Fiscal Year 2020-21 Town Budget

Presentation for Wednesday, May 6th
Board of Finance ANNUAL BUDGET MEETING
Budget History

• December 2019
  • All Town Departments submit a budget

• January to February 2020
  • Administrator submits capital recommendations to Board of Selectmen
  • Preliminary Town Budget to Board of Selectmen
  • RHAM Board of Education presents preliminary budget
  • Andover Elementary School Board of Education presents preliminary budget

• February 26th, 2020
  • Board of Selectmen sends budget to Board of Finance
    • Budget includes 12% increase final mil rate of 39.2 (+ 4.2 mill increase)
Budget History

• March 2020
  • COVID-19 impacts the world... State and Town declare Public Health Emergency.
  • March 21st Governor **REQUIRES** Board of Finance to pass a budget and set a mil rate.

• April 2020
  • Administrator submits revised capital recommendations to Board of Selectmen.
  • Administrator submits revised budget to Board of Selectmen.
  • April 13th Board of Selectmen submits revised budget and timeline to Board of Finance
  • April 27th RHAM Board adopts a final budget.
  • Andover Elementary school presents a revised budget.

• Wednesday, April 29th
  • Board of Finance voted on the budget at their Regular Meeting.

• Wednesday, May 6th
  • Board of Finance presents budget to the town and invites residents to participate in the virtual meeting.
ANDOVER FISCAL YEAR 2020-21 BUDGET

- RHAM: 42%
- AES: 31%
- AES debt: 1%
- Town: 26%
RHAM Budget

• Governor’s executive order required RHAM board to adopt a budget
• RHAM adopted a budget with a Zero increase
• Andover’s Levy increases 6.8%
  • Number of Andover students at RHAM increases next year by 12
  • The overall student population decreases by ~90
  • Andover’s Fraction of the cost for RHAM increases 6.8%

• Andover’s levy for RHAM is $5,227,811
• This is an increase of $337,188
Andover Elementary School budget

- Andover Board of Education requested a final budget of $3,916,000
- Board of Finance voted to reduce this to $3,902,400
  - This is a 4% decrease from the 2019-2020 budget

- Debt service on the Bond for AES is $96,548
  - Debt will be retired in 2 years
## Budget Summary

<table>
<thead>
<tr>
<th>Budget by Entity</th>
<th>FY 2019-20</th>
<th>FY 2020-21</th>
<th>Difference $</th>
<th>Difference %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Andover Elementary School</td>
<td>4,065,000</td>
<td>3,902,400</td>
<td>(162,600)</td>
<td>-4.0%</td>
</tr>
<tr>
<td>RHAM</td>
<td>4,890,623</td>
<td>5,227,811</td>
<td>337,188</td>
<td>6.9%</td>
</tr>
<tr>
<td>Town</td>
<td>3,412,535</td>
<td>3,403,165</td>
<td>(9,370)</td>
<td>-0.3%</td>
</tr>
<tr>
<td>Total by Taxation</td>
<td>9,155,004</td>
<td>9,410,043</td>
<td>(255,039)</td>
<td>2.8%</td>
</tr>
</tbody>
</table>
## Mil Rate Calculation - proposed revisions

<table>
<thead>
<tr>
<th></th>
<th>FY 2019-2020</th>
<th>FY 2020-2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Expenditures</td>
<td>12,368,158</td>
<td>12,533,376</td>
</tr>
<tr>
<td>Total Estimated Revenue</td>
<td>2,272,154</td>
<td>2,377,933</td>
</tr>
<tr>
<td>Use of existing Fund Balance</td>
<td>976,000</td>
<td>415,000</td>
</tr>
<tr>
<td>Abatements/Exemptions</td>
<td>35,000</td>
<td>35,000</td>
</tr>
<tr>
<td>Reallocated existing funds to Fund Balance</td>
<td>0</td>
<td>365,400</td>
</tr>
<tr>
<td>To be raised by Taxes</td>
<td>9,155,004</td>
<td>9,410,043</td>
</tr>
<tr>
<td>Est Taxable Grand List (includes MVS)</td>
<td>261,628,738</td>
<td>264,303,354</td>
</tr>
<tr>
<td>1 mil</td>
<td>261,629</td>
<td>264,303</td>
</tr>
<tr>
<td>Estimated Mil Rate</td>
<td>34.99</td>
<td><strong>35.60</strong></td>
</tr>
<tr>
<td>Per cent mil rate Increase</td>
<td></td>
<td>1.75%</td>
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</table>