



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: March 10, 2021

Re: ***FY 2021 Financials***

The attached reports summarize the Town's financial position through December 31, 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 December 31, 2020.

General Fund

The total general fund receipts of all sources collected through December 31, 2020 are in line with the annual projections through the first half of the year. However, FY2021 local receipts are approximately \$2.4 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 with better interest rates. There was also a delay in the State sending hotel, motel and meals receipts in FY2021 and the Town received two FEMA receipts in FY 2020 totaling about \$464,000 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 FY 2021 projections through December 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 December 2020, with user charges being \$1.5 million greater than prior year receipts through the same period, due to the drier weather conditions increasing usage over the summer.

Water personal services are also consistent with FY 2021 projections through December 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 December 2020 and user charges are approximately \$357,000 greater than prior year receipts through the same period. Sewer personal services and other expenses are consistent with the FY 2021 projections through December 2020.

Reserve Fund

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

Compensation Fund

Town Meeting approved a compensation fund balance of \$174,718. This money has not been used through December 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 12/31/2020 and 12/31/2019

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	780,298	14.3%	5,826,858	824,994	14.2%	(381,002)	(44,696)
Hotel/Motel/Meals	1,064,009	605,569	56.9%	2,358,666	1,567,667	66.5%	(1,294,657)	(962,098)
Penalties and Interest on Taxes and Excises	480,000	246,918	51.4%	461,500	347,079	75.2%	18,500	(100,161)
Fees	61,000	28,080	46.0%	59,850	40,330	67.4%	1,150	(12,250)
Payments in Lieu of Taxes	430,000	-	0.0%	412,000	-	0.0%	18,000	-
Other Departmental Revenues	300,000	181,637	60.5%	250,950	88,610	35.3%	49,050	93,027
Other Departmental Revenues - School Medicare	180,000	111,685	62.0%	366,924	43,214	11.8%	(186,924)	68,472
Non-Recurring Revenues	-	-	0.0%	-	463,884	0.0%	-	(463,884)
Licenses and Permits	2,408,496	1,240,521	51.5%	2,400,000	1,663,043	69.3%	8,496	(422,522)
Fines & Forfeits	227,000	81,563	35.9%	242,000	125,083	51.7%	(15,000)	(43,520)
Investment Income	395,918	156,193	39.5%	631,269	684,534	108.4%	(235,351)	(528,341)
Total Estimated Receipts	10,992,279	3,432,465	31.2%	13,010,017	5,848,439	45.0%	(2,017,738)	(2,415,974)

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	159,345	26.8%	583,510	221,229	37.9%	10,000	(61,884)
Elder Services	106,000	49,459	46.7%	106,000	58,034	54.7%	-	(8,575)
Public Facilities - Rental Receipts	80,000	9,600	12.0%	80,000	42,825	53.5%	-	(33,225)
Cemetery - Interment Fees	60,000	31,991	53.3%	60,000	36,751	61.3%	-	(4,760)
Public Safety - Police Detail Fees	90,000	23,553	26.2%	90,000	36,109	40.1%	-	(12,556)
Public Safety / Fire - Ambulance Receipts	1,350,000	681,506	50.5%	1,350,000	703,823	52.1%	-	(22,317)
Total Off-Set Receipts	2,279,510	955,454	41.9%	2,269,510	1,098,770	48.4%	10,000	(143,316)

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	76,661,877	48.1%	151,611,876	73,488,877	48.5%	7,876,773	3,173,000
State Aid	13,939,807	6,940,150	49.8%	13,929,158	6,952,134	49.9%	10,649	(11,984)
Total Other Revenues	173,428,456	83,602,027	48.2%	165,541,034	80,441,011	48.6%	7,887,422	3,161,016
Total Revenues	186,700,245	87,989,946	47.1%	180,820,561	87,388,220	48.3%	5,879,684	601,725

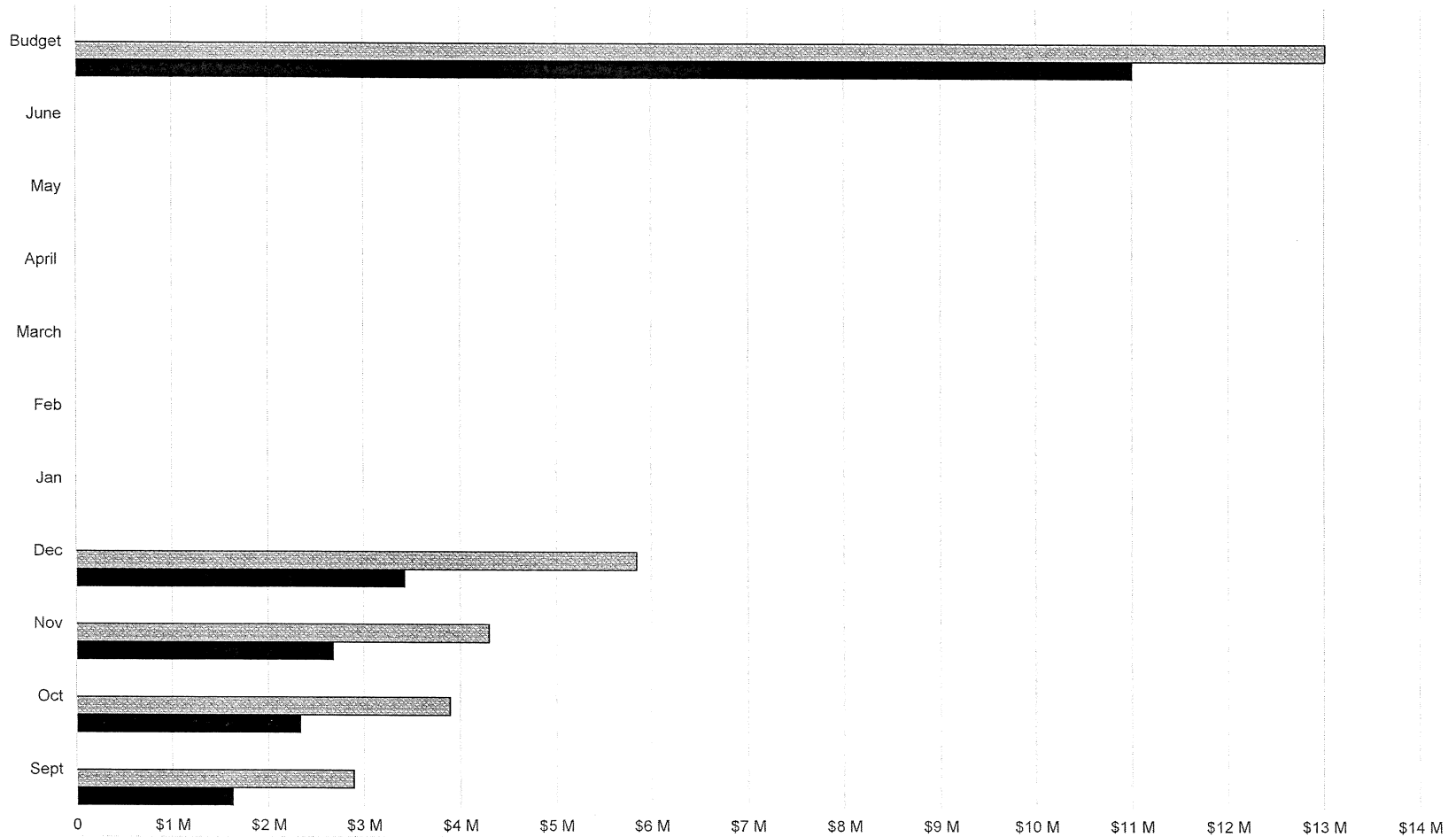
Town of Andover
FY 2021 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 12/31/2020 and 12/31/2019

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	6,783,576	70.9%	8,511,201	5,237,024	61.5%	1,056,397	1,546,552
Water Connection	41,000	28,305	69.0%	41,000	40,957	99.9%	-	(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	9,225	92.3%	9,000	7,245	80.5%	1,000	1,980
Fire Flow Test	9,000	5,500	61.1%	9,000	11,206	124.5%	-	(5,706)
Special/Final Reads	25,000	34,366	137.5%	25,000	16,741	67.0%	-	17,625
Backflow/Cross Connection Fees	75,000	4,160	5.5%	75,000	33,475	44.6%	-	(29,315)
Water Tap	-	1,050	N/A	-	350	N/A	-	700
Liens	120,000	15,258	12.7%	120,000	10,947	9.1%	-	4,312
Fire Suppression	220,000	123,874	56.3%	150,000	126,437	84.3%	70,000	(2,563)
Interest /Misc Revenue	12,000	14,569	121.4%	-	1,358	N/A	12,000	13,211
Non-Revenue Interest	16,000	7,807	48.8%	19,000	41,846	220.2%	(3,000)	(34,038)
Total Water Receipts	10,117,598	7,038,996	69.6%	8,984,201	5,541,080	61.7%	1,133,397	1,497,916

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	2,734,718	55.1%	4,841,042	2,378,117	49.1%	121,026	356,601
Committed Interest/Income	170,000	30,627	18.0%	235,000	18,480	7.9%	(65,000)	12,147
Liens	55,000	13,072	23.8%	90,000	8,743	9.7%	(35,000)	4,329
Apport Assmnts	445,000	100,243	22.5%	491,400	90,630	18.4%	(46,400)	9,614
Interest /Misc Revenue	-	1,350	N/A	-	1,793	N/A	-	(443)
Non-Revenue Interest	48,000	5,474	11.4%	45,046	26,162	58.1%	2,954	(20,688)
Total Sewer Receipts	5,680,068	2,885,484	50.8%	5,702,488	2,523,924	44.3%	(22,420)	361,560

Total Enterprise Revenues	15,797,666	9,924,479	62.8%	14,686,689	8,065,004	54.91%	1,110,977	1,859,476
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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%	45.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
■ FY 2021 % of Budget	14.8%	21.2%	24.4%	31.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	
■ FY 2020 Receipts	\$2,892,581	\$3,894,457	\$4,301,255	\$5,848,439							\$13,010,017
■ FY 2021 Receipts	\$1,634,729	\$2,338,674	\$2,684,758	\$3,432,465							\$11,011,223

Town of Andover
FY 2021 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 12/31/2020

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	3,343,515	26,831	3,607,147	48.3%	47.9%
Community Services	1,808,992	-	1,808,992	952,846	-	856,146	52.7%	52.7%
Public Facilities	2,453,849	-	2,453,849	1,128,048	-	1,325,801	46.0%	46.0%
Public Safety - Fire	8,431,428	14,115	8,445,543	4,384,335	14,115	4,047,093	52.1%	51.9%
Public Safety - Police	7,966,037	14,839	7,980,876	3,849,013	14,839	4,117,024	48.4%	48.2%
Public Works	3,720,378	13,491	3,733,869	1,824,356	13,491	1,896,022	49.2%	48.9%
Library	2,255,543	-	2,255,543	1,049,058	-	1,206,485	46.5%	46.5%
School	72,080,761	-	72,080,761	27,207,041	49,850,123	(4,976,403)	106.9%	37.7%
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	43,738,210	49,919,399	12,254,035	88.4%	41.3%
Water Enterprise	2,178,805	-	2,178,805	1,170,203	-	1,008,602	53.7%	53.7%
Sewer Enterprise	346,903	-	346,903	162,703	-	184,200	46.9%	46.9%
Total Personal Services - Enterprise Funds	2,525,708	-	2,525,708	1,332,907	-	1,192,801	52.8%	52.8%
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	1,103,574	373,957	899,369	62.2%	46.4%
Community Services	680,691	49,221	729,912	202,378	106,635	420,900	42.3%	27.7%
Public Facilities	1,375,450	24,366	1,399,816	394,819	502,449	502,548	64.1%	28.2%
Public Safety - Fire	547,150	41,944	589,094	286,760	115,008	187,326	68.2%	48.7%
Public Safety - Police	1,030,300	52,566	1,082,866	389,329	272,466	421,071	61.1%	36.0%
Public Works	5,635,948	592,513	6,228,461	2,573,946	973,668	2,680,847	57.0%	41.3%
Library	659,987	5,506	665,493	329,494	200,286	135,713	79.6%	49.5%
School	17,165,939	530,942	17,696,881	6,123,990	10,737,874	835,016	95.3%	34.6%
Technical Schools	740,000	-	740,000	388,088	402,767	(50,855)	106.9%	52.4%
Debt Service	16,873,972	-	16,873,972	10,262,431	-	6,611,541	60.8%	60.8%
Insurance	1,225,921	-	1,225,921	1,012,108	20,000	193,813	84.2%	82.6%
Health Insurance	22,338,257	-	22,338,257	6,543,001	-	15,795,256	29.3%	29.3%
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	44,853,171	13,740,764	28,988,646	66.9%	51.2%
Water Enterprise	3,323,000	1,428,193	4,751,193	2,963,583	1,511,497	276,113	94.2%	62.4%
Sewer Enterprise	2,842,076	291,527	3,133,603	1,497,093	1,334,241	302,269	90.4%	47.8%
Total Other Expenses - Enterprise Funds	6,165,076	1,719,720	7,884,796	4,460,676	2,845,738	578,382	92.7%	56.6%
Total - General Fund	191,893,413	1,600,811	193,494,224	88,591,381	63,660,163	41,242,680	78.7%	45.8%
Total - Enterprise Funds	8,690,784	1,719,720	10,410,504	5,793,583	2,845,738	1,771,183	83.0%	55.7%

Town of Andover
FY 2021 Reserve Account and Compensation Fund
As of 12/31/20

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 12/31/20

	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 12/31/2020	14,475	522	88,564	89,847	130,404	17,020	16,563	3,988	504	7,284	8,831	0	5,456	40,735	800
Expenditures thru 12/31/2020	15,302	604	61,877	213,155	68,437	13,129	57,751	0	0	23,869	0	0	7,439	3,339	240
Balance thru 12/31/2020	15,771	14,000	53,031	104,117	261,478	71,998	135,600	43,278	28,584	7,341	66,921	0	21,960	130,111	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	76.51%	3.02%	103.13%	34.10%	17.11%	8.75%	25.67%	0.00%	0.00%	39.78%	0.00%	0.00%	7.44%	3.34%	0.48%

**Town of Andover
Capital Projects
12/31/2020**

	<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	774,685	14,740		
Encumbered	-	-	2,377	1,500	13,579	93,467	159,616		
Total School CIP	Available	-	-	179	4,517	7,303	143,448	975,644	1,131,091
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	385,467	546,531	80,478		
Encumbered	9,450	-	-	12,800	6,426	105,589	-		
Total General Government CIP	Available	-	46,100	62,770	13,840	95,107	391,978	821,630	1,431,429
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	620,090	773,679	885,808.63	767,542.93	2,228		
Encumbered	-	-	2,906	6,122	60,176.07	313,696.40	62,884		
Total Facilities CIP	Available	-	15	4	20,199	15	221,761	402,889	644,882
Budget	231,000	285,000	195,000	293,500	250,077	195,000	195,000		
Expended	224,260	284,661	195,000	293,400	249,159	85,322	-		
Encumbered	-	-	-	-	-	7,351	-		
Total Police CIP	Available	6,740	339	-	100	918	102,327	195,000	305,424
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	344,427	323,147	143,501	-		
Encumbered	-	5,838	50,300	24,440	4,312	104,944	-		
Total DPW CIP	Available	-	-	9,682	46,132	541	151,555	-	207,910
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	1,303,913	1,290,960	2,053,838	2,045,297	1,542,897	178,706		
Encumbered	9,450	5,838	53,206	43,363	70,914	531,581	62,884		
Total Town CIP	Available	65,088	62,250	75,834	86,032	108,867	877,620	1,469,519	2,745,213
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	2,381,913	2,408,404	3,543,463	3,064,414	2,317,582	193,446		
Encumbered	9,450	5,838	55,583	44,863	84,493	625,048	222,499		
Grand Total	Available	65,088	62,250	76,012	90,549	116,170	1,021,068	2,445,163	3,876,304