



**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 HG

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

Date: November 16, 2020

Re: ***FY 2020 Financials***

The attached reports summarize the Town's financial position through September 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 September 30, 2020.

**General Fund**

The total general fund receipts of all sources collected through September 30, 2020 are in line with the annual projections through the first quarter of the year. However, FY2021 local receipts are approximately \$1.25 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. Off-set receipts collections are lower than collections through the same period of time last fiscal year mainly due to lower ambulance collections.

General fund personal services and other expenditures are both consistent with FY 2021 projections through September 2020. The school encumbers most of their projected salaries at the beginning of the fiscal year and makes adjustments during the school year as they determine where staff will be funded. The required appropriation for pension was paid in full in August.

**Water Enterprise Fund**

The total water enterprise fund collections are better than the annual projections through September 2020 with user charges being \$812,516 greater than prior year receipts through the same period, due to drier weather conditions increasing usage. Water personal services are also consistent with FY 2021 projections through September 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 September 2020 and user charges are \$591,794 greater than prior year receipts through the same period. Sewer personal services and other expenses are consistent with the FY 2021 projections through September 2020.

**Reserve Fund**

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

**Compensation Fund**

Town Meeting approved a compensation fund balance of \$174,718. This money has not been used through September 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. 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 on creating a policy for use of prior balances.

**Town of Andover**  
**FY 2021 General Fund Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 9/30/2020 and 9/30/2019**

<b>Local Receipts</b>	<b>FY 21 Budgeted Receipts</b>	<b>FY 21 YTD Revenues</b>	<b>% Collected</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Motor Vehicle Excise	5,245,856	449,780	8.6%	5,826,858	455,033	7.8%	(581,002)	(5,253)
Hotel/Motel/Meals	1,769,000	107,684	6.1%	2,358,666	781,791	33.1%	(589,666)	(674,107)
Penalties and Interest on Taxes and Excises	480,000	129,524	27.0%	461,500	193,014	41.8%	18,500	(63,490)
Fees	61,000	25,065	41.1%	59,850	37,390	62.5%	1,150	(12,325)
Payments in Lieu of Taxes	430,000	-	0.0%	412,000	-	0.0%	18,000	-
Other Departmental Revenues	300,000	81,573	27.2%	250,950	40,842	16.3%	49,050	40,731
Other Departmental Revenues - School Medicare	180,000	49,671	27.6%	366,924	-	0.0%	(186,924)	49,671
Licenses and Permits	1,903,505	655,660	34.4%	2,400,000	938,337	39.1%	(496,495)	(282,677)
Fines & Forfeits	227,000	37,590	16.6%	242,000	63,194	26.1%	(15,000)	(25,604)
Investment Income	414,862	98,182	23.7%	631,269	382,980	60.7%	(216,407)	(284,798)
<b>Total Estimated Receipts</b>	<b>11,011,223</b>	<b>1,634,729</b>	<b>14.8%</b>	<b>13,010,017</b>	<b>2,892,581</b>	<b>22.2%</b>	<b>(1,998,794)</b>	<b>(1,257,852)</b>

<b>Off-Set Receipts</b>	<b>FY 21 Budgeted Receipts</b>	<b>FY 21 YTD Revenues</b>	<b>% Collected</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Recreation	593,510	137,628	23.2%	583,510	122,817	21.0%	10,000	14,811
Elder Services	106,000	24,097	22.7%	106,000	34,204	32.3%	-	(10,107)
Public Facilities - Rental Receipts	80,000	3,735	4.7%	80,000	20,476	25.6%	-	(16,741)
Cemetery - Interment Fees	60,000	12,696	21.2%	60,000	8,159	13.6%	-	4,537
Public Safety - Police Detail Fees	90,000	7,240	8.0%	90,000	16,082	17.9%	-	(8,842)
Public Safety / Fire - Ambulance Receipts	1,350,000	259,285	19.2%	1,350,000	326,943	24.2%	-	(67,658)
<b>Total Off-Set Receipts</b>	<b>2,279,510</b>	<b>444,681</b>	<b>19.5%</b>	<b>2,269,510</b>	<b>528,681</b>	<b>23.3%</b>	<b>10,000</b>	<b>(84,000)</b>

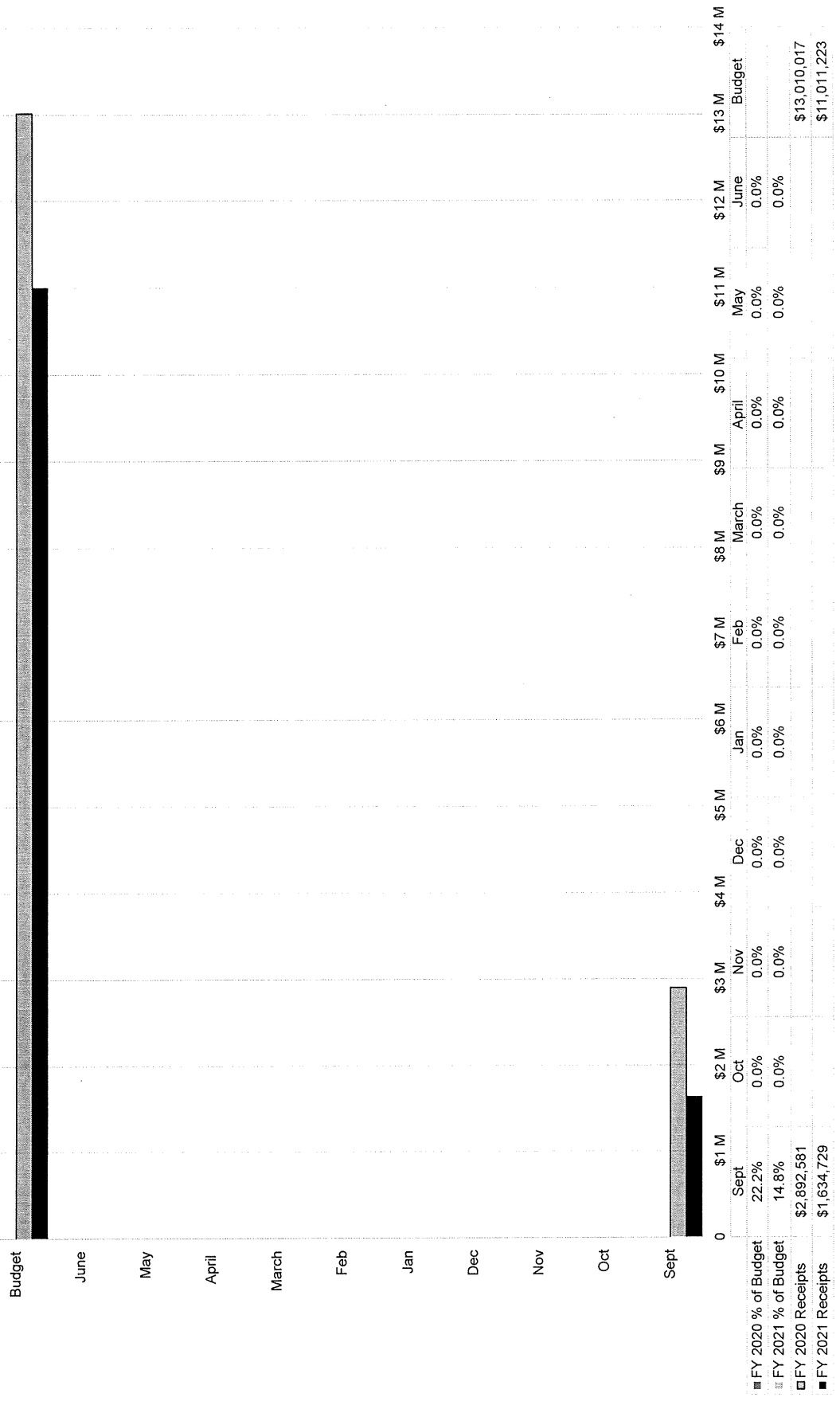
<b>Other Revenues</b>	<b>FY 21 Budgeted Receipts</b>	<b>FY 21 YTD Revenues</b>	<b>% Collected</b>	<b>FY 20 Budgeted Receipts</b>	<b>FY 20 YTD Revenues</b>	<b>% Collected</b>	<b>Change in Budgets</b>	<b>Change in YTD Receipts</b>
Property Taxes (inc. Tax Titles)	159,456,444	39,028,469	24.5%	151,611,876	38,085,311	25.1%	7,844,568	943,158
State Aid	13,939,807	3,457,180	24.8%	13,929,158	3,460,655	24.8%	10,649	(3,475)
<b>Total Other Revenues</b>	<b>173,396,251</b>	<b>42,485,649</b>	<b>24.5%</b>	<b>165,541,034</b>	<b>41,545,966</b>	<b>25.1%</b>	<b>7,855,217</b>	<b>939,683</b>
<b>Total Revenues</b>	<b>186,686,984</b>	<b>44,565,059</b>	<b>23.9%</b>	<b>180,820,561</b>	<b>44,967,228</b>	<b>24.9%</b>	<b>5,866,423</b>	<b>(402,169)</b>

**Town of Andover**  
**FY 2021 Enterprise Funds Year-To-Date Revenue Report**  
**Budgeted vs. Actuals 9/30/2020 and 9/30/2019**

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	3,218,304	33.6%	8,511,201	2,405,788	28.3%	1,056,397	812,516
Water Connection	41,000	25,160	61.4%	41,000	6,991	17.1%	-	18,169
Water Testing Fees	22,000	7,175	32.6%	25,000	13,495	54.0%	(3,000)	(6,320)
Meter Installations	10,000	7,200	72.0%	9,000	5,220	58.0%	1,000	1,980
Fire Flow Test	9,000	500	5.6%	9,000	6,124	68.0%	-	(5,624)
Special/Final Reads	25,000	25,416	101.7%	25,000	9,932	39.7%	-	15,484
Backflow/Cross Connection Fees	75,000	3,900	5.2%	75,000	130	0.2%	-	3,770
Water Tap	-	-	N/A	-	350	N/A	-	(350)
Liens	120,000	12,782	10.7%	120,000	6,417	5.3%	-	6,365
Fire Suppression	220,000	74,199	33.7%	150,000	63,233	42.2%	70,000	10,966
Interest/Misc Revenue	12,000	13,954	N/A	-	421	#DIV/0!	12,000	13,533
Non-Revenue Interest	16,000	4,335	27.1%	19,000	22,415	118.0%	(3,000)	(18,080)
<b>Total Water Receipts</b>	<b>10,117,598</b>	<b>3,392,925</b>	<b>33.5%</b>	<b>8,984,201</b>	<b>2,540,516</b>	<b>28.3%</b>	<b>1,133,397</b>	<b>852,409</b>

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	1,564,720	31.5%	4,841,042	972,926	20.1%	121,026	591,794
Committed Interest/Income	170,000	14,999	8.8%	235,000	3,726	1.6%	(65,000)	11,273
Liens	55,000	10,665	19.4%	90,000	2,905	3.2%	(35,000)	7,760
Apport. Assmnts	445,000	39,495	8.9%	491,400	46,583	9.5%	(46,400)	(7,088)
State Reimb/Grants	-	-	N/A	-	-	0.0%	-	-
Interest/Misc Revenue	-	725	N/A	-	481	#DIV/0!	-	244
Non-Revenue Interest	48,000	3,312	6.9%	45,046	13,957	31.0%	2,954	(10,645)
<b>Total Sewer Receipts</b>	<b>5,680,068</b>	<b>1,633,916</b>	<b>28.8%</b>	<b>5,702,488</b>	<b>1,040,578</b>	<b>18.2%</b>	<b>(22,420)</b>	<b>593,338</b>
<b>Total Enterprise Revenues</b>	<b>15,797,666</b>	<b>5,026,841</b>	<b>31.8%</b>	<b>14,686,689</b>	<b>3,581,094</b>	<b>24.38%</b>	<b>1,110,977</b>	<b>1,445,747</b>

## Town of Andover Local Receipts FY 2021 and FY 2020



**Town of Andover**  
**FY 2021 Year-To-Date Budget Report**

**Personal Services and Other Expenditures thru 9/30/2020**

Personal Services	Original Appropriation	Revised Budget	YTD		Encumbrances	Available Balance	% Expended & Encumbered	% Expended
			Expended	Encumbered				
General Government	6,950,662	6,977,493	1,472,847	26,831	5,477,815	21.5%	21.1%	
Community Services	1,808,992	1,808,992	558,738	-	1,250,254	30.9%	30.9%	
Public Facilities	2,453,849	2,453,849	501,364	-	1,952,485	20.4%	20.4%	
Public Safety - Fire	8,431,428	8,445,543	1,944,981	14,115	6,486,447	23.2%	23.0%	
Public Safety - Police	7,966,037	7,980,876	1,737,817	14,839	6,228,220	22.0%	21.8%	
Public Works	3,720,378	3,733,869	807,087	13,491	2,913,291	22.0%	21.6%	
Library	2,255,543	2,255,543	470,844	-	1,784,699	20.9%	20.9%	
School	72,080,761	72,080,761	7,460,496	59,967,168	4,653,097	93.5%	10.4%	
Compensation Fund	174,718	174,718	-	-	174,718	0.0%	0.0%	
<b>Total Personal Services - General Fund</b>	<b>105,842,368</b>	<b>105,911,644</b>	<b>14,954,174</b>	<b>60,036,444</b>	<b>30,921,026</b>	<b>70.8%</b>	<b>14.1%</b>	
Water Enterprise	2,178,805	2,178,805	559,529	-	1,619,276	25.7%	25.7%	
Sewer Enterprise	346,903	346,903	78,883	-	268,020	22.7%	22.7%	
<b>Total Personal Services - Enterprise Funds</b>	<b>2,525,708</b>	<b>2,525,708</b>	<b>638,412</b>	<b>-</b>	<b>1,887,296</b>	<b>25.3%</b>	<b>25.3%</b>	
<b>Other Expenses</b>	<b>Original Appropriation</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	2,176,126	2,342,311	653,488	387,179	1,301,644	44.4%	27.9%	
Community Services	680,691	708,792	64,758	73,347	570,687	19.5%	9.1%	
Public Facilities	1,375,450	1,399,816	139,402	437,479	822,935	41.2%	10.0%	
Public Safety - Fire	547,150	589,094	176,983	87,130	324,981	44.8%	30.0%	
Public Safety - Police	1,030,300	1,082,866	223,678	322,896	536,292	50.5%	20.7%	
Public Works	5,635,948	6,228,461	1,128,430	569,030	4,531,001	27.3%	18.1%	
Library	659,987	665,493	190,611	297,160	177,722	73.3%	28.6%	
School	17,165,939	17,696,881	2,438,730	8,895,383	6,362,768	64.0%	13.8%	
Technical Schools	740,000	740,000	152,312	456,936	130,752	82.3%	20.6%	
Debt Service	16,873,972	16,873,972	3,029,742	-	13,844,230	18.0%	18.0%	
Insurance	1,225,921	1,225,921	1,001,204	-	224,717	81.7%	81.7%	
Health Insurance	22,338,257	22,338,257	2,886,816	-	19,451,441	12.9%	12.9%	
Unemployment	160,000	193,704	975	36,629	156,100	19.4%	0.5%	
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	0.0%	0.0%	
<b>Total Other Expenses - General Fund</b>	<b>86,051,045</b>	<b>87,526,872</b>	<b>25,697,430</b>	<b>11,563,169</b>	<b>50,266,273</b>	<b>42.6%</b>	<b>29.4%</b>	
Water Enterprise	3,323,000	4,751,193	1,814,246	1,920,070	1,016,877	78.6%	38.2%	
Sewer Enterprise	2,842,076	3,133,603	805,563	1,920,477	407,563	87.0%	25.7%	
<b>Total Other Expenses - Enterprise Funds</b>	<b>6,165,076</b>	<b>7,884,796</b>	<b>2,619,809</b>	<b>3,840,547</b>	<b>1,424,440</b>	<b>81.9%</b>	<b>33.2%</b>	
<b>Total - General Fund</b>	<b>191,893,413</b>	<b>193,438,516</b>	<b>40,651,604</b>	<b>71,599,613</b>	<b>81,187,299</b>	<b>58.0%</b>	<b>21.0%</b>	
<b>Total - Enterprise Funds</b>	<b>8,690,784</b>	<b>10,410,504</b>	<b>3,258,221</b>	<b>3,840,547</b>	<b>3,311,736</b>	<b>68.2%</b>	<b>31.3%</b>	

**Town of Andover**  
**FY 2021 Reserve Account and Compensation Fund**  
**As of 9/30/20**

**RESERVE FUND**

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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><u>\$ 200,000.00</u></u>

**COMPENSATION FUND**

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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><u>\$ 174,718.00</u></u>

**Town of Andover**  
**FY 2021 Revolving Accounts**  
**(M.G.L. CH. 44, § 53 E1/2)**  
**As of 9/30/20**

	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	Acct 4500
	CD & P Legal Notices	Library Lost/Damaged Materials	CD & P Health Services Clinics	Recreation Special Services	Youth Services	Facilities Field Maintenance	Elder Services	Police Antenna Uses	School Photocopy Fees	Facilities Compost Program	DPW Solid Waste Fees	CD & P Stormwater Management	Fire Emergency Billing	Health Services Inspections	School Professional Development
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 9/30/2020	7,575	212	26,271	14,972	58,047	9,380	3,468	1,702	22	4,588	3,526	0	3,835	2,000	800
Expenditures															
thru 9/30/2020	6,315	545	3,309	129,766	43,580	9,825	26,025	0	0	722	0	0	394	0	0
Balance															
thru 9/30/2020	17,858	13,748	49,306	112,632	213,978	67,662	154,231	40,992	28,102	27,793	61,616	0	27,383	94,715	3,519

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	31.58%	2.73%	5.52%	20.76%	10.90%	6.55%	11.57%	0.00%	0.00%	1.20%	0.00%	0.00%	0.39%	0.00%	0.00%

**Town of Andover  
Capital Projects  
9/30/2020**

	<b>FY15</b>	<b>FY16</b>	<b>FY17</b>	<b>FY18</b>	<b>FY19</b>	<b>FY20</b>	<b>FY21</b>	<b>Total Available</b>
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	1,489,552	1,015,113	727,837	-	
Encumbered	-	-	-	1,500	5,114	77,218	3,828	
<b>Total School CIP Available</b>	-	-	2,556	4,591	19,773	206,545	1,146,172	1,379,636
Budget	85,000	112,000	222,000	579,018	487,000	1,044,098	902,108	
Expended	75,550	65,900	158,919	550,755	384,689	508,901	-	
Encumbered	9,450	-	311	14,450	6,426	125,789	74,927	
<b>Total General Government CIP Available</b>	0	46,100	62,770	13,813	95,886	409,408	827,181	1,455,161
Budget	62,000	-	-	32,214	-	-	-	
Expended	39,976	-	-	28,601	-	-	-	
Encumbered	-	-	-	-	-	-	-	
<b>Total Youth Services CIP Available</b>	22,024	-	-	3,613	-	-	-	25,637
Budget	17,000	70,000	50,000	-	-	-	-	
Expended	17,000	66,873	50,000	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
<b>Total Recreation CIP Available</b>	-	3,127	-	-	-	-	-	3,127
Budget	50,000	25,000	25,000	-	-	10,000	50,000	
Expended	50,000	25,000	25,000	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
<b>Total Library CIP Available</b>	-	-	-	-	-	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	766,075	843,077.90	307,207.88	-	
Encumbered	-	-	2,906	6,122	82,254.76	612,862.99	-	
<b>Total Facilities CIP Available</b>	-	1,664	5,000	27,803	20,667	382,929	468,000	906,063
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	28,333	-	
Encumbered	-	-	-	-	760	56,989	-	
<b>Total Police CIP Available</b>	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	90,344	37,332	16,623	61,352	201,715	-	95,000	
Encumbered	-	-	-	-	-	-	1,000	
<b>Total Fire CIP Available</b>	38,656	12,668	3,378	2,148	12,285	-	-	69,135
Budget	206,000	240,000	285,000	415,000	328,000	400,000	-	
Expended	206,000	234,163	225,018	338,541	298,395	116,329	-	
Encumbered	-	5,838	300	30,326	29,064	116,459	-	
<b>Total DPW CIP Available</b>	-	-	59,682	46,132	541	167,212	-	273,568
Budget	1,330,000	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108	
Expended	1,253,129	1,302,264	1,285,653	2,038,725	1,976,276	960,771	95,000	
Encumbered	9,450	5,838	3,517	50,899	118,504	912,100	75,927	
<b>Total Town CIP Available</b>	67,420	63,898	130,830	93,608	130,297	1,079,227	1,540,181	3,105,466
Budget	2,370,000	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	
Expended	2,293,129	2,380,264	2,403,097	3,528,277	2,991,389	1,688,607	95,000	
Encumbered	9,450	5,838	3,517	52,399	123,618	989,319	79,755	
<b>Grand Total Available</b>	67,420	63,898	133,386	98,200	150,070	1,285,772	2,686,353	4,485,103