



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
Revenue and Expenditure Task Force

From: Hayley Green, Town Accountant/Assistant Finance Director

CC: Andrew Flanagan, Michael Lindstrom, Patrick Lawlor, Donna Walsh, Paul Szymanski,
Janet Wright, Town Website

Date: June 24, 2021

Re: ***FY 2021 Financials***

The attached reports summarize the Town's financial position through May 31, 2021.
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 May 31, 2021.

General Fund

The total general fund receipts of all sources collected through May 31, 2021 are in line with the annual projections through eleven months of the year. However, FY2021 local receipts are approximately \$4.1 million less than FY 2020 collections through the same period of time. Last year we had two large building permits for \$416,000 and \$354,000 and more cash available at the beginning of the year from the Columbia Gas Settlement to earn investment income with better interest rates. The hotel, motel and meals receipts came in lower than prior year, the Town received two FEMA receipts in FY 2020 totaling about \$464,000 from a prior snowstorm, motor vehicle excise bills went out later this year and PILOT payments came in a month earlier last year. Off-set receipts collections are higher than collections through the same period of time last because of recreation programs.

General fund personal services and other expenditures are both consistent with or less than FY 2021 projections through May 2021. Technical Schools charges have come in higher than budgeted, but in June the Finance Committee and Select Board approved a transfer to cover the deficit.

Water Enterprise Fund

The total water enterprise fund collections are better than the annual projections through May 2021, with user charges being \$1.9 million greater than prior year receipts through the same period, due to the drier weather conditions and more people at home during the pandemic, increasing usage over the year.

Water personal services and other expenses are consistent with FY 2021 projections through May 2021. There are some encumbrances pertaining to the increased water

volume being pumped and maintenance of the aging system which may result in a deficit at year end.

Sewer Enterprise Fund

The total sewer enterprise fund collections are consistent with projections through May 2021 and user charges are approximately \$750,000 greater than prior year receipts through the same period. Sewer personal services and other expenses are lower than the FY 2021 projections through May 2021.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. This money has not been used through May 2021.

Compensation Fund

Town Meeting approved a compensation fund balance of \$174,718. This money has not been used through May 2021.

Revolving Accounts

Town Meeting voted to approve 15 revolving funds with a total spending limit of \$1,915,000. In regards to the Health Services Clinics Fund and CD&P Legal Notices, there has been a delay in receipt of flu vaccine reimbursements and we are working to identify expenditures which may be able to be charged to other funds.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation.

Town of Andover
FY 2021 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 5/31/2021 and 5/31/2020

Local Receipts	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
Motor Vehicle Excise	5,445,856	5,235,818	96.1%	5,826,858	5,679,890	97.5%	(381,002)	(444,072)
Hotel/Motel/Meals	1,064,009	842,898	79.2%	2,358,666	2,096,206	88.9%	(1,294,657)	(1,253,308)
Penalties and Interest on Taxes and Excises	480,000	432,839	90.2%	461,500	502,523	108.9%	18,500	(69,684)
Fees	61,000	33,755	55.3%	59,850	58,064	97.0%	1,150	(24,309)
Payments in Lieu of Taxes	430,000	2,016	0.5%	412,000	422,306	102.5%	18,000	(420,290)
Other Departmental Revenues	300,000	312,521	104.2%	250,950	249,468	99.4%	49,050	63,054
Other Departmental Revenues - School Medicare	180,000	141,298	78.5%	366,924	85,055	23.2%	(186,924)	56,244
Non-Recurring Revenues	-	-	0.0%	-	463,884	0.0%	-	(463,884)
Licenses and Permits	2,408,496	2,245,998	93.3%	2,400,000	2,991,337	124.6%	8,496	(745,339)
Fines & Forfeits	227,000	159,439	70.2%	242,000	219,986	90.9%	(15,000)	(60,547)
Investment Income	395,918	233,597	59.0%	631,269	1,094,875	173.4%	(235,351)	(861,279)
Special Assessments	-	1,193	N/A	-	1,247	N/A	-	(54)
Total Estimated Receipts	10,992,279	9,641,372	87.7%	13,010,017	13,864,841	106.6%	(2,017,738)	(4,223,469)

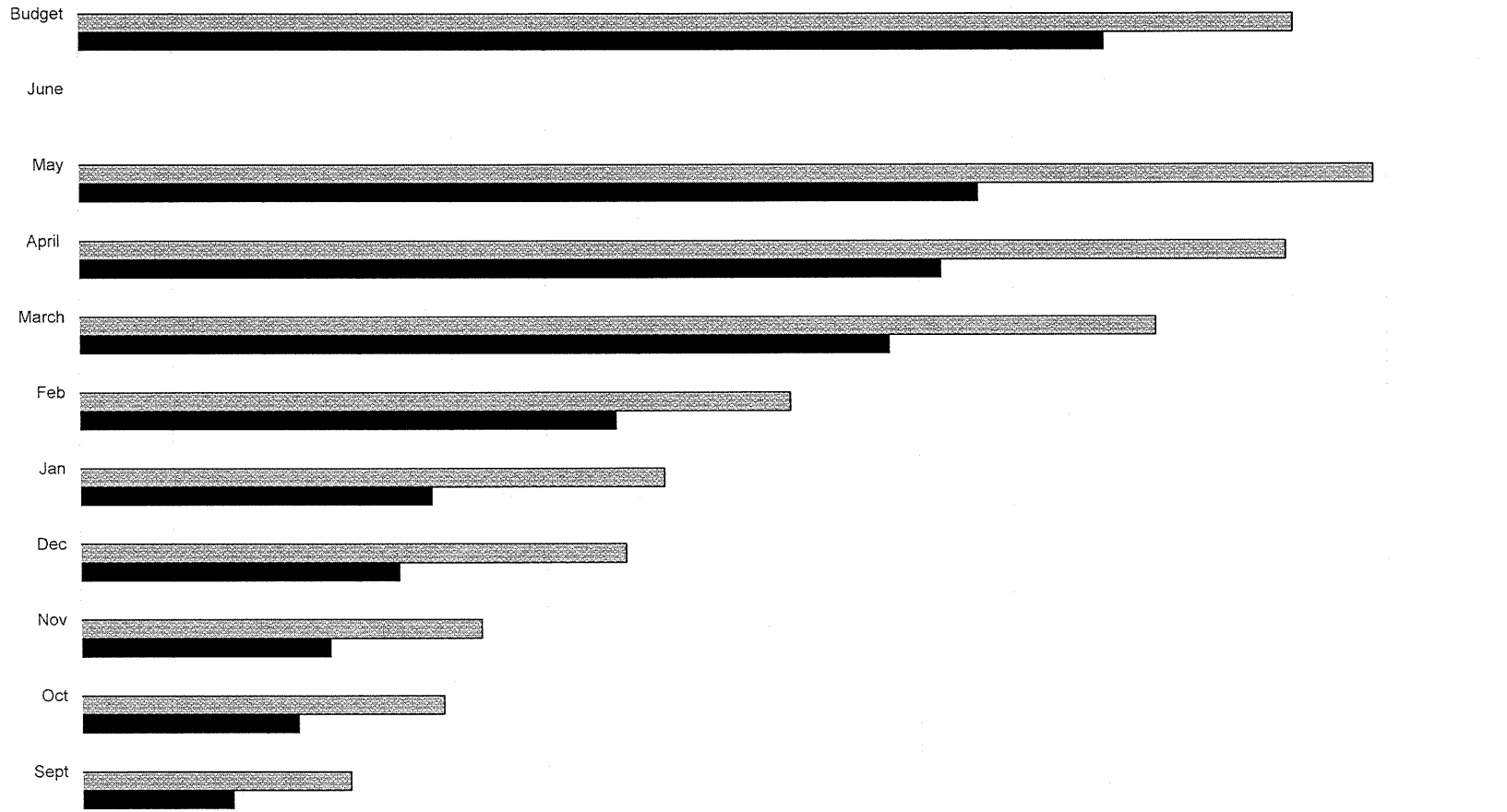
Off-Set Receipts	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	FY 20 Budgeted Receipts	FY 20 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	593,510	610,997	102.9%	583,510	361,869	62.0%	10,000	249,128
Elder Services	106,000	103,666	97.8%	106,000	131,098	123.7%	-	(27,432)
Public Facilities - Rental Receipts	80,000	28,321	35.4%	80,000	62,321	77.9%	-	(33,999)
Cemetery - Interment Fees	60,000	62,671	104.5%	60,000	52,726	87.9%	-	9,945
Public Safety - Police Detail Fees	90,000	60,032	66.7%	90,000	53,617	59.6%	-	6,416
Public Safety / Fire - Ambulance Receipts	1,350,000	1,194,177	88.5%	1,350,000	1,251,417	92.7%	-	(57,240)
Total Off-Set Receipts	2,279,510	2,059,865	90.4%	2,269,510	1,913,048	84.3%	10,000	146,817

Other Revenues	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
Property Taxes (inc. Tax Titles)	159,488,649	158,526,660	99.4%	151,611,876	149,241,099	98.4%	7,876,773	9,285,560
State Aid	13,939,807	12,741,821	91.4%	13,929,158	12,759,348	91.6%	10,649	(17,527)
Total Other Revenues	173,428,456	171,268,481	98.8%	165,541,034	162,000,447	97.9%	7,887,422	9,268,033
Total Revenues	186,700,245	182,969,718	98.0%	180,820,561	177,778,337	98.3%	5,879,684	5,191,382

Town of Andover
FY 2021 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 5/31/2021 and 5/31/2020

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	9,860,417	103.1%	8,511,201	7,974,163	93.7%	1,056,397	1,886,254
Water Connection	41,000	32,079	78.2%	41,000	43,473	106.0%	-	(11,394)
Water Testing Fees	22,000	13,510	61.4%	25,000	18,920	75.7%	(3,000)	(5,410)
Meter Installations	10,000	13,275	132.8%	9,000	7,920	88.0%	1,000	5,355
Fire Flow Test	9,000	7,500	83.3%	9,000	11,706	130.1%	-	(4,206)
Special/Final Reads	25,000	50,393	201.6%	25,000	40,726	162.9%	-	9,667
Backflow/Cross Connection Fees	75,000	57,634	76.8%	75,000	40,690	54.3%	-	16,944
Water Tap	-	1,200	N/A	-	725	N/A	-	475
Liens	120,000	81,996	68.3%	120,000	76,994	64.2%	-	5,002
Fire Suppression	220,000	231,688	105.3%	150,000	214,173	142.8%	70,000	17,515
Interest /Misc Revenue	12,000	18,851	157.1%	-	4,311	N/A	12,000	14,539
Non-Revenue Interest	16,000	10,676	66.7%	19,000	62,107	326.9%	(3,000)	(51,431)
Total Water Receipts	10,117,598	10,379,219	102.6%	8,984,201	8,495,909	94.6%	1,133,397	1,883,310
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	4,386,378	88.4%	4,841,042	3,636,575	75.1%	121,026	749,804
Committed Interest/Income	170,000	202,806	119.3%	235,000	203,032	86.4%	(65,000)	(226)
Liens	55,000	63,728	115.9%	90,000	53,650	59.6%	(35,000)	10,078
Apport Assmnts	445,000	563,921	126.7%	491,400	539,068	109.7%	(46,400)	24,853
State Reimb/Grants	-	8,512	N/A	-	5,586	N/A	-	2,926
Interest /Misc Revenue	-	2,788	N/A	-	4,075	N/A	-	(1,287)
Non-Revenue Interest	48,000	7,428	15.5%	45,046	39,583	87.9%	2,954	(32,155)
Total Sewer Receipts	5,680,068	5,235,562	92.2%	5,702,488	4,481,569	78.6%	(22,420)	753,993
Total Enterprise Revenues	15,797,666	15,614,781	98.8%	14,686,689	12,977,478	88.36%	1,110,977	2,637,303

Town of Andover Local Receipts FY 2021 and FY 2020



	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	\$15 M
■ FY 2020 % of Budget		22.2%	29.9%	33.1%	45.0%	48.1%	58.5%	88.6%	99.3%	106.6%	0.0%					
■ FY 2021 % of Budget		14.9%	21.3%	24.4%	31.2%	34.4%	52.3%	79.0%	84.1%	87.7%	0.0%					
■ FY 2020 Receipts		\$2,892,581	\$3,894,457	\$4,301,255	\$5,848,439	\$6,263,615	\$7,614,962	\$11,532,929	\$12,923,852	\$13,864,841					\$13,010,017	
■ FY 2021 Receipts		\$1,634,729	\$2,338,674	\$2,684,758	\$3,432,465	\$3,782,616	\$5,753,610	\$8,687,870	\$9,242,034	\$9,641,372					\$10,992,279	

Town of Andover
FY 2021 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 5/31/2021

	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	6,950,662	26,831	6,977,493	6,087,752	-	889,741	87.2%	87.2%
Community Services	1,808,992	-	1,808,992	1,566,282	-	242,710	86.6%	86.6%
Public Facilities	2,453,849	-	2,453,849	2,087,169	-	366,680	85.1%	85.1%
Public Safety - Fire	8,431,428	14,115	8,445,543	7,606,535	-	839,008	90.1%	90.1%
Public Safety - Police	7,966,037	14,839	7,980,876	6,945,252	-	1,035,624	87.0%	87.0%
Public Works	3,720,378	13,491	3,733,869	3,427,730	-	306,139	91.8%	91.8%
Library	2,255,543	-	2,255,543	1,887,819	-	367,724	83.7%	83.7%
School	72,080,761	-	72,080,761	56,078,561	14,527,120	1,475,080	98.0%	77.8%
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	85,687,100	14,527,120	5,697,424	94.6%	80.9%
Water Enterprise	2,178,805	-	2,178,805	2,026,409	-	152,396	93.0%	93.0%
Sewer Enterprise	346,903	-	346,903	293,883	-	53,020	84.7%	84.7%
Total Personal Services - Enterprise Funds	2,525,708	-	2,525,708	2,320,291	-	205,417	91.9%	91.9%
Other Expenses								
General Government	2,176,126	200,773	2,376,899	1,803,047	203,428	370,425	84.4%	75.9%
Community Services	680,691	49,221	729,912	386,805	83,567	259,540	64.4%	53.0%
Public Facilities	1,375,450	24,366	1,399,816	872,715	431,315	95,787	93.2%	62.3%
Public Safety - Fire	547,150	41,944	589,094	486,766	73,562	28,765	95.1%	82.6%
Public Safety - Police	1,030,300	52,566	1,082,866	710,251	217,850	154,765	85.7%	65.6%
Public Works	5,635,948	592,513	6,228,461	5,068,185	1,109,629	50,647	99.2%	81.4%
Library	659,987	5,506	665,493	505,669	98,189	61,635	90.7%	76.0%
School	17,165,939	530,942	17,696,881	12,968,729	3,251,143	1,477,009	91.7%	73.3%
Technical Schools	740,000	-	740,000	768,834	-	(28,834)	103.9%	103.9%
Debt Service	16,873,972	-	16,873,972	15,195,938	-	1,678,034	90.1%	90.1%
Insurance	1,225,921	-	1,225,921	1,050,800	17,373	157,748	87.1%	85.7%
Health Insurance	22,338,257	-	22,338,257	14,242,084	-	8,096,173	63.8%	63.8%
Unemployment	160,000	33,704	193,704	3,900	33,704	156,100	19.4%	2.0%
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	69,305,027	5,519,759	12,757,794	85.4%	79.1%
Water Enterprise	3,323,000	1,428,193	4,751,193	4,091,092	726,795	(66,694)	101.4%	86.1%
Sewer Enterprise	2,842,076	291,527	3,133,603	2,297,145	138,413	698,046	77.7%	73.3%
Total Other Expenses - Enterprise Funds	6,165,076	1,719,720	7,884,796	6,388,237	865,208	631,351	92.0%	81.0%
Total - General Fund	191,893,413	1,600,811	193,494,224	154,992,127	20,046,879	18,455,219	90.5%	80.1%
Total - Enterprise Funds	8,690,784	1,719,720	10,410,504	8,708,528	865,208	836,768	92.0%	83.7%

Town of Andover
FY 2021 Reserve Account and Compensation Fund
As of 5/31/21

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 5/31/21

	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 5/31/2021	27,685	10,376	39,960	521,887	330,199	60,595	36,879	6,853	990	26,711	26,584	0	6,732	52,568	800
Expenditures thru 5/31/2021	23,077	619	65,491	355,972	163,856	13,260	100,219	0	0	35,242	8,000	0	7,594	4,554	240
Balance thru 5/31/2021	21,206	23,839	814	393,340	365,854	115,441	113,447	46,143	29,070	15,396	76,675	0	23,081	140,730	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
Y-T-D % Spent	115.39%	3.09%	109.15%	56.96%	40.96%	8.84%	44.54%	0.00%	0.00%	58.74%	20.00%	0.00%	7.59%	4.55%	0.48%

**Town of Andover
Capital Projects
5/31/2021**

	<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	1,022,502	851,743	237,206		
Encumbered	-	-	2,377	1,500	17,498	107,217	249,427		
Total School CIP	Available	-	-	179	4,517	-	52,640	663,367	720,701
Budget	85,000	112,000	222,000	579,018	487,000	1,044,098	902,108		
Expended	76,132	65,900	173,372	553,143	387,116	606,413	190,490		
Encumbered	8,868	-	-	9,300	6,426	62,573	216,531		
Total General Government CIP	Available	-	46,100	48,628	16,575	93,458	375,112	495,087	1,074,964
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	589,985	620,502	778,446	900,768	1,054,213	167,234		
Encumbered	-	-	-	1,355	45,216	207,803	54,750		
Total Facilities CIP	Available	-	15	2,498	20,199	16	40,984	246,016	309,728
Budget	231,000	285,000	195,000	293,500	250,077	195,000	195,000		
Expended	227,563	284,758	195,000	293,400	249,159	193,298	27,389		
Encumbered	1,189	-	-	-	-	1,702	140,204		
Total Police CIP	Available	2,248	242	-	100	918	-	27,407	30,916
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	-	-	3,378	-	-	-	-		
Total Fire CIP	Available	36,324	12,668	-	2,148	12,285	-	-	63,425
Budget	206,000	240,000	285,000	415,000	328,000	400,000	-		
Expended	206,000	234,163	225,018	350,422	323,147	250,164	-		
Encumbered	-	5,838	50,352	13,230	4,312	149,836	-		
Total DPW CIP	Available	-	-	9,631	51,348	541	-	-	61,519
Budget	1,330,000	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108		
Expended	1,259,347	1,304,009	1,305,514	2,065,365	2,061,906	2,104,088	481,112		
Encumbered	10,057	5,838	53,729	23,885	55,954	421,913	411,485		
Total Town CIP	Available	60,596	62,153	60,756	93,982	107,218	426,096	818,510	1,629,317
Budget	2,370,000	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108		
Expended	2,299,347	2,382,009	2,422,959	3,554,990	3,084,407	2,955,831	718,318		
Encumbered	10,057	5,838	56,106	25,385	73,452	529,130	660,912		
Grand Total	Available	60,596	62,153	60,935	98,500	107,218	478,737	1,481,878	2,350,018