



TOWN OF ANDOVER *Finance & Budget*

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Accounting Department

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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 *AG*

CC: Andrew Flanagan, Michael Lindstrom, Patrick Lawlor, Donna Walsh, Paul Szymanski,
Janet Wright, Town Website

Date: November 8, 2021

Re: ***FY 2022 Financials***

The attached reports summarize the Town's financial position through September 30, 2021.
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 – FY16 – FY22

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

Executive Summary | **FY 2022**

The attached reports of the Town Accountant summarize FY 2022 revenues and expenditures for the General Fund, Enterprise Funds, Compensation Fund, Reserve Fund, Revolving Funds and Capital Projects through September 30, 2021.

General Fund

The total general fund receipts of all sources collected through September 30, 2021 are in line with the annual projections through the first quarter of the year. FY2022 local receipts are approximately \$361,000 greater than FY 2021 collections through the same period of time. This is primarily due to the increase in hotel motel and meals tax revenue as more people are dining out and traveling as compared to last year. Off-set receipts collections are greater than collections through the same period of time last fiscal year mainly due to higher ambulance collections.

General fund personal services are lower and other expenditures are greater than FY 2022 projections through September 2021. 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. Insurance premiums were paid in July and the required appropriation for pension was paid in full in August.

Water Enterprise Fund

The total water enterprise fund collections are in line with the annual projections through September 2021. The user charges receipts are \$621,602 less than FY21 through the same period of time because there were drier conditions and more pool installations, resulting in more consumption for FY21. Water personal services and other expenses are both consistent with FY 2022 projections through September 2021.

Sewer Enterprise Fund

The total sewer enterprise fund collections are consistent with projections through September 2021 and user charges are \$677,721 less than prior year receipts through the same period. The lower collections are correlated with the lower water collections.

Sewer personal services are consistent with and other expenses are lower than the FY 2022 projections through September 2021.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. This money has not been used through September 2021.

Compensation Fund

Town Meeting approved a compensation fund balance of \$155,326. This money has not been used through September 2021.

Revolving Accounts

Town Meeting voted to approve 15 revolving funds with a total spending limit of \$2,040,000.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. There is a balance of \$3,939,185 available for the most recent seven years of approved projects.

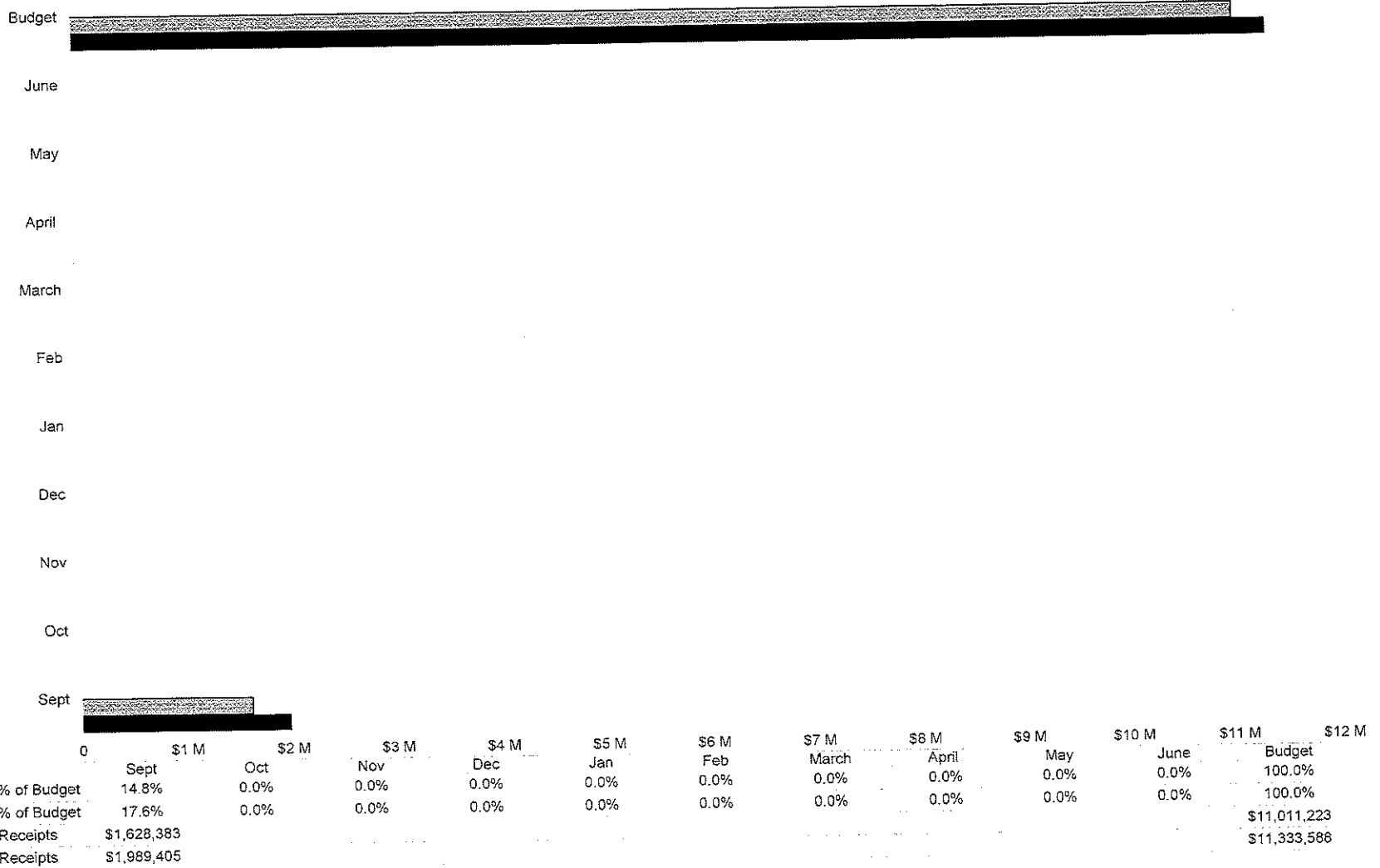
Town of Andover
FY 2022 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 9/30/2021 and 9/30/2020

	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
Local Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Motor Vehicle Excise	5,595,875	421,484	7.5%	5,245,856	449,780	8.6%	350,019	(28,296)
Hotel/Motel/Meals	1,475,000	555,061	37.6%	1,769,000	107,684	6.1%	(294,000)	447,377
Penalties and Interest on Taxes and Excises	480,000	105,702	22.0%	480,000	129,524	27.0%	-	(23,822)
Fees	61,000	48,408	79.4%	61,000	25,065	41.1%	-	23,343
Payments in Lieu of Taxes	440,713	-	0.0%	430,000	-	0.0%	10,713	-
Other Departmental Revenues	300,000	43,025	14.3%	300,000	72,710	24.2%	-	(29,685)
Other Departmental Revenues - School Medicare	200,000	56,107	28.1%	180,000	49,671	27.6%	20,000	6,436
Licenses and Permits	2,354,000	678,707	28.8%	1,903,505	658,176	34.6%	450,495	20,531
Fines & Forfeits	227,000	35,888	15.8%	227,000	37,590	16.6%	-	(1,703)
Investment Income	200,000	45,024	22.5%	414,862	98,182	23.7%	(214,862)	(53,157)
Total Estimated Receipts	11,333,588	1,989,405	17.6%	11,011,223	1,628,383	14.8%	322,365	361,022
Off-Set Receipts	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Recreation	393,510	111,840	28.4%	593,510	137,628	23.2%	(200,000)	(25,788)
Elder Services	106,000	23,241	21.9%	106,000	24,097	22.7%	-	(856)
Public Facilities - Rental Receipts	20,000	27,431	137.2%	80,000	3,735	4.7%	(60,000)	23,695
Cemetery - Interment Fees	60,000	10,717	17.9%	60,000	12,696	21.2%	-	(1,979)
Public Safety - Police Detail Fees	60,000	15,029	25.0%	90,000	7,200	8.0%	(30,000)	7,829
Public Safety / Fire - Ambulance Receipts	1,250,000	349,687	28.0%	1,350,000	259,285	19.2%	(100,000)	90,402
Total Off-Set Receipts	1,889,510	537,944	28.5%	2,279,510	444,641	19.5%	(390,000)	93,303
Other Revenues	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Property Taxes (inc. Tax Titles)	165,604,775	41,599,395	25.1%	159,488,649	39,028,469	24.5%	6,116,126	2,570,926
State Aid	14,178,409	3,586,648	25.3%	13,939,807	3,457,180	24.8%	238,602	129,468
Total Other Revenues	179,783,184	45,186,043	25.1%	173,428,456	42,485,649	24.5%	6,354,728	2,700,394
Total Revenues	193,006,282	47,713,392	24.7%	186,719,189	44,558,673	23.9%	6,287,093	3,154,719

Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 9/30/2021 and 9/30/2020

Water Fund	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	9,996,766	2,596,701	26.0%	9,567,598	3,218,304	33.6%	429,168	(621,602)
Water Connection	41,000	1,258	3.1%	41,000	25,160	61.4%	-	(23,902)
Water Testing Fees	18,000	1,885	10.5%	22,000	7,175	32.6%	(4,000)	(5,290)
Meter Installations	9,000	4,050	45.0%	10,000	7,200	72.0%	(1,000)	(3,150)
Fire Flow Test	9,000	500	5.6%	9,000	500	5.6%	-	-
Special/Final Reads	25,000	8,036	32.1%	25,000	25,416	101.7%	-	(17,380)
Backflow/Cross Connection Fees	75,000	15,465	20.6%	75,000	3,900	5.2%	-	11,565
Water Tap	1,000	300	30.0%	-	-	N/A	1,000	300
Liens	80,000	8,129	10.2%	120,000	12,782	10.7%	(40,000)	(4,653)
Fire Suppression	220,000	72,615	33.0%	220,000	74,200	33.7%	-	(1,585)
Interest /Misc Revenue	-	900	N/A	12,000	13,954	116.3%	(12,000)	(13,054)
Non-Revenue Interest	19,000	1,318	6.9%	16,000	4,335	27.1%	3,000	(3,017)
Total Water Receipts	10,493,766	2,711,157	25.8%	10,117,598	3,392,926	33.5%	376,168	(681,768)
Sewer Fund	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	5,086,120	886,998	17.4%	4,962,068	1,564,720	31.5%	124,052	(677,721)
Committed Interest/Income	165,000	3,996	2.4%	170,000	14,999	8.8%	(5,000)	(11,003)
Liens	55,000	4,085	7.4%	55,000	10,666	19.4%	-	(6,580)
Apport Assmnts	410,000	31,246	7.6%	445,000	39,496	8.9%	(35,000)	(8,250)
Interest /Misc Revenue	-	1,045	N/A	-	725	N/A	-	320
Non-Revenue Interest	15,000	1,176	7.8%	48,000	3,312	6.9%	(33,000)	(2,137)
Total Sewer Receipts	5,731,120	928,546	16.2%	5,680,068	1,633,917	28.8%	51,052	(705,372)
Total Enterprise Revenues	16,224,886	3,639,703	22.4%	15,797,666	5,026,843	31.82%	427,220	(1,387,140)

Town of Andover Local Receipts FY 2022 and FY 2021



Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 9/30/2021

	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	7,167,854	112,166	7,280,020	1,762,507	-	5,517,513	24.2%	24.2%
Community Services	1,819,521	-	1,819,521	646,987	-	1,172,534	35.6%	35.6%
Public Facilities	2,508,336	-	2,508,336	607,000	-	1,901,336	24.2%	24.2%
Public Safety - Fire	8,628,347	32,813	8,661,160	2,179,687	-	6,481,473	25.2%	25.2%
Public Safety - Police	8,090,689	32,178	8,122,867	1,860,612	-	6,262,255	22.9%	22.9%
Public Works	3,814,578	-	3,814,578	833,393	-	2,981,185	21.8%	21.8%
Library	2,321,710	-	2,321,710	521,706	-	1,800,004	22.5%	22.5%
School	75,617,287	-	75,617,287	8,073,732	63,128,079	4,415,476	94.2%	10.7%
Compensation Fund	155,326	-	155,326	-	-	155,326	0.0%	0.0%
Total Personal Services - General Fund	110,123,648	177,157	110,300,805	16,485,623	63,128,079	30,687,103	72.2%	14.9%
Water Enterprise	2,338,139	-	2,338,139	549,329	-	1,788,810	23.5%	23.5%
Sewer Enterprise	355,912	-	355,912	81,057	-	274,855	22.8%	22.8%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	630,386	-	2,063,665	23.4%	23.4%
Other Expenses								
General Government	2,233,879	216,881	2,450,760	802,871	524,561	1,123,328	54.2%	32.8%
Community Services	605,675	103,285	708,960	147,070	256,054	305,836	56.9%	20.7%
Public Facilities	1,325,450	247,628	1,573,078	316,129	653,482	603,466	61.6%	20.1%
Public Safety - Fire	571,550	81,058	652,608	146,414	190,955	315,239	51.7%	22.4%
Public Safety - Police	1,019,300	149,034	1,168,334	291,451	412,391	464,492	60.2%	24.9%
Public Works	5,921,832	893,969	6,815,801	1,192,299	3,417,797	2,205,705	67.6%	17.5%
Library	660,687	15,053	675,740	205,022	291,371	179,347	73.5%	30.3%
School	16,976,165	686,223	17,662,388	2,464,041	12,754,847	2,443,501	86.2%	14.0%
Technical Schools	800,000	-	800,000	160,508	481,525	157,967	80.3%	20.1%
Debt Service	11,057,553	-	11,057,553	1,922,156	-	9,135,397	17.4%	17.4%
Insurance	1,240,000	18,911	1,258,911	1,147,541	34,208	77,162	93.9%	91.2%
Health Insurance	23,147,462	-	23,147,462	2,686,379	-	20,461,083	11.6%	11.6%
Unemployment	160,000	-	160,000	6,423	3,025	150,552	5.9%	4.0%
Retirement	12,897,390	-	12,897,390	12,897,390	-	-	100.0%	100.0%
Reserve Fund	200,000	-	200,000	-	-	200,000	0.0%	0.0%
OPEB Appropriation	1,696,026	-	1,696,026	-	-	1,696,026	0.0%	0.0%
Total Other Expenses - General Fund	80,512,969	2,412,042	82,925,011	24,385,695	19,020,214	39,519,101	52.3%	29.4%
Water Enterprise	6,782,728	1,046,651	7,829,379	1,766,384	2,354,434	3,708,560	52.6%	22.6%
Sewer Enterprise	4,936,767	346,744	5,283,511	945,030	2,199,142	2,139,339	59.5%	17.9%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	2,711,414	4,553,577	5,847,900	55.4%	20.7%
Total - General Fund	190,636,617	2,589,199	193,225,816	40,871,319	82,148,293	70,206,204	63.7%	21.2%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	3,341,800	4,553,577	7,911,565	49.9%	21.1%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 9/30/21

RESERVE FUND

Appropriation by Vote of Town Meeting June 2021	\$ 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 June 2021	\$ 155,326.00
Transfers by Vote of Town Meeting	0.00
Transfer by Authority of the Select Board	0.00
Available Balance	<u>\$ 155,326.00</u>

Town of Andover
FY 2022 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 9/30/21

	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 6/30/2020	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 6/30/2021	31,045	1,044	40,322	605,596	354,496	56,938	43,954	7,426	1,237	30,275	31,661	0	6,732	53,168	800
Expenditures thru 6/30/2021	26,394	619	67,354	435,669	224,274	16,140	40,090	0	100	39,705	13,464	0	29,993	25,891	240
Balance thru 6/30/2021	21,249	14,506	-688	397,353	329,733	108,904	180,652	46,716	29,218	14,497	76,288	0	681	119,994	3,279
Receipts thru 9/30/2021	5,970	989	28,759	295,515	20,247	26,547	16,311	1,719	9,488	3,097	7,683	0	0	2,475	0
Expenditures thru 9/30/2021	7,506	34	0	242,342	60,090	12,696	16,641	0	0	5,250	435	0	0	0	0
Balance thru 9/30/2021	19,713	15,462	28,071	450,526	289,891	122,756	180,323	48,435	38,706	12,344	83,536	0	681	122,469	3,279

Spending Authorization Art 6G - ATM 21	\$20,000	\$20,000	\$60,000	\$750,000	\$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	37.53%	0.17%	0.00%	32.31%	15.02%	8.46%	7.40%	0.00%	0.00%	8.75%	1.09%	0.00%	0.00%	0.00%	0.00%

**Town of Andover
Capital Projects
9/30/2021**

	<u>FY16</u>	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>Total Available</u>	
Budget	1,078,000	1,120,000	1,495,643	1,040,000	1,011,600	1,150,000	1,185,000		
Expended	1,078,000	1,117,444	1,489,626	1,024,488	878,620	545,998	115,563		
Encumbered	-	2,377	-	12,051	84,697	218,470	158,160		
Total School CIP	Available	-	179	6,017	3,461	48,283	385,532	911,277	1,354,748
Budget	112,000	222,000	579,018	487,000	1,044,098	902,108	137,000		
Expended	77,000	191,142	553,143	393,361	638,877	447,798	-		
Encumbered	-	-	9,300	13,206	31,860	351,871	-		
Total General Government CIP	Available	35,000	30,858	16,575	80,433	373,361	102,439	137,000	775,666
Budget	-	-	32,214	-	-	-	-		
Expended	-	-	28,601	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Youth Services CIP	Available	-	-	3,613	-	-	-	-	3,613
Budget	70,000	50,000	-	-	-	-	-		
Expended	66,873	50,000	-	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Recreation CIP	Available	3,127	-	-	-	-	-	-	3,127
Budget	25,000	25,000	-	-	10,000	50,000	-		
Expended	25,000	25,000	-	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Library CIP	Available	-	-	-	10,000	50,000	-	-	60,000
Budget	590,000	623,000	800,000	946,000	1,303,000	468,000	1,180,000		
Expended	590,000	623,000	778,446	911,899	1,180,302	237,814	6,957		
Encumbered	-	-	1,355	33,530	95,065	35,199	168,197		
Total Facilities CIP	Available	-	-	20,199	571	27,633	194,987	1,004,846	1,248,236
Budget	285,000	195,000	293,500	250,077	195,000	195,000	255,000		
Expended	285,000	195,000	293,400	249,159	195,000	148,603	-		
Encumbered	-	-	-	-	-	26,035	41,700		
Total Police CIP	Available	-	-	100	918	-	20,362	213,300	234,680
Budget	50,000	20,000	63,500	214,000	-	96,000	88,000		
Expended	37,332	20,000	61,352	201,715	-	96,000	50,000		
Encumbered	-	-	-	-	-	-	27,383		
Total Fire CIP	Available	12,668	-	2,148	12,285	-	-	10,617	37,718
Budget	240,000	285,000	415,000	328,000	400,000	-	165,000		
Expended	234,163	243,441	360,428	323,147	349,446	-	-		
Encumbered	5,838	31,929	8,439	4,312	50,462	-	-		
Total DPW CIP	Available	-	9,631	46,132	541	92	-	165,000	221,396
Budget	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108	1,825,000		
Expended	1,315,367	1,347,583	2,075,371	2,079,281	2,363,625	930,216	56,957		
Encumbered	5,838	31,929	19,094	51,048	177,387	413,104	237,280		
Total Town CIP	Available	50,796	40,489	88,767	94,748	411,086	367,788	1,530,763	2,584,437
Budget	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000		
Expended	2,393,367	2,465,027	3,564,996	3,103,769	3,242,246	1,476,214	172,520		
Encumbered	5,838	34,306	19,094	63,098	262,084	631,575	395,440		
Grand Total	Available	50,796	40,667	94,784	98,209	459,369	753,320	2,442,040	3,939,185