



TOWN OF ANDOVER

FISCAL YEAR 2020 BUDGET OVERVIEW

Andrew P. Flanagan, Town Manager

February 11, 2019

GFOA BUDGET RECOGNITION



TOWN OF
ANDOVER
MASSACHUSETTS



The Government Finance Officers Association
of the United States and Canada

presents this

CERTIFICATE OF RECOGNITION FOR BUDGET PREPARATION

to

Andrew P. Flanagan, Town Manager
Town of Andover, Massachusetts



The Certificate of Recognition for Budget Preparation is presented by the Government Finance Officers Association to those individuals who have been instrumental in their government unit achieving a Distinguished Budget Presentation Award. The Distinguished Budget Presentation Award, which is the highest award in governmental budgeting, is presented to those government units whose budgets are judged to adhere to program standards.

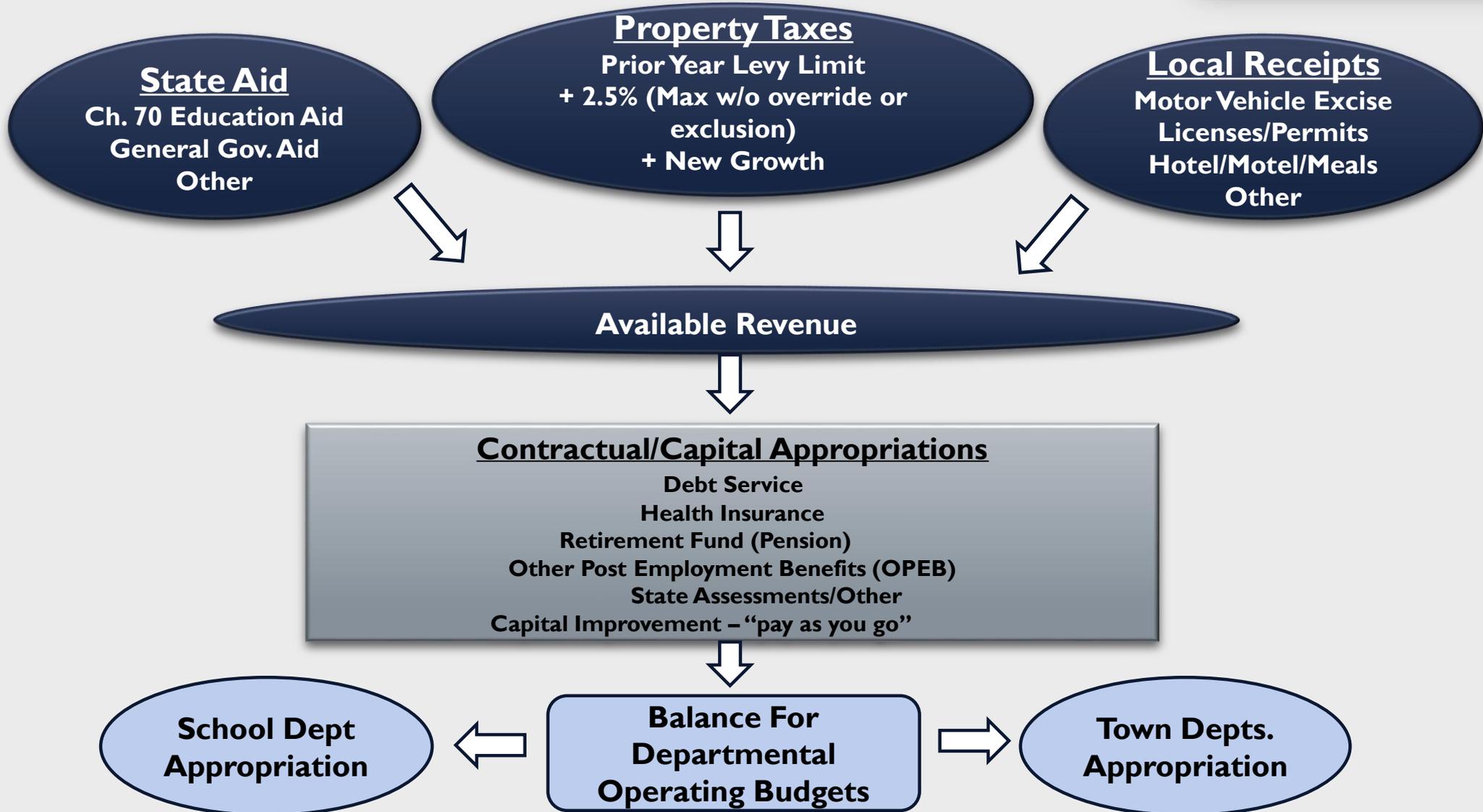
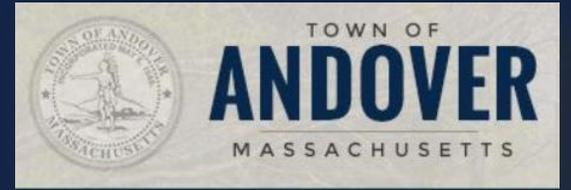
Executive Director

Christopher P. Morill

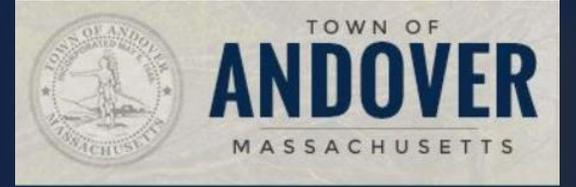
Date **January 17, 2018**

TOWN OF ANDOVER BUDGET MODEL

(EXCLUDING WATER/SEWER/OFFSET LOCAL RECEIPTS)

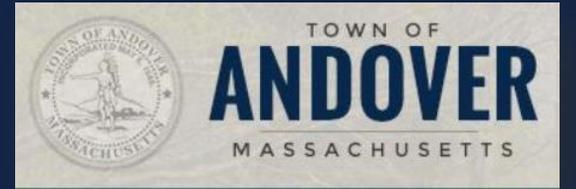


FY2020 BUDGET HIGHLIGHTS



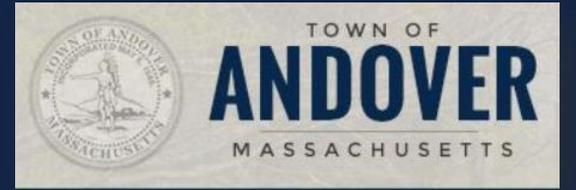
- FY2020 Recommended Budget: \$201,175,383
 - *Increase of 3.52% or \$1,429,100 for Town Departments*
 - *Increase of 3.75% or \$3,094,150 for the School Department*
- Consistent with the Long Range Financial Plan
- Budget is consistent with the strategic goals of the Town Manager and Board of Selectmen

TOWN MANAGER'S RECOMMENDED BUDGET REVENUES



	FY2019	FY2020		
<u>REVENUES</u>	Approved	Recommended	\$ Change	% Change
Property Taxes	\$141,467,385	\$148,337,563	\$6,870,178	4.86%
Addtl. Taxes - Debt Exclusion	\$3,902,896	\$3,782,989	(\$119,907)	-3.08%
State Aid	\$12,830,454	\$13,751,378	\$920,924	7.18%
General Local Revenues	\$12,250,042	\$13,010,017	\$759,975	6.21%
Water & Sewer Enterprises	\$14,556,160	\$15,083,739	\$527,579	3.63%
Offset Dept Revenues	\$2,219,510	\$2,273,992	\$54,482	2.46%
Other Avail. Funds - Budget	\$439,520	\$436,923	(\$2,597)	.0059%
Other Avail. Funds - Articles	\$1,366,206	\$1,498,782	\$132,576	9.71%
Free Cash	\$4,714,000	\$3,000,000	(\$1,714,000)	-36.36%
	\$193,746,173	\$201,175,383	\$7,429,210	3.83%

TOWN MANAGER'S RECOMMENDED BUDGET EXPENSES



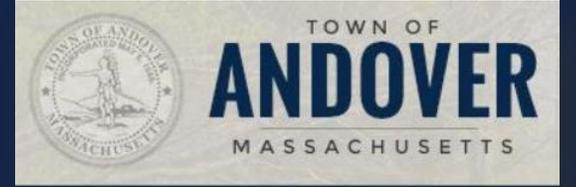
	FY2019	FY2020		
<u>EXPENSES</u>	Approved	Recommended	\$ Change	% Change
School Department	\$82,510,658	\$85,604,808	\$3,094,150	3.75%
Town Departments	\$40,585,445	\$42,014,545	\$1,429,100	3.52%
Health Insurance	\$20,662,075	\$22,074,808	\$1,405,075	6.84%
Debt Service	\$14,568,901	\$15,149,623	\$580,722	3.99%
Retirement	\$10,371,337	\$11,110,355	\$739,018	7.12%
Water & Sewer	\$8,428,801	\$8,752,222	\$323,421	3.84%
Other Obligations	\$5,080,467	\$5,862,462	\$781,995	15.39%
Capital Projects Fund	\$3,265,077	\$3,963,698	\$698,621	21.40%
Offset Expenditures	\$2,219,510	\$2,273,992	\$54,482	2.45%
Warrant Articles	\$6,053,902	\$4,368,870	(\$1,685,032)	-27.83%
	\$193,746,173	\$201,175,383	\$7,429,210	3.83%

FIXED COSTS AND OBLIGATIONS



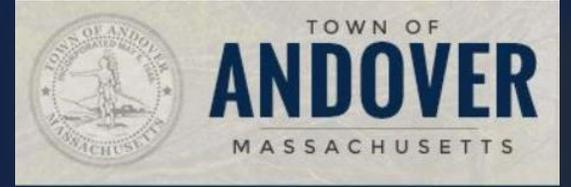
- Employee Health Insurance expenses projected to increase by 8% (less savings from premium contribution split)
- Retirement Fund contribution to increase by 7.12% (\$11,110,355) over last year's contribution
- OPEB (Retiree Health Insurance) General Fund appropriation is an increase of 2.5% (\$663,365) over the previous year's allocation
 - Expected savings of \$906,194 as a result of OPEB reform for FY2020

SIGNIFICANT BUDGET CHANGES



- **School Department (+\$3,094,150)**
 - Transfers textbooks from CIP to operating
 - Transfers IT staff from school to town
 - Chapter 70 funding was \$646,569 over projections

SIGNIFICANT BUDGET CHANGES



- **Department of Public Works (+\$323,028)**
 - Solid waste disposal costs increasing by 4%
 - Recycling collection costs increasing by 37%
- **Information Technology (+\$317,163)**
 - Finalizes integration of technology staff into one department
- **Fire Department (+\$170,000)**
 - Full restoration of \$300,000 for Ladder Aide position
 - Increases in ambulance revenues reflective of actual collections

FY2020 BUDGET SCHEDULE



FY2020 Budget and Annual Town Meeting Schedule

February 1, 2019	Town Manager's Recommended FY2020 Budget and Financial Plan Released
February 11, 2019	Town Manager Presents FY2020 Budget to the Board of Selectmen
February 25, 2019	Board of Selectmen Consider Voting to Approve and Sign the 2019 Annual Town Meeting Warrant
March 4, 2019	Budget and Warrant Article Votes
March 6, 2019	Tri-Board Meeting
March 9, 2019	All Town Department Budget Meeting (9:00 AM to 3:00 PM)
March 11, 2019	Budget and Warrant Article Votes
March 18, 2019	Budget and Warrant Article Votes
April 3, 2019	Finance Committee Report sent to printer
April 29, 2019	2019 Annual Town Meeting