



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
Revenue and Expenditure Task Force

From: Hayley Green, Town Accountant/Assistant Finance Director

CC: Andrew Flanagan, Michael Lindstrom, Patrick Lawlor, Donna Walsh, Stephen Nembirkow,
Janet Wright, Town Website

Date: January 15, 2021

Re: ***FY 2021 Financials***

The attached reports summarize the Town's financial position through November 30, 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 – FY15 – FY21

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

The attached reports of the Town Accountant summarize FY 2021 revenues and expenditures for the General Fund, Enterprise Funds, Compensation Fund, Reserve Fund, Revolving Funds and Capital Projects through November 30, 2020.

General Fund

The total general fund receipts of all sources collected through November 30, 2020 are in line with the annual projections through the first five months of the year. However, FY2021 local receipts are approximately \$1.6 million less than FY 2020 collections through the same period of time. Last year by this time we had one large building permit for \$416,000 and more cash available from the Columbia Gas Settlement to earn investment income. There was also a delay in the State sending hotel, motel and meals receipts in FY2021 and the Town received a FEMA receipt of \$258,000 from a prior snowstorm in October. Off-set receipts collections are lower than collections through the same period of time last fiscal year mainly due to lower ambulance collections, summer recreation programs and rental of town spaces.

General fund personal services and other expenditures are both consistent with or less than FY 2021 projections through November 2020. The school encumbers most of their projected salaries at the beginning of the fiscal year and adjusts during the school year as they determine where staff will be funded. The required appropriation for pension was paid in full in August, workers compensation insurance changed to a premium based plan in FY2021 and the OPEB appropriation was transferred in November. Technical Schools charges came in higher than budgeted.

Water Enterprise Fund

The total water enterprise fund collections are better than the annual projections through November 2020, with user charges being \$1.7 million greater than prior year receipts through the same period, due to the drier weather conditions increasing usage. Water personal services are also consistent with FY 2021 projections through November 2020. Water other expenses are greater than FY2021 projections due to the increased volume of

water services causing an increased demand for supplies such as electricity and chemicals.

Sewer Enterprise Fund

The total sewer enterprise fund collections are consistent with projections through November 2020 and user charges are approximately \$453,000 greater than prior year receipts through the same period. Sewer personal services and other expenses are consistent with the FY 2021 projections through November 2020.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. This money has not been used through November 2020.

Compensation Fund

Town Meeting approved a compensation fund balance of \$174,718. This money has not been used through November 2020.

Revolving Accounts

Town Meeting voted to approve 15 revolving funds with a total spending limit of \$1,915,000.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. The finance department is working on creating a policy for use of old and nominal balances from prior years.

Town of Andover
FY 2021 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2020 and 11/30/2019

	FY 21 Budgeted	FY 21 YTD	%	FY 20 Budgeted	FY 20 YTD	%	Change in	Change in
Local Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Motor Vehicle Excise	5,245,856	680,643	13.0%	5,826,858	708,297	12.2%	(581,002)	(27,654)
Hotel/Motel/Meals	1,769,000	364,239	20.6%	2,358,666	781,791	33.1%	(589,666)	(417,552)
Penalties and Interest on Taxes and Excises	480,000	204,862	42.7%	461,500	324,610	70.3%	18,500	(119,748)
Fees	61,000	26,845	44.0%	59,850	39,610	66.2%	1,150	(12,765)
Payments in Lieu of Taxes	430,000	-	0.0%	412,000	-	0.0%	18,000	-
Other Departmental Revenues	300,000	156,251	52.1%	250,950	70,329	28.0%	49,050	85,922
Other Departmental Revenues - School Medicare	180,000	49,671	27.6%	366,924	43,214	11.8%	(186,924)	6,457
Non-Recurring Revenues	-	-	0.0%	-	258,187	0.0%	-	(258,187)
Licenses and Permits	1,903,505	990,624	52.0%	2,400,000	1,368,386	57.0%	(496,495)	(377,762)
Fines & Forfeits	227,000	67,731	29.8%	242,000	103,656	42.8%	(15,000)	(35,925)
Investment Income	414,862	143,892	34.7%	631,269	603,177	95.5%	(216,407)	(459,285)
Total Estimated Receipts	11,011,223	2,684,758	24.4%	13,010,017	4,301,255	33.1%	(1,998,794)	(1,616,497)

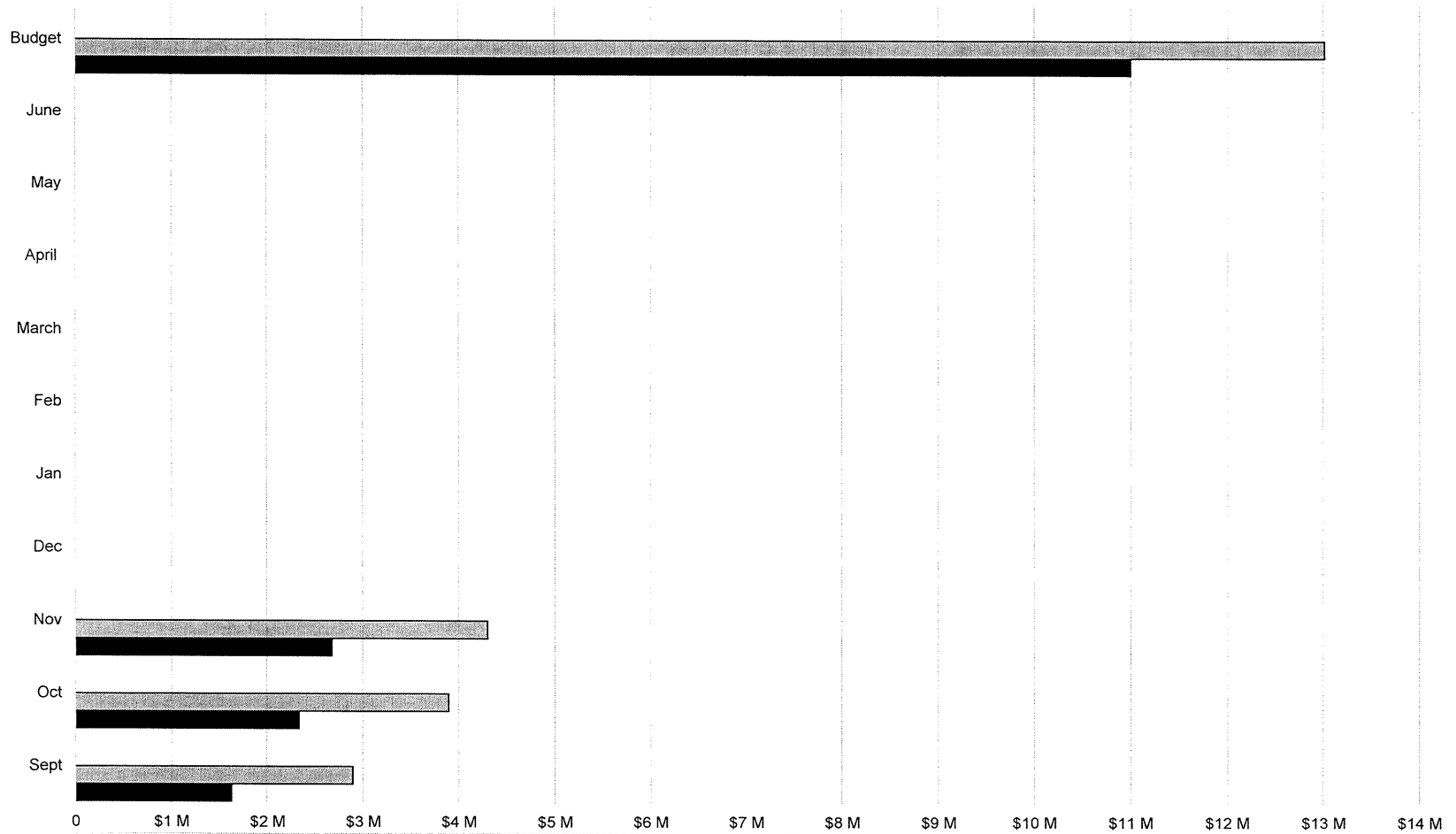
	FY 21 Budgeted	FY 21 YTD	%	FY 20 Budgeted	FY 20 YTD	%	Change in	Change in
Off-Set Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Recreation	593,510	159,085	26.8%	583,510	221,428	37.9%	10,000	(62,343)
Elder Services	106,000	42,581	40.2%	106,000	42,559	40.2%	-	22
Public Facilities - Rental Receipts	80,000	8,534	10.7%	80,000	42,073	52.6%	-	(33,539)
Cemetery - Interment Fees	60,000	24,176	40.3%	60,000	15,105	25.2%	-	9,071
Public Safety - Police Detail Fees	90,000	17,496	19.4%	90,000	27,936	31.0%	-	(10,440)
Public Safety / Fire - Ambulance Receipts	1,350,000	436,930	32.4%	1,350,000	584,548	43.3%	-	(147,618)
Total Off-Set Receipts	2,279,510	688,802	30.2%	2,269,510	933,649	41.1%	10,000	(244,847)

	FY 21 Budgeted	FY 21 YTD	%	FY 20 Budgeted	FY 20 YTD	%	Change in	Change in
Other Revenues	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Property Taxes (inc. Tax Titles)	159,456,444	75,677,272	47.5%	151,611,876	73,310,971	48.4%	7,844,568	2,366,301
State Aid	13,939,807	5,781,802	41.5%	13,929,158	5,795,679	41.6%	10,649	(13,877)
Total Other Revenues	173,396,251	81,459,074	47.0%	165,541,034	79,106,650	47.8%	7,855,217	2,352,424
Total Revenues	186,686,984	84,832,634	45.4%	180,820,561	84,341,555	46.6%	5,866,423	491,079

Town of Andover
FY 2021 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2020 and 11/30/2019

Water Fund	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	9,567,598	5,568,481	58.2%	8,511,201	3,911,103	46.0%	1,056,397	1,657,378
Water Connection	41,000	27,676	67.5%	41,000	40,328	98.4%	-	(12,652)
Water Testing Fees	22,000	11,305	51.4%	25,000	13,495	54.0%	(3,000)	(2,190)
Meter Installations	10,000	9,000	90.0%	9,000	7,245	80.5%	1,000	1,755
Fire Flow Test	9,000	5,500	61.1%	9,000	11,206	124.5%	-	(5,706)
Special/Final Reads	25,000	31,476	125.9%	25,000	14,437	57.7%	-	17,039
Backflow/Cross Connection Fees	75,000	4,160	5.5%	75,000	27,755	37.0%	-	(23,595)
Water Tap	-	900	N/A	-	350	N/A	-	550
Liens	120,000	15,185	12.7%	120,000	10,595	8.8%	-	4,591
Fire Suppression	220,000	94,635	43.0%	150,000	93,556	62.4%	70,000	1,080
Interest /Misc Revenue	12,000	14,519	121.0%	-	1,229	N/A	12,000	13,290
Non-Revenue Interest	16,000	4,335	27.1%	19,000	22,415	118.0%	(3,000)	(18,080)
Total Water Receipts	10,117,598	5,787,173	57.2%	8,984,201	4,153,713	46.2%	1,133,397	1,633,460
Sewer Fund	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	4,962,068	2,030,289	40.9%	4,841,042	1,577,041	32.6%	121,026	453,248
Committed Interest/Income	170,000	17,236	10.1%	235,000	5,286	2.2%	(65,000)	11,950
Liens	55,000	12,984	23.6%	90,000	8,045	8.9%	(35,000)	4,939
Apport Assmnts	445,000	73,671	16.6%	491,400	72,577	14.8%	(46,400)	1,094
Interest /Misc Revenue	-	1,350	N/A	-	1,789	N/A	-	(439)
Non-Revenue Interest	48,000	3,312	6.9%	45,046	13,957	31.0%	2,954	(10,645)
Total Sewer Receipts	5,680,068	2,138,842	37.7%	5,702,488	1,678,694	29.4%	(22,420)	460,147
Total Enterprise Revenues	15,797,666	7,926,014	50.2%	14,686,689	5,832,407	39.71%	1,110,977	2,093,607

Town of Andover Local Receipts FY 2021 and FY 2020



	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
■ FY 2020 % of Budget	22.2%	29.9%	33.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
■ FY 2021 % of Budget	14.8%	21.2%	24.4%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
□ FY 2020 Receipts	\$2,892,581	\$3,894,457	\$4,301,255								\$13,010,017
■ FY 2021 Receipts	\$1,634,729	\$2,338,674	\$2,684,758								\$11,011,223

Town of Andover
FY 2021 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 11/30/2020

Personal Services	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	6,950,662	26,831	6,977,493	2,733,121	26,831	4,217,541	39.6%	39.2%
Community Services	1,808,992	-	1,808,992	814,010	-	994,982	45.0%	45.0%
Public Facilities	2,453,849	-	2,453,849	902,357	-	1,551,492	36.8%	36.8%
Public Safety - Fire	8,431,428	14,115	8,445,543	3,404,874	14,115	5,026,554	40.5%	40.3%
Public Safety - Police	7,966,037	14,839	7,980,876	3,118,841	14,839	4,847,196	39.3%	39.1%
Public Works	3,720,378	13,491	3,733,869	1,427,739	13,491	2,292,639	38.6%	38.2%
Library	2,255,543	-	2,255,543	842,370	-	1,413,173	37.3%	37.3%
School	72,080,761	-	72,080,761	18,798,907	49,850,123	3,431,731	95.2%	26.1%
Compensation Fund	174,718	-	174,718	-	-	174,718	0.0%	0.0%
Total Personal Services - General Fund	105,842,368	69,276	105,911,644	32,042,219	49,919,399	23,950,026	77.4%	30.3%
Water Enterprise	2,178,805	-	2,178,805	968,051	-	1,210,754	44.4%	44.4%
Sewer Enterprise	346,903	-	346,903	133,130	-	213,773	38.4%	38.4%
Total Personal Services - Enterprise Funds	2,525,708	-	2,525,708	1,101,181	-	1,424,527	43.6%	43.6%
Other Expenses	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	2,176,126	200,773	2,376,899	971,787	415,937	989,175	58.4%	40.9%
Community Services	680,691	49,221	729,912	143,594	111,261	475,057	34.9%	19.7%
Public Facilities	1,375,450	24,366	1,399,816	293,226	538,365	568,225	59.4%	20.9%
Public Safety - Fire	547,150	41,944	589,094	239,724	112,907	236,463	59.9%	40.7%
Public Safety - Police	1,030,300	52,566	1,082,866	339,761	295,739	447,366	58.7%	31.4%
Public Works	5,635,948	592,513	6,228,461	2,039,498	1,137,104	3,051,859	51.0%	32.7%
Library	659,987	5,506	665,493	304,001	219,241	142,251	78.6%	45.7%
School	17,165,939	530,942	17,696,881	4,809,543	6,990,461	5,896,877	66.7%	27.2%
Technical Schools	740,000	-	740,000	152,312	638,543	(50,855)	106.9%	20.6%
Debt Service	16,873,972	-	16,873,972	9,031,121	-	7,842,851	53.5%	53.5%
Insurance	1,225,921	-	1,225,921	1,011,332	20,000	194,589	84.1%	82.5%
Health Insurance	22,338,257	-	22,338,257	4,898,126	-	17,440,131	21.9%	21.9%
Unemployment	160,000	33,704	193,704	1,950	35,654	156,100	19.4%	1.0%
Retirement	13,610,301	-	13,610,301	13,610,301	-	-	100.0%	100.0%
Reserve Fund	200,000	-	200,000	-	-	200,000	0.0%	0.0%
OPEB Appropriation	1,631,003	-	1,631,003	1,631,003	-	-	100.0%	100.0%
Total Other Expenses - General Fund	86,051,045	1,531,535	87,582,580	39,477,279	10,515,212	37,590,089	57.1%	45.1%
Water Enterprise	3,323,000	1,428,193	4,751,193	2,795,246	1,553,319	402,628	91.5%	58.8%
Sewer Enterprise	2,842,076	291,527	3,133,603	1,480,023	1,337,994	315,586	89.9%	47.2%
Total Other Expenses - Enterprise Funds	6,165,076	1,719,720	7,884,796	4,275,269	2,891,313	718,214	90.9%	54.2%
Total - General Fund	191,893,413	1,600,811	193,494,224	71,519,498	60,434,611	61,540,115	68.2%	37.0%
Total - Enterprise Funds	8,690,784	1,719,720	10,410,504	5,376,450	2,891,313	2,142,741	79.4%	51.6%

Town of Andover
FY 2021 Reserve Account and Compensation Fund
As of 11/30/20

RESERVE FUND

Appropriation by Vote of Town Meeting September 2020	\$ 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

Appropriation by Vote of Town Meeting September 2020	\$ 174,718.00
Transfers by Vote of Town Meeting	0.00
Transfer by Authority of the Select Board	0.00
Available Balance	<u>\$ 174,718.00</u>

Town of Andover
FY 2021 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 11/30/20

	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	School Professional Development Acct 4500
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 6/30/2020	19,146	3,405	33,979	577,945	262,137	33,360	91,147	6,241	7,164	28,950	24,734	0	27,136	52,158	21,600
Expenditures thru 6/30/2020	17,188	7,282	49,253	772,271	313,545	83,745	107,171	0	0	35,829	13,925	0	38,622	23,715	18,881
Balance thru 6/30/2020	16,598	14,081	26,344	227,426	199,511	68,107	176,788	39,290	28,080	23,927	58,090	0	23,942	92,715	2,719
Receipts thru 11/30/2020	12,895	263	26,506	62,336	96,216	17,020	13,154	2,842	504	6,804	8,328	0	4,423	18,675	800
Expenditures thru 11/30/2020	13,048	580	66,083	182,138	61,450	12,873	46,488	0	0	22,806	0	0	7,351	0	240
Balance thru 11/30/2020	16,445	13,764	-13,233	107,624	234,277	72,254	143,454	42,132	28,584	7,925	66,418	0	21,014	111,390	3,279

Spending Authorization Art 7G - ATM 20	\$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	\$50,000
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Y-T-D % Spent	65.24%	2.90%	110.14%	29.14%	15.36%	8.58%	20.66%	0.00%	0.00%	38.01%	0.00%	0.00%	7.35%	0.00%	0.48%
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**Town of Andover
Capital Projects
11/30/2020**

	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>Total Available</u>	
Budget	1,040,000	1,078,000	1,120,000	1,495,643	1,040,000	1,011,600	1,150,000		
Expended	1,040,000	1,078,000	1,117,444	1,489,626	1,019,117	765,624	206		
Encumbered	-	-	2,377	1,500	13,579	97,023	134,329		
Total School CIP	Available	-	-	179	4,517	7,303	148,953	1,015,465	1,176,418
Budget	85,000	112,000	222,000	579,018	487,000	1,044,098	902,108		
Expended	75,550	65,900	159,230	552,378	385,324	545,847	74,927		
Encumbered	9,450	-	-	12,800	6,426	89,651	-		
Total General Government CIP	Available	0	46,100	62,770	13,840	95,250	408,600	827,181	1,453,745
Budget	62,000	-	-	32,214	-	-	-		
Expended	39,976	-	-	28,601	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Youth Services CIP	Available	22,024	-	-	3,613	-	-	-	25,637
Budget	17,000	70,000	50,000	-	-	-	-		
Expended	17,000	66,873	50,000	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Recreation CIP	Available	-	3,127	-	-	-	-	-	3,127
Budget	50,000	25,000	25,000	-	-	10,000	50,000		
Expended	50,000	25,000	25,000	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Library CIP	Available	-	-	-	-	10,000	50,000	60,000	
Budget	550,000	590,000	623,000	800,000	946,000	1,303,000	468,000		
Expended	550,000	588,336	615,094	767,684	851,096.59	664,257.92	1,731		
Encumbered	-	1,650	7,906	12,122	94,903.41	378,369.95	25,267		
Total Facilities CIP	Available	-	14	0	20,194	-	260,372	441,002	721,582
Budget	231,000	285,000	195,000	293,500	250,077	195,000	195,000		
Expended	224,260	284,661	195,000	293,400	248,399	70,180	-		
Encumbered	-	-	-	-	760	15,142	-		
Total Police CIP	Available	6,740	339	-	100	918	109,678	195,000	312,775
Budget	129,000	50,000	20,000	63,500	214,000	-	96,000		
Expended	92,676	37,332	16,623	61,352	201,715	-	96,000		
Encumbered	-	-	-	-	-	-	-		
Total Fire CIP	Available	36,324	12,668	3,378	2,148	12,285	-	-	66,803
Budget	206,000	240,000	285,000	415,000	328,000	400,000	-		
Expended	206,000	234,163	225,018	341,127	323,147	142,421	-		
Encumbered	-	5,838	50,300	27,740	4,312	92,410	-		
Total DPW CIP	Available	-	-	9,682	46,132	541	165,170	-	221,525
Budget	1,330,000	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108		
Expended	1,255,461	1,302,264	1,285,964	2,044,542	2,009,682	1,422,706	172,658		
Encumbered	9,450	7,488	58,206	52,663	106,401	575,572	25,267		
Total Town CIP	Available	65,088	62,248	75,830	86,027	108,994	953,819	1,513,183	2,865,195
Budget	2,370,000	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108		
Expended	2,295,461	2,380,264	2,403,408	3,534,168	3,028,799	2,188,330	172,863		
Encumbered	9,450	7,488	60,583	54,163	119,980	672,595	159,596		
Grand Total	Available	65,088	62,248	76,009	90,545	116,297	1,102,772	2,528,649	4,041,612