(9,000)	17
Non-Revenue Interest	45,046	26,161	58.1%	21,000	17,077	81.3%	24,046	9,084
Total Sewer Receipts	5,702,488	3,322,596	58.3%	5,609,968	3,714,315	66.2%	92,520	(391,719)
Total Enterprise Revenues	14,686,689	9,906,739	67.5%	14,556,160	10,041,262	68.98%	130,529	(134,523)

Town of Andover Local Receipts FY 2020 and FY 2019



	0	\$1 M	\$2 M	\$3 M	\$4 M	\$5 M	\$6 M	\$7 M	\$8 M	\$9 M	\$10 M	\$11 M	\$12 M	\$13 M	\$14 M
	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%	45.2%	0.0%	0.0%	0.0%	0.0%					
■ FY 2020 % of Budget	22.2%	29.9%	33.1%	45.0%	48.2%	58.5%	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	\$5,541,634									\$12,250,042
■ FY 2020 Receipts	\$2,892,582	\$3,894,456	\$4,301,255	\$5,848,439	\$6,271,393	\$7,614,963									\$13,010,017

Town of Andover
FY 2020 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 2/29/2020

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	4,194,131	375	2,338,846	64.2%	64.2%
Community Services	1,735,271	435	1,735,706	1,131,562	-	604,144	65.2%	65.2%
Public Facilities	2,374,145	-	2,374,145	1,581,650	-	792,495	66.6%	66.6%
Public Safety - Fire	8,057,923	11,777	8,069,700	5,530,863	-	2,538,837	68.5%	68.5%
Public Safety - Police	7,722,156	12,456	7,734,612	4,876,968	-	2,857,644	63.1%	63.1%
Public Works	3,464,080	11,487	3,475,567	2,458,987	-	1,016,580	70.8%	70.8%
Library	2,177,076	-	2,177,076	1,397,645	-	779,431	64.2%	64.2%
School	70,166,040	-	70,166,040	38,739,833	30,613,838	812,369	98.8%	55.2%
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	59,911,639	30,614,213	12,330,346	88.0%	58.2%
Water Enterprise	2,056,092	-	2,056,092	1,471,558	-	584,534	71.6%	71.6%
Sewer Enterprise	333,049	-	333,049	159,075	-	173,974	47.8%	47.8%
Total Personal Services - Enterprise Funds	2,389,141	-	2,389,141	1,630,633	-	758,508	68.3%	68.3%
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	1,548,354	416,881	362,857	84.4%	66.5%
Community Services	672,690	9,026	681,716	427,666	77,342	176,708	74.1%	62.7%
Public Facilities	1,398,600	222,771	1,621,371	780,706	395,128	445,537	72.5%	48.2%
Public Safety - Fire	527,150	28,863	556,013	344,656	92,351	119,006	78.6%	62.0%
Public Safety - Police	1,046,800	39,894	1,086,694	646,841	170,546	269,307	75.2%	59.5%
Public Works	5,272,339	532,637	5,804,976	3,496,084	1,892,261	416,631	92.8%	60.2%
Library	667,312	-	667,312	402,850	234,410	30,052	95.5%	60.4%
School	15,763,768	192,976	15,956,744	9,762,878	7,205,450	(1,011,584)	106.3%	61.2%
Technical Schools	647,149	-	647,149	473,946	200,499	(27,296)	104.2%	73.2%
Debt Service	15,149,625	-	15,149,625	12,918,688	-	2,230,937	85.3%	85.3%
Insurance	1,064,473	-	1,064,473	945,289	29,396	89,788	91.6%	88.8%
Health Insurance	21,340,842	-	21,340,842	8,490,255	-	12,850,587	39.8%	39.8%
Unemployment	160,000	-	160,000	123,235	975	35,790	77.6%	77.0%
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	53,341,362	10,715,239	16,128,320	79.9%	66.5%
Water Enterprise	3,290,950	300,307	3,591,257	2,245,783	880,080	465,394	87.0%	62.5%
Sewer Enterprise	2,654,975	129,317	2,784,292	1,399,439	1,281,690	103,163	96.3%	50.3%
Total Other Expenses - Enterprise Funds	5,945,925	429,624	6,375,549	3,645,222	2,161,770	568,557	91.1%	57.2%
Total - General Fund	181,848,421	1,192,698	183,041,119	113,253,001	41,329,452	28,458,666	84.5%	61.9%
Total - Enterprise Funds	8,335,066	429,624	8,764,690	5,275,855	2,161,770	1,327,065	84.9%	60.2%

Town of Andover
FY 2020 Reserve Account and Compensation Fund
As of 2/29/20

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 2/29/20

	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	School Professional Development Acct 4500
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	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	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	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	0
Receipts thru 2/29/2020	11,830	2,307	12,256	622,561	290,273	33,020	88,912	3,971	4,629	5,640	6,272	0	14,631	51,008	0	12,800
Expenditures thru 2/29/2020	12,347	1,656	44,906	565,239	252,036	59,525	89,998	0	0	6,720	11,200	0	36,195	3,190	0	0
Balance thru 2/29/2020	14,124	18,610	8,968	479,074	289,156	91,987	191,725	37,020	25,545	29,726	42,353	0	13,865	112,091	0	12,800

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	N/A
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Y-T-D % Spent	41.16%	8.28%	74.84%	90.44%	50.41%	39.68%	40.00%	0.00%	0.00%	11.20%	28.00%	0.00%	36.19%	3.19%	0.00%	N/A
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**Town of Andover
Capital Projects
2/29/2020**

	<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	1,485,351	908,789	367,916	
Encumbered	-	-	2,466	881	574	5,775	75,362	209,702	
Total School CIP	Available	-	-	405	2,556	4,517	55,849	433,981	497,309
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	370,464	101,631	
Encumbered	-	-	5,000	-	-	12,800	19,050	122,457	
Total General Government CIP	Available	9,763	-	19,905	46,100	64,939	15,463	820,010	1,073,665
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	613,356	763,477	744,537.84	87,417.53	
Encumbered	-	-	-	-	4,217	5,375	101,566.53	153,802.66	
Total Facilities CIP	Available	-	-	1,664	5,427	31,148	99,896	1,061,780	1,199,914
Budget	225,500	215,500	231,000	285,000	195,000	293,500	250,077	195,000	
Expended	225,500	215,500	205,447	283,221	195,000	293,400	202,374	-	
Encumbered	-	-	17,068	-	-	-	46,025	52,195	
Total Police CIP	Available	-	8,485	1,779	-	100	1,678	142,805	154,847
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	-	-	12,193	-	-	-	-	-	
Total Fire CIP	Available	-	46,352	12,668	3,378	2,148	142,285	-	206,831
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	-	7,105	187	6,625	300	30,326	31,444	132,678	
Total DPW CIP	Available	2,923	-	-	59,682	46,132	86,150	200,000	394,888
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	1,198,786	1,299,732	1,280,479	2,036,126	1,599,497	256,371	
Encumbered	-	7,105	34,448	6,625	4,517	48,502	198,085	461,132	
Total Town CIP	Available	12,685	-	96,766	65,643	135,004	98,604	427,495	2,234,595
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	2,236,320	2,376,446	2,397,350	3,521,477	2,508,286	624,287	
Encumbered	-	7,105	36,914	7,506	5,091	54,276	273,447	670,834	
Grand Total	Available	12,685	-	96,766	66,048	137,559	103,121	483,344	2,668,577