

# TOWN OF ANDOVER



Town Accountant's Office  
36 Bartlet Street  
Andover, Massachusetts 01810  
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To: The Andover Board of Selectmen  
The Finance Committee  
Superintendent of Schools  
Andover School Committee

From: Hayley Green *AG*

CC: Andrew Flanagan, John Mangiaratti, Donna Walsh, Paul Szymanski,  
Janet Wright, Tom Watkins, Accounting File

Date: April 25, 2017

Re: ***FY 2017 Financials***

The attached reports summarize the Town's financial position through February 28, 2017. 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 Project(s) status – FY 10 – FY17

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

# Executive Summary **FY** **2017**

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The attached reports of the Town Accountant summarize FY 2017 General Fund Revenues and Expenditures through February 28, 2017.

## **General Fund – Revenues**

FY 2017 Total General Fund Collections of all sources collected through February 2017 are consistent with total FY 2016 receipts collected through the same period of time. License and Permit fees collected continue to outpace projections and are approximately \$447,000 or 28% greater than last year's collections through the same period of time. Collections from hotel/motel/meals, and penalties and interest also increased from prior year by approximately \$137,000 and \$102,000, respectively. These large increases, however, were partially offset by a decrease of \$183,000 in motor vehicle excise due to timing and decreases in various other revenue collections due to timing.

## **General Fund – Personal Services**

FY 2017 General Fund Personal Services are consistent with FY 2017 projections through February 2017.

## **General Fund – Other Expenses**

FY 2017 General Fund Other Expenses are consistent with FY 2017 projections through February 2017.

# Executive Summary **FY** **2017**

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The attached reports of the Town Accountant summarize FY 2017 Water and Sewer Revenues and Expenditures through February 28, 2017.

## **Water Enterprise Fund – Revenues**

FY 2017 Total Water Receipts are approximately \$443,000 or 7.7% less than FY 2016 receipts collected through the same period of time. This is the result of delayed billing as the Town re-sections customers and changes the frequency of billing from biannually to quarterly.

## **Sewer Enterprise Fund– Revenues**

FY 2017 Total Sewer Receipts are approximately \$171,000 or 5.5% less than FY 2016 actuals collected through the same period of time. This is primarily the result of lower than expected receipts for apportioned assessments.

## **Water Enterprise Fund – Personal Services and Other Expenses**

FY 2017 Water Enterprise Fund Personal Services are consistent with FY 2017 projections through February 2017.

FY 2017 Water Enterprise Fund Other Expenses are consistent with FY 2017 projections through February 2017.

## **Sewer Enterprise Fund – Personal Services and Other Expenses**

FY 2017 Sewer Enterprise Personal Services are consistent with FY 2017 projections through February 2017.

FY 2017 Sewer Enterprise Fund Other Expenses are consistent with FY 2017 projections through February 2017.

**Town of Andover**  
**FY 2017 General Fund Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 2/28/2017 and 2/28/2016**

	FY 17 Estimated Receipts	FY 17 YTD Revenues	% Collected	FY 16 Estimated Receipts	FY 16 YTD Revenues	% Collected
<b>Estimated Receipts</b>						
Motor Vehicle Excise	5,000,000	818,308	16.4%	4,845,000	1,001,432	20.7%
Hotel/Motel/Meals	2,100,000	1,521,967	72.5%	2,055,300	1,385,419	67.4%
Penalties and Interest on Taxes and Excises	430,000	281,498	65.5%	400,000	179,065	44.8%
Fees	78,500	62,223	79.3%	50,000	79,211	158.4%
Payments in Lieu of Taxes	250,000	-	0.0%	176,750	-	0.0%
Departmental Revenue - Libraries	1,500	290	19.3%	6,000	1,557	25.9%
Other Department Revenues	230,000	168,455	73.2%	230,000	221,194	96.2%
Other Department Revenues - School Medicare	300,000	90,609	30.2%	270,000	142,127	52.6%
Licenses and Permits	2,237,000	2,035,005	91.0%	1,991,000	1,588,120	79.8%
Fines & Forfeits	300,000	161,040	53.7%	331,000	186,623	56.4%
Investment Income	70,428	80,063	113.7%	50,000	62,582	125.2%
Special Assessments	-	2,005	0.0%	-	2,885	0.0%
<b>Total Estimated Receipts</b>	<b>10,997,428</b>	<b>5,221,462</b>	<b>47.5%</b>	<b>10,405,050</b>	<b>4,850,216</b>	<b>46.6%</b>

	FY 17 Estimated Receipts	FY 17 YTD Revenues	% Collected	FY 16 Estimated Receipts	FY 16 YTD Revenues	% Collected
<b>Off-Set Receipts</b>						
Recreation	550,000	290,981	52.9%	520,000	217,312	41.8%
Elder Services	97,000	66,334	68.4%	97,000	63,627	65.6%
Plant & Facilities - Rental Receipts	52,000	57,606	110.8%	70,000	65,012	92.9%
Public Safety - Police Detail Fees	75,000	54,303	72.4%	80,000	73,601	92.0%
Cemetery - Interment Fees	46,000	47,991	104.3%	46,000	41,855	91.0%
Public Safety / Fire - Ambulance Receipts	1,250,000	864,724	69.2%	1,300,000	924,893	71.1%
<b>Total Off-Set Receipts</b>	<b>2,070,000</b>	<b>1,381,938</b>	<b>66.8%</b>	<b>2,113,000</b>	<b>1,386,299</b>	<b>65.6%</b>

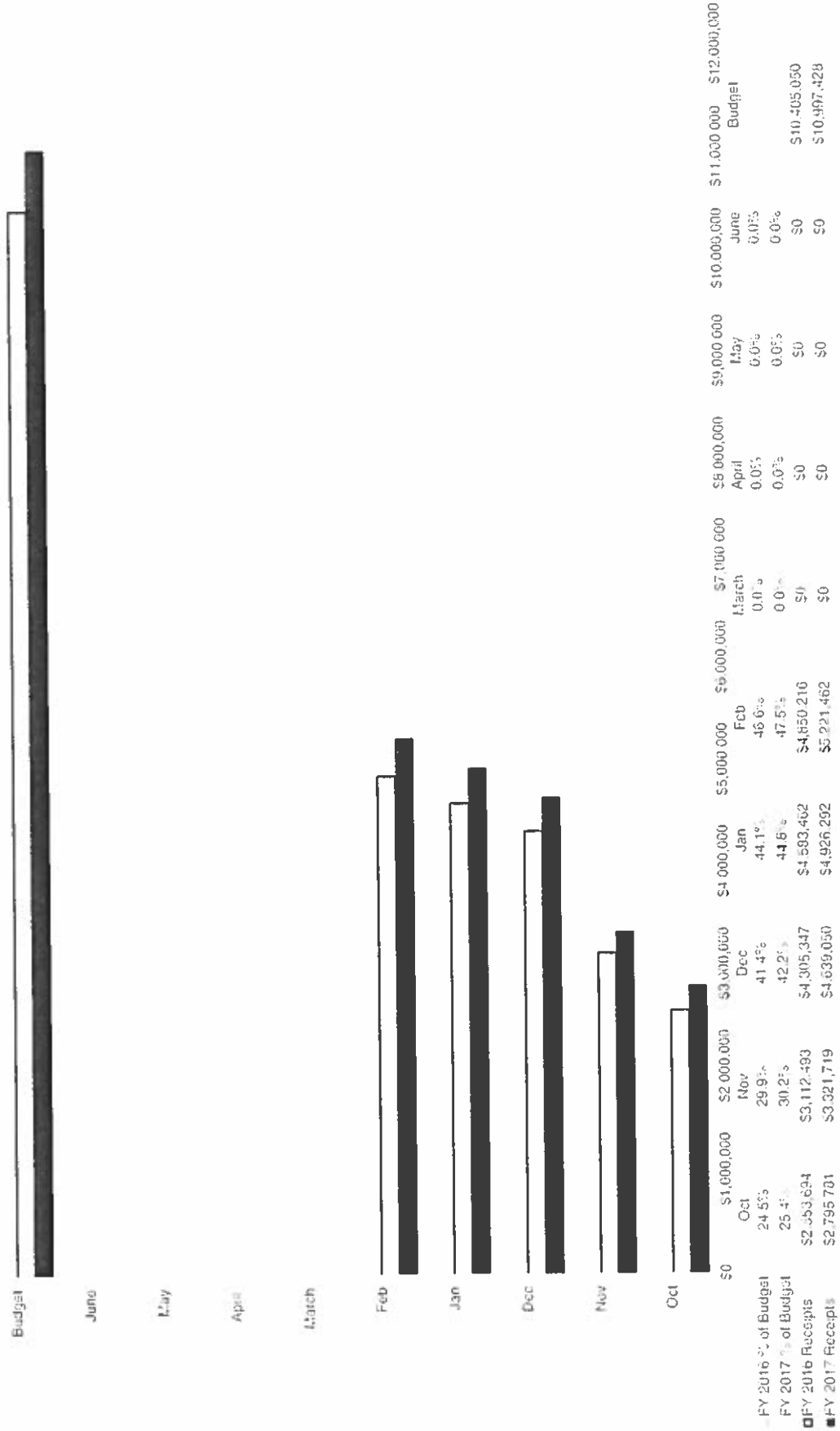
	FY 17 Estimated Receipts	FY 17 YTD Revenues	% Collected	FY 16 Estimated Receipts	FY 16 YTD Revenues	% Collected
<b>Other Revenues</b>						
Property Taxes (inc. Tax Titles)	132,983,361	98,964,208	74.4%	127,696,871	93,763,051	73.4%
State Aid	12,964,455	7,893,108	60.9%	12,724,402	7,884,035	62.0%
<b>Total Other Revenues</b>	<b>145,947,816</b>	<b>106,857,316</b>	<b>73.2%</b>	<b>140,421,273</b>	<b>101,647,086</b>	<b>72.4%</b>
<b>Total Revenues</b>	<b>159,015,244</b>	<b>113,460,716</b>	<b>71.4%</b>	<b>152,939,323</b>	<b>107,883,601</b>	<b>70.5%</b>

**Town of Andover**  
**FY 2017 Enterprise Funds Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 2/28/2017 and 2/28/2016**

<b>Water Fund</b>	<b>FY 17 Estimated Receipts</b>	<b>FY 17 YTD Revenues</b>	<b>% Collected</b>	<b>FY 16 Estimated Receipts</b>	<b>FY 16 YTD Revenues</b>	<b>% Collected</b>
User Charges	7,561,281	5,049,339	66.8%	7,035,000	5,500,132	78.2%
Water Connection	40,000	50,297	125.7%	10,000	16,154	161.5%
Water Testing Fees	22,000	11,920	54.2%	17,000	19,255	113.3%
Meter Installations	12,000	11,290	94.1%	7,000	6,750	96.4%
Fire Flow Test	6,000	6,000	100.0%	6,000	5,000	83.3%
Special/Final Reads	27,000	20,831	77.2%	23,000	21,190	92.1%
Backflow/Cross Connection Fees	75,000	43,805	58.4%	75,000	38,415	51.2%
Water Tap	-	1,825	0.0%	-	750	0.0%
Liens	120,000	62,602	52.2%	100,000	105,742	105.7%
Fire Suppression	350,000	41,876	12.0%	45,000	26,270	0.0%
Interest /Misc Revenue	28,000	1,657	0.0%	27,000	4,831	17.9%
<b>Total Water Receipts</b>	<b>8,241,281</b>	<b>5,301,442</b>	<b>64.3%</b>	<b>7,345,000</b>	<b>5,744,488</b>	<b>78.2%</b>

<b>Sewer Fund</b>	<b>FY 17 Estimated Receipts</b>	<b>FY 17 YTD Revenues</b>	<b>% Collected</b>	<b>FY 16 Estimated Receipts</b>	<b>FY 16 YTD Revenues</b>	<b>% Collected</b>
User Charges	4,463,647	2,298,308	51.5%	3,969,000	2,300,005	57.9%
Committed Interest/Income	328,000	176,302	53.8%	369,000	208,464	56.5%
Liens	90,000	39,336	43.7%	90,000	73,576	81.8%
Apport Assmnts	678,000	409,836	60.4%	698,000	509,676	73.0%
Interest /Misc Revenue	15,000	2,216	14.8%	12,000	5,537	46.1%
Non-Rvenue Interest	15,000	371	2.5%	10,000	657	6.6%
<b>Total Sewer Receipts</b>	<b>5,589,647</b>	<b>2,926,368</b>	<b>52.4%</b>	<b>5,148,000</b>	<b>3,097,915</b>	<b>60.2%</b>
<b>Total Enterprise Revenues</b>	<b>13,830,928</b>	<b>8,227,810</b>	<b>59.5%</b>	<b>12,493,000</b>	<b>8,842,402</b>	<b>70.78%</b>

# Town of Andover Local Receipts FY 2017 and FY 2016



**Town of Andover**  
**FY 2017 Year-To-Date Budget Report**

**Personal Services and Other Expenditures thru 2/28/2017**

Personal Services	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
General Government	5,607,901	339,699	5,947,600	3,699,222	0	2,248,378	62.2%	62.2%
Recreation, Youth & Elder Services	1,419,478	81,061	1,500,539	1,008,819	0	491,720	67.2%	67.2%
Plant & Facilities	2,499,678	84,500	2,584,178	1,586,745	0	997,433	61.4%	61.4%
Public Safety - Fire	6,998,718	8,682	7,007,400	4,387,948	0	2,619,452	62.6%	62.6%
Public Safety - Police	7,328,601	91,000	7,419,601	4,519,908	0	2,899,693	60.9%	60.9%
Public Works	2,699,251	82,500	2,781,751	1,852,094	0	929,657	66.6%	66.6%
Library	1,996,922	79,088	2,076,010	1,216,529	0	859,481	58.6%	58.6%
School	62,088,111	-224,984	61,863,127	31,579,354	0	30,283,773	51.0%	51.0%
Compensation Fund	1,110,000	-497,500	612,500	0	0	612,500	0.0%	0.0%
<b>Total Personal Services - General Fund</b>	<b>91,748,660</b>	<b>44,046</b>	<b>91,792,706</b>	<b>49,850,619</b>	<b>0</b>	<b>41,942,087</b>	<b>54.3%</b>	<b>54.3%</b>
Water Enterprise	1,910,789	10,327	1,921,116	1,269,280	0	651,836	66.1%	66.1%
Sewer Enterprise	297,869	0	297,869	190,390	0	107,479	63.9%	63.9%
<b>Total Personal Services - Enterprise Funds</b>	<b>2,208,658</b>	<b>10,327</b>	<b>2,218,985</b>	<b>1,459,670</b>	<b>0</b>	<b>759,315</b>	<b>65.8%</b>	<b>65.8%</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	2,170,854	83,795	2,254,649	1,291,867	190,500	772,282	57.3%	57.3%
Recreation, Youth & Elder Services	523,570	4,205	527,775	321,955	77,050	128,770	61.0%	61.0%
Plant & Facilities	1,483,825	61,666	1,545,491	790,135	425,728	329,628	51.1%	51.1%
Public Safety - Fire	498,338	22,321	520,659	291,360	59,637	169,662	56.0%	56.0%
Public Safety - Police	1,119,526	86,250	1,205,776	584,527	160,212	401,037	48.5%	48.5%
Public Works	4,444,154	456,676	4,900,830	3,154,831	1,345,926	400,073	64.4%	64.4%
Library	671,575	1,045	672,620	442,605	177,524	52,492	65.8%	65.8%
School	14,011,092	688,725	14,699,817	7,755,580	6,572,105	372,132	52.8%	52.8%
Technical Schools	610,000	0	610,000	399,865	178,915	31,220	65.6%	65.6%
Debt Service	14,790,395	0	14,790,395	12,226,254	0	2,564,141	82.7%	82.7%
Insurance	783,831	0	783,831	727,159	10,208	46,464	92.8%	92.8%
Health Insurance	17,905,037	0	17,905,037	11,197,095	0	6,707,942	62.5%	62.5%
Unemployment	160,000	0	160,000	0	0	160,000	0.0%	0.0%
Retirement	8,360,984	16,724	8,377,708	8,598,420	0	-220,712	102.6%	102.6%
Reserve Fund	200,000	0	200,000	0	0	200,000	0.0%	0.0%
OPEB Appropriation	1,127,572	0	1,127,572	1,127,572	0	0	100.0%	100.0%
<b>Total Other Expenses - General Fund</b>	<b>68,860,753</b>	<b>1,421,406</b>	<b>70,282,159</b>	<b>48,909,224</b>	<b>9,197,805</b>	<b>12,175,131</b>	<b>82.7%</b>	<b>82.7%</b>
Water Enterprise	3,015,300	538,494	3,553,794	2,184,691	757,970	611,133	61.5%	61.5%
Sewer Enterprise	2,376,030	110,673	2,486,703	1,521,786	828,190	136,727	61.2%	61.2%
<b>Total Other Expenses - Enterprise Funds</b>	<b>5,391,330</b>	<b>649,167</b>	<b>6,040,977</b>	<b>3,706,477</b>	<b>1,586,160</b>	<b>747,860</b>	<b>87.6%</b>	<b>87.6%</b>
<b>Total - General Fund</b>	<b>160,609,413</b>	<b>1,465,453</b>	<b>162,074,866</b>	<b>98,759,843</b>	<b>9,197,805</b>	<b>54,117,218</b>	<b>66.6%</b>	<b>66.6%</b>
<b>Total - Enterprise Funds</b>	<b>7,599,988</b>	<b>659,494</b>	<b>8,259,482</b>	<b>5,166,147</b>	<b>1,586,160</b>	<b>1,507,175</b>	<b>81.8%</b>	<b>81.8%</b>
<b>Total General and Enterprise Funds</b>	<b>168,209,401</b>	<b>2,124,946</b>	<b>170,334,347</b>	<b>103,925,990</b>	<b>10,783,964</b>	<b>55,624,393</b>	<b>67.3%</b>	<b>67.3%</b>

**Town of Andover**  
**FY 2017 Reserve Account and Compensation Fund**  
**As of 2/28/2017**

**RESERVE FUND**

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Appropriation by Vote of Town Meeting May 2016	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**

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Appropriation by Vote of Town Meeting May 2016	1,110,000.00
Transfers by Vote of Town Meeting	0.00
Transfer by Authority of the Board of Selectmen	497,500.00
Available Balance	<u>612,500.00</u>



**Town of Andover**  
**FY 2017 Revolving Accounts**  
**(M.G.L. CH. 44, § 53 E1/2)**  
**As of 2/28/2017**

	CD & P Legal Notices	Library Lost/Damaged Materials	CD & P Health Services Clinics	DCS Special Services	Youth Services	P & F Field Maintenance	Elder Services	Police Antenna Uses	School Photocopy Fees	P & F Compost Program	DPW Solid Waste Fees	CD & P Stormwater Management	Fire Emergency Billing	Health Services Inspections
	Acct 5550	Acct 5631	Acct 5557	Acct 5552	Acct 5553	Acct 5622	Acct 5554	Acct 5653	Acct 4510	Acct 5666	Acct 5667	Acct 5668	Acct 5669	Acct 5670
Balance thru 6/30/2015	12,373	19,879	24,515	331,766	254,528	125,385	121,867	32,146	16,099	23,060	22,028	0	49,346	N/A
Receipts thru 6/30/2016	16,315	4,895	67,657	454,538	327,625	82,742	183,716	6,222	2,496	44,891	11,965	0	32,759	0
Expenditures thru 6/30/2016	14,588	7,972	55,823	421,678	400,000	25,508	138,556	0	0	34,821	16,258	0	70,538	0
Balance thru 6/30/2016	14,099	16,801	36,349	364,626	182,153	182,619	167,027	38,367	18,595	33,130	17,735	0	11,567	0
Receipts thru 2/28/2017	11,625	2,515	22,353	189,432	250,547	24,730	98,971	0	1,712	7,861	9,041	0	19,742	2,275
Expenditures thru 2/28/2017	10,250	6,088	47,332	270,482	220,336	45,656	84,363	0	512	15,608	7,536	0	22,065	0
Balance thru 2/28/2017	15,474	13,228	11,370	283,575	212,364	161,693	181,634	38,367	19,796	25,383	19,240	0	9,244	2,275

Spending Authorization Art 16 - ATM 2016	\$20,000	\$20,000	\$60,000	\$625,000	\$400,000	\$100,000	\$225,000	\$50,000	\$10,000	\$60,000	\$40,000	\$5,000	\$100,000	\$75,000
Y-T-D % Spent	51.25%	30.44%	78.89%	43.28%	55.08%	45.66%	37.49%	0.00%	5.12%	26.01%	18.84%	0.00%	22.06%	0.00%

**Town of Andover  
Capital Projects  
2/28/2017**

	<u>FY10</u>	<u>FY11</u>	<u>FY12</u>	<u>FY13</u>	<u>FY14</u>	<u>FY15</u>	<u>FY16</u>	<u>FY17</u>	<u>Total Available</u>	
Budget	520,400	520,400	520,800	912,500	1,003,000	1,040,000	1,078,000	1,120,000		
Expended	520,290	519,381	519,356	904,686	978,953	936,425	684,755	288,267		
Encumbered	-	-	-	6,670	17,281	46,189	27,575	127,578		
<b>Total School CIP</b>	<b>Available</b>	<b>110</b>	<b>1,019</b>	<b>1,444</b>	<b>1,144</b>	<b>6,766</b>	<b>57,386</b>	<b>365,670</b>	<b>704,156</b>	<b>1,137,694</b>
Budget	57,600	57,600	75,000	145,000	70,000	85,000	112,000	222,000		
Expended	57,600	34,558	65,564	117,703	67,648	8,363	5,100	122,061		
Encumbered	-	-	-	2,048	2,352	21,549	-	-		
<b>Total General Government CIP</b>	<b>Available</b>	<b>-</b>	<b>23,042</b>	<b>9,436</b>	<b>25,250</b>	<b>-</b>	<b>55,088</b>	<b>106,900</b>	<b>99,939</b>	<b>319,656</b>
Budget						62,000	-	-		
Expended						36,684	-	-		
Encumbered						8,534	-	-		
<b>Total Youth Services CIP</b>	<b>Available</b>					<b>16,782</b>	<b>-</b>	<b>-</b>		<b>16,782</b>
Budget	-	-	10,000	25,000	21,100	17,000	70,000	50,000		
Expended	-	-	7,596	24,744	21,100	17,000	66,873	18,831		
Encumbered	-	-	-	-	-	-	2,000	-		
<b>Total Recreation CIP</b>	<b>Available</b>	<b>-</b>	<b>2,404</b>	<b>256</b>	<b>-</b>	<b>-</b>	<b>1,127</b>	<b>31,169</b>		<b>34,956</b>
Budget	-	-	-	65,000	79,000	50,000	25,000	25,000		
Expended	-	-	-	65,000	79,000	50,000	20,933	23,423		
Encumbered	-	-	-	-	-	-	-	-		
<b>Total Library CIP</b>	<b>Available</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4,067</b>	<b>1,577</b>		<b>5,645</b>
Budget	365,000	355,500	319,600	375,000	589,400	550,000	590,000	623,000		
Expended	353,940	353,534	317,159	364,253	581,783	541,819	484,290	201,618		
Encumbered	9,900	1,878	2,441	2,565	2,381	8,181	38,538	30,159		
<b>Total P&amp;F CIP</b>	<b>Available</b>	<b>1,160</b>	<b>88</b>	<b>-</b>	<b>8,182</b>	<b>5,237</b>	<b>-</b>	<b>67,172</b>	<b>391,223</b>	<b>473,062</b>
Budget	110,000	110,000	125,000	225,500	215,500	281,000	285,000	195,000		
Expended	110,000	110,000	125,000	165,840	212,679	241,175	216,507	-		
Encumbered	-	-	-	-	-	-	3,097	-		
<b>Total Police CIP</b>	<b>Available</b>	<b>-</b>	<b>-</b>	<b>59,660</b>	<b>2,821</b>	<b>39,825</b>	<b>65,397</b>	<b>195,000</b>		<b>362,703</b>
Budget	86,000	97,500	70,000	82,000	142,000	79,000	50,000	20,000		
Expended	86,000	97,500	69,967	66,800	131,133	20,455	37,332	16,623		
Encumbered	-	-	-	-	-	-	-	-		
<b>Total Fire CIP</b>	<b>Available</b>	<b>-</b>	<b>-</b>	<b>33</b>	<b>15,200</b>	<b>10,867</b>	<b>58,545</b>	<b>12,668</b>	<b>3,378</b>	<b>100,691</b>
Budget	107,000	105,000	75,000	190,000	160,000	206,000	240,000	285,000		
Expended	107,000	106,580	75,000	181,477	144,052	205,703	104,395	-		
Encumbered	-	-	-	-	-	-	61,483	41,123		
<b>Total DPW CIP</b>	<b>Available</b>	<b>-</b>	<b>(1,580)</b>	<b>-</b>	<b>8,523</b>	<b>15,948</b>	<b>297</b>	<b>74,123</b>	<b>243,877</b>	<b>341,187</b>
Budget	725,600	725,600	674,600	1,107,500	1,277,000	1,330,000	1,372,000	1,420,000		
Expended	714,540	702,172	660,286	985,817	1,237,395	1,121,198	935,428	382,555		
Encumbered	9,900	1,878	2,441	4,613	4,732	38,264	105,118	71,282		
<b>Total Town CIP</b>	<b>Available</b>	<b>1,160</b>	<b>21,550</b>	<b>11,873</b>	<b>117,070</b>	<b>34,873</b>	<b>170,538</b>	<b>331,454</b>	<b>966,164</b>	<b>1,654,682</b>
Budget	1,246,000	1,246,000	1,195,400	2,020,000	2,280,000	2,370,000	2,450,000	2,540,000		
Expended	1,234,831	1,221,553	1,179,643	1,890,503	2,216,348	2,057,623	1,620,183	670,821		
Encumbered	9,900	1,878	2,441	11,283	22,013	84,452	132,693	198,860		
<b>Grand Total</b>	<b>Available</b>	<b>1,269</b>	<b>22,569</b>	<b>13,316</b>	<b>118,214</b>	<b>41,639</b>	<b>227,925</b>	<b>697,124</b>	<b>1,670,319</b>	<b>2,792,376</b>