



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, Paul Szymanski,
Janet Wright, Town Website

Date: January 4, 2022

Re: ***FY 2022 Financials***

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

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 October 31, 2021.

General Fund

The total general fund receipts of all sources collected through October 31, 2021 are exceeding the annual projections through the first four months of the year. FY2022 local receipts are approximately \$320,000 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 approximately \$107,000 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 in line with FY 2022 projections through October 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 October 2021. The user charges receipts are \$1,463,0148 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 October 2021.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through October 2021 with user charges being \$696,221 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 greater than the FY 2022 projections through October 2021.

Reserve Fund

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

Compensation Fund

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

Revolving Accounts

Town Meeting voted to approve 16 revolving funds with a total spending limit of \$2,240,000.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. There is a balance of \$3,580,785 available for the most recent seven years of approved projects.

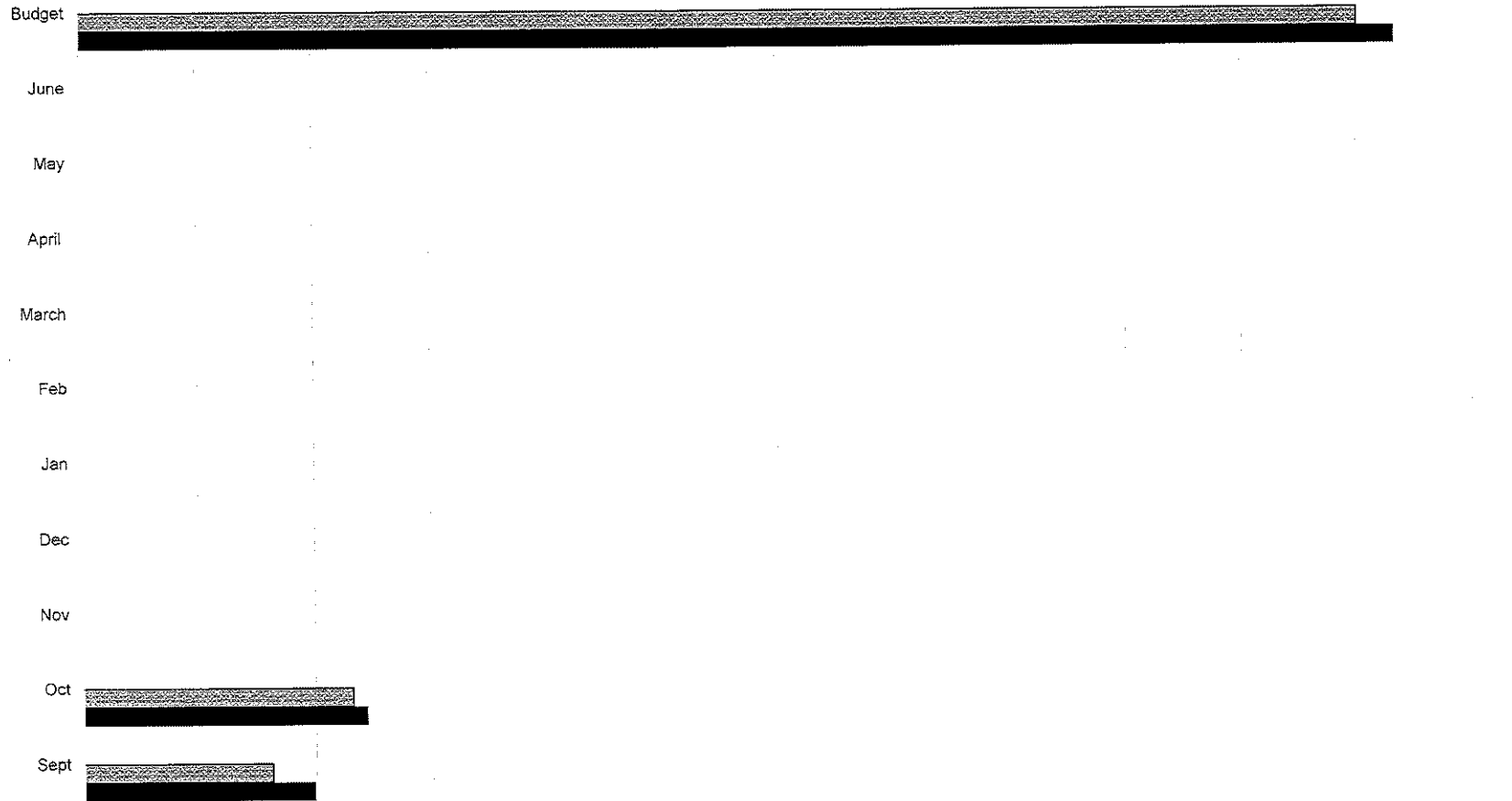
Town of Andover
FY 2022 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 10/31/2021 and 10/31/2020

	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	547,879	9.8%	5,245,856	600,279	11.4%	350,019	(52,399)
Hotel/Motel/Meals	1,475,000	555,061	37.6%	1,769,000	364,240	20.6%	(294,000)	190,822
Penalties and Interest on Taxes and Excises	480,000	145,960	30.4%	480,000	181,699	37.9%	-	(35,739)
Fees	61,000	77,757	127.5%	61,000	26,780	43.9%	-	50,977
Payments in Lieu of Taxes	440,713	-	0.0%	430,000	-	0.0%	10,713	-
Other Departmental Revenues	300,000	56,276	18.8%	300,000	93,179	31.1%	-	(36,903)
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	902,486	38.3%	1,903,505	832,234	43.7%	450,495	70,252
Fines & Forfeits	227,000	47,718	21.0%	227,000	51,631	22.7%	-	(3,913)
Investment Income	200,000	54,823	27.4%	414,862	124,089	29.9%	(214,862)	(69,266)
Special Assessments	-	-	N/A	-	-	N/A	-	-
Total Estimated Receipts	11,333,588	2,444,067	21.6%	11,011,223	2,323,802	21.1%	322,365	120,265
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	125,516	31.9%	593,510	152,655	25.7%	(200,000)	(27,139)
Elder Services	106,000	37,838	35.7%	106,000	41,284	38.9%	-	(3,446)
Public Facilities - Rental Receipts	20,000	31,654	158.3%	80,000	2,785	3.5%	(60,000)	28,868
Cemetery - Interment Fees	60,000	23,387	39.0%	60,000	23,210	38.7%	-	177
Public Safety - Police Detail Fees	60,000	22,326	37.2%	90,000	9,848	10.9%	(30,000)	12,479
Public Safety / Fire - Ambulance Receipts	1,250,000	457,430	36.6%	1,350,000	361,404	26.8%	(100,000)	96,027
Total Off-Set Receipts	1,889,510	698,151	36.9%	2,279,510	591,185	25.9%	(390,000)	106,966
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	73,500,298	44.4%	159,488,649	70,656,588	44.3%	6,116,126	2,843,709
State Aid	14,178,409	4,833,485	34.1%	13,939,807	4,619,537	33.1%	238,602	213,948
Total Other Revenues	179,783,184	78,333,783	43.6%	173,428,456	75,276,125	43.4%	6,354,728	3,057,657
Total Revenues	193,006,282	81,476,001	42.2%	186,719,189	78,191,112	41.9%	6,287,093	3,284,889

Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 10/31/2021 and 10/31/2020

	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
Water Fund	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
User Charges	9,996,766	3,536,124	35.4%	9,567,598	4,999,272	52.3%	429,168	(1,463,148)
Water Connection	41,000	1,258	3.1%	41,000	26,418	64.4%	-	(25,160)
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	8,550	85.5%	(1,000)	(4,500)
Fire Flow Test	9,000	2,800	31.1%	9,000	3,500	38.9%	-	(700)
Special/Final Reads	25,000	9,336	37.3%	25,000	29,072	116.3%	-	(19,736)
Backflow/Cross Connection Fees	75,000	32,697	43.6%	75,000	3,900	5.2%	-	28,797
Water Tap	1,000	300	30.0%	-	450	N/A	1,000	(150)
Liens	80,000	9,501	11.9%	120,000	15,008	12.5%	(40,000)	(5,508)
Fire Suppression	220,000	93,662	42.6%	220,000	92,021	41.8%	-	1,640
Interest /Misc Revenue	-	1,014	N/A	12,000	14,410	120.1%	(12,000)	(13,397)
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	3,693,944	35.2%	10,117,598	5,204,112	51.4%	376,168	(1,510,169)
Sewer Fund	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
User Charges	5,086,120	1,180,469	23.2%	4,962,068	1,876,690	37.8%	124,052	(696,221)
Committed Interest/Income	165,000	4,889	3.0%	170,000	15,930	9.4%	(5,000)	(11,041)
Liens	55,000	4,726	8.6%	55,000	11,956	21.7%	-	(7,230)
Apport Assmnts	410,000	42,933	10.5%	445,000	52,293	11.8%	(35,000)	(9,360)
Interest /Misc Revenue	-	1,280	N/A	-	1,250	N/A	-	30
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	1,235,472	21.6%	5,680,068	1,961,430	34.5%	51,052	(725,959)
Total Enterprise Revenues	16,224,886	4,929,415	30.4%	15,797,666	7,165,543	45.36%	427,220	(2,236,127)

Town of Andover Local Receipts FY 2022 and FY 2021



	0	\$1 M	\$2 M	\$3 M	\$4 M	\$5 M	\$6 M	\$7 M	\$8 M	\$9 M	\$10 M	\$11 M	\$12 M
■ FY 2021 % of Budget	Sept	14.8%	21.1%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	Budget
■ FY 2022 % of Budget	Sept	17.6%	21.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	Budget
■ FY 2021 Receipts	\$1,628,383	\$2,323,802											\$11,011,223
■ FY 2022 Receipts	\$1,989,405	\$2,444,067											\$11,333,588

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 10/31/2021

	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	2,318,501	-	4,961,519	31.8%	31.8%
Community Services	1,819,521	-	1,819,521	753,425	-	1,066,096	41.4%	41.4%
Public Facilities	2,508,336	-	2,508,336	809,355	-	1,698,981	32.3%	32.3%
Public Safety - Fire	8,628,347	32,813	8,661,160	2,813,418	-	5,847,742	32.5%	32.5%
Public Safety - Police	8,090,689	32,178	8,122,867	2,600,015	-	5,522,852	32.0%	32.0%
Public Works	3,814,578	-	3,814,578	1,103,880	-	2,710,698	28.9%	28.9%
Library	2,321,710	-	2,321,710	695,391	-	1,626,320	30.0%	30.0%
School	75,617,287	-	75,617,287	13,872,682	57,713,340	4,031,266	94.7%	18.3%
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	24,966,665	57,713,340	27,620,800	75.0%	22.6%
Water Enterprise	2,338,139	-	2,338,139	723,970	-	1,614,169	31.0%	31.0%
Sewer Enterprise	355,912	-	355,912	106,805	-	249,107	30.0%	30.0%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	830,775	-	1,863,276	30.8%	30.8%
Other Expenses								
General Government	2,233,879	216,881	2,450,760	986,445	480,813	983,502	59.9%	40.3%
Community Services	605,675	103,285	708,960	183,407	241,304	284,249	59.9%	25.9%
Public Facilities	1,325,450	247,628	1,573,078	455,148	657,384	460,546	70.7%	28.9%
Public Safety - Fire	571,550	81,058	652,608	183,029	167,559	302,020	53.7%	28.0%
Public Safety - Police	1,019,300	149,034	1,168,334	385,225	349,702	433,407	62.9%	33.0%
Public Works	5,921,832	893,969	6,815,801	1,756,764	3,064,519	1,994,518	70.7%	25.8%
Library	660,687	15,053	675,740	271,279	227,535	176,926	73.8%	40.1%
School	16,976,165	686,223	17,662,388	3,964,470	12,908,977	788,941	95.5%	22.4%
Technical Schools	800,000	-	800,000	160,508	481,525	157,967	80.3%	20.1%
Debt Service	11,057,553	-	11,057,553	2,552,866	-	8,504,687	23.1%	23.1%
Insurance	1,240,000	18,911	1,258,911	1,156,164	34,208	68,539	94.6%	91.8%
Health Insurance	23,147,462	-	23,147,462	3,821,669	-	19,325,793	16.5%	16.5%
Unemployment	160,000	-	160,000	19,891	3,025	137,084	14.3%	12.4%
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	28,794,254	18,616,551	35,514,205	57.2%	34.7%
Water Enterprise	6,782,728	1,046,651	7,829,379	2,774,040	2,138,355	2,916,984	62.7%	35.4%
Sewer Enterprise	4,936,767	346,744	5,283,511	2,473,741	1,569,585	1,240,185	76.5%	46.8%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	5,247,780	3,707,941	4,157,169	68.3%	40.0%
Total - General Fund	190,636,617	2,589,199	193,225,816	53,760,920	76,329,891	63,135,005	67.3%	27.8%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	6,078,555	3,707,941	6,020,445	61.9%	38.5%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 10/31/21

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 10/31/21

	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	Student Technology Rental Acct 4260
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	15,210
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	18,850
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	20,884
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	13,176
Receipts thru 10/31/2021	7,890	1,237	28,926	406,754	60,281	37,709	21,692	2,298	9,698	4,262	9,025	0	0	3,850	0	15,080
Expenditures thru 10/31/2021	9,575	34	24,697	332,269	75,686	13,415	20,057	0	0	10,542	435	0	0	0	0	0
Balance thru 10/31/2021	19,564	15,709	3,541	471,837	314,328	133,198	182,287	49,014	38,915	8,217	84,877	0	681	123,844	3,279	28,256

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	\$200,000
Y-T-D % Spent	47.88%	0.17%	41.16%	44.30%	18.92%	8.94%	8.91%	0.00%	0.00%	17.57%	1.09%	0.00%	0.00%	0.00%	0.00%	0.00%

**Town of Andover
Capital Projects
10/31/2021**

		<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	1,119,821	1,489,626	1,036,129	924,661	604,242	181,559	
	Encumbered	-	-	-	410	38,656	267,379	151,446	
Total School CIP	Available	-	179	6,017	3,461	48,283	278,380	851,994	1,188,314
	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	640,056	471,929	-	
	Encumbered	-	-	9,300	13,206	48,860	327,740	-	
Total General Government CIP	Available	35,000	30,858	16,575	80,433	355,183	102,439	137,000	757,488
	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	-	-	-	-	-	15,000	-	
Total Library CIP	Available	-	-	-	-	10,000	35,000	-	45,000
	Budget	590,000	623,000	800,000	946,000	1,303,000	468,000	1,180,000	
	Expended	590,000	623,000	778,446	914,600	1,241,367	257,993	163,757	
	Encumbered	-	-	1,355	31,034	39,460	22,403	156,011	
Total Facilities CIP	Available	-	-	20,199	366	22,173	187,604	860,232	1,090,574
	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	164,123	-	
	Encumbered	-	-	-	-	-	11,640	41,700	
Total Police CIP	Available	-	-	100	918	-	19,237	213,300	233,555
	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	364,546	-	-	
	Encumbered	5,838	31,929	8,439	4,312	35,362	-	-	
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	2,081,982	2,440,969	990,045	213,757	
	Encumbered	5,838	31,929	19,094	48,552	123,681	376,782	225,095	
Total Town CIP	Available	50,796	40,489	88,767	94,543	387,448	344,281	1,386,148	2,392,471
	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	2,467,404	3,564,996	3,118,111	3,365,630	1,594,287	395,316	
	Encumbered	5,838	31,929	19,094	48,962	162,338	644,161	376,541	
Grand Total	Available	50,796	40,667	94,784	98,004	435,730	622,660	2,238,143	3,580,785