



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 25, 2022

Re: ***FY 2022 Financials***

The attached reports summarize the Town's financial position through November 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 November 30, 2021.

General Fund

The total general fund receipts of all sources collected through November 30, 2021 are exceeding the annual projections through the first five months of the year. FY2022 local receipts are approximately \$346,000 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, as well as the increase in liquor license renewals since the fees were lowered in FY21 due to COVID-19. Off-set receipts collections are approximately \$124,000 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 November 2021. 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. 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 November 2021. The user charges receipts are \$1,359,393 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 are in line with and other expenses are slightly greater than the FY 2022 projections through November 2021.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through November 2021 with user charges being \$622,491 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 November 2021.

Reserve Fund

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

Compensation Fund

Town Meeting approved a compensation fund balance of \$155,326. This money has not been used through November 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 \$3,456,765 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 11/30/2021 and 11/30/2020

	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
Local Receipts								
Motor Vehicle Excise	5,595,875	633,960	11.3%	5,245,856	680,643	13.0%	350,019	(46,684)
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	297,125	61.9%	480,000	204,862	42.7%	-	92,263
Fees	61,000	78,742	129.1%	61,000	26,845	44.0%	-	51,897
Payments in Lieu of Taxes	440,713	-	0.0%	430,000	-	0.0%	10,713	-
Other Departmental Revenues	300,000	77,402	25.8%	300,000	138,861	46.3%	-	(61,458)
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	1,186,770	50.4%	1,903,505	993,140	52.2%	450,495	193,630
Fines & Forfeits	227,000	59,651	26.3%	227,000	67,731	29.8%	-	(8,080)
Investment Income	200,000	70,722	35.4%	414,862	143,892	34.7%	(214,862)	(73,170)
Total Estimated Receipts	11,333,588	3,015,542	26.6%	11,011,223	2,669,886	24.2%	322,365	345,656
Off-Set Receipts								
Recreation	393,510	132,112	33.6%	593,510	159,085	26.8%	(200,000)	(26,973)
Elder Services	106,000	47,212	44.5%	106,000	42,581	40.2%	-	4,631
Public Facilities - Rental Receipts	20,000	37,316	186.6%	80,000	8,534	10.7%	(60,000)	28,782
Cemetery - Interment Fees	60,000	23,387	39.0%	60,000	24,176	40.3%	-	(789)
Public Safety - Police Detail Fees	60,000	29,775	49.6%	90,000	17,496	19.4%	(30,000)	12,279
Public Safety / Fire - Ambulance Receipts	1,250,000	542,552	43.4%	1,350,000	436,630	32.3%	(100,000)	105,923
Total Off-Set Receipts	1,889,510	812,354	43.0%	2,279,510	688,502	30.2%	(390,000)	123,853
Other Revenues								
Property Taxes (inc. Tax Titles)	165,604,775	79,476,980	48.0%	159,488,649	75,677,272	47.4%	6,116,126	3,799,708
State Aid	14,178,409	6,015,772	42.4%	13,939,807	5,781,802	41.5%	238,602	233,970
Total Other Revenues	179,783,184	85,492,752	47.6%	173,428,456	81,459,074	47.0%	6,354,728	4,033,678
Total Revenues	193,006,282	89,320,648	46.3%	186,719,189	84,817,461	45.4%	6,287,093	4,503,187

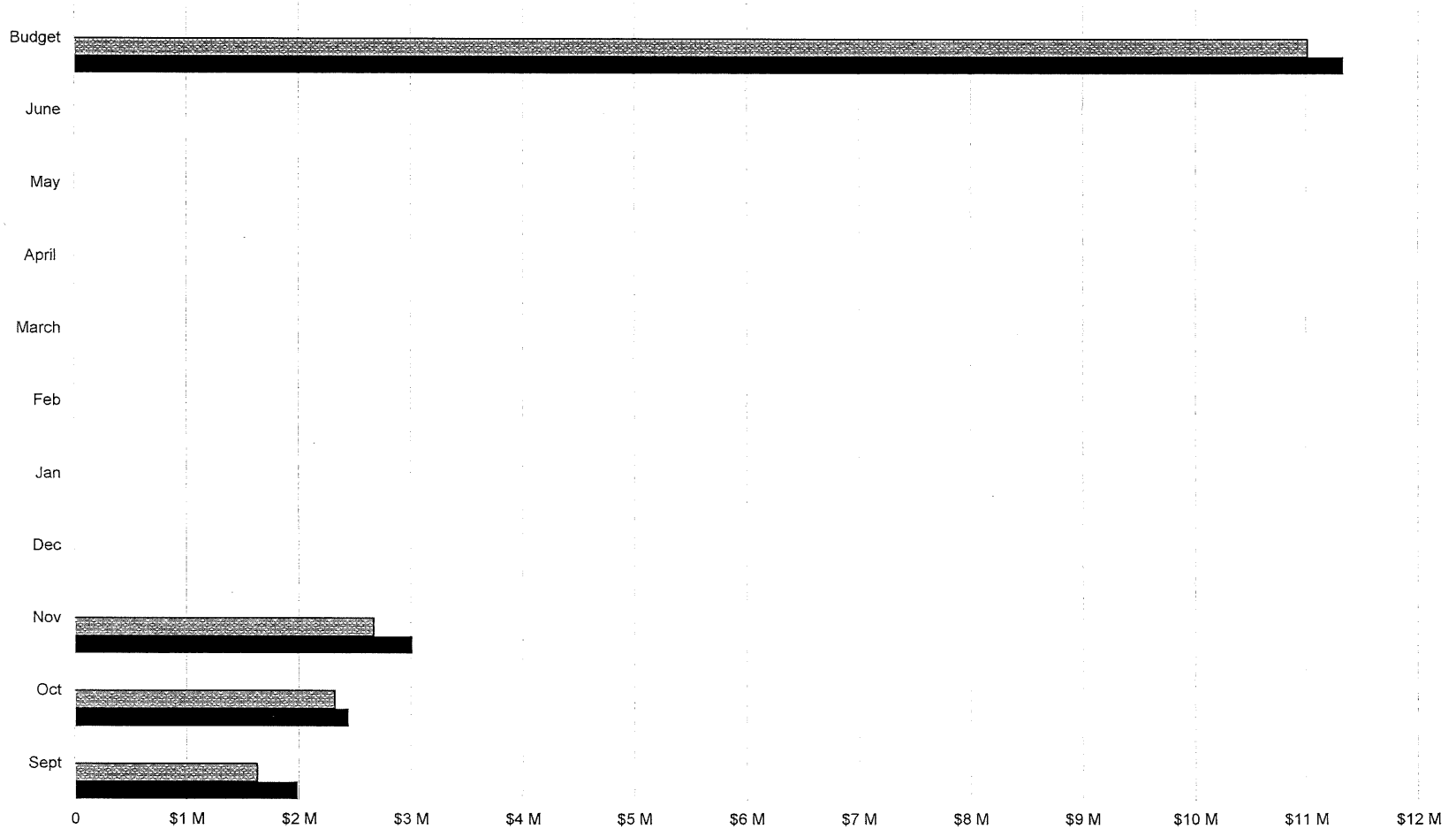
Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2021 and 11/30/2020

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	4,209,088	42.1%	9,567,598	5,568,481	58.2%	429,168	(1,359,393)
Water Connection	41,000	1,258	3.1%	41,000	27,676	67.5%	-	(26,418)
Water Testing Fees	18,000	1,885	10.5%	22,000	11,305	51.4%	(4,000)	(9,420)
Meter Installations	9,000	4,050	45.0%	10,000	9,000	90.0%	(1,000)	(4,950)
Fire Flow Test	9,000	2,800	31.1%	9,000	5,500	61.1%	-	(2,700)
Special/Final Reads	25,000	11,432	45.7%	25,000	31,476	125.9%	-	(20,044)
Backflow/Cross Connection Fees	75,000	43,445	57.9%	75,000	4,160	5.5%	-	39,285
Water Tap	1,000	300	30.0%	-	900	N/A	1,000	(600)
Liens	80,000	9,684	12.1%	120,000	15,185	12.7%	(40,000)	(5,502)
Fire Suppression	220,000	115,504	52.5%	220,000	94,635	43.0%	-	20,868
Interest /Misc Revenue	-	1,051	N/A	12,000	14,519	121.0%	(12,000)	(13,468)
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	4,401,815	41.9%	10,117,598	5,787,173	57.2%	376,168	(1,385,358)

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	1,407,798	27.7%	4,962,068	2,030,289	40.9%	124,052	(622,491)
Committed Interest/Income	165,000	7,766	4.7%	170,000	17,236	10.1%	(5,000)	(9,470)
Liens	55,000	4,953	9.0%	55,000	12,984	23.6%	-	(8,031)
Apport Assmnts	410,000	66,626	16.3%	445,000	73,671	16.6%	(35,000)	(7,045)
Interest /Misc Revenue	-	1,789	N/A	-	1,350	N/A	-	439
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	1,490,106	26.0%	5,680,068	2,138,842	37.7%	51,052	(648,736)

Total Enterprise Revenues	16,224,886	5,891,921	36.3%	15,797,666	7,926,014	50.17%	427,220	(2,034,093)
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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
	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget		
■ FY 2021 % of Budget	14.8%	21.1%	24.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%		
▨ FY 2022 % of Budget	17.6%	21.6%	26.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%		
■ FY 2021 Receipts	\$1,628,383	\$2,323,802	\$2,669,886										\$11,011,223
■ FY 2022 Receipts	\$1,989,405	\$2,444,067	\$3,015,542										\$11,333,588

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 11/30/2021

	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	2,802,694	-	4,477,326	38.5%	38.5%
Community Services	1,819,521	-	1,819,521	865,786	-	953,735	47.6%	47.6%
Public Facilities	2,508,336	-	2,508,336	1,004,851	-	1,503,485	40.1%	40.1%
Public Safety - Fire	8,628,347	32,813	8,661,160	3,442,243	-	5,218,917	39.7%	39.7%
Public Safety - Police	8,090,689	32,178	8,122,867	3,257,362	-	4,865,505	40.1%	40.1%
Public Works	3,814,578	-	3,814,578	1,382,576	-	2,432,002	36.2%	36.2%
Library	2,321,710	-	2,321,710	866,538	-	1,455,172	37.3%	37.3%
School	75,617,287	-	75,617,287	19,775,337	52,401,532	3,440,418	95.5%	26.2%
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	33,397,386	52,401,532	24,501,887	77.8%	30.3%
Water Enterprise	2,338,139	-	2,338,139	902,114	-	1,436,025	38.6%	38.6%
Sewer Enterprise	355,912	-	355,912	134,002	-	221,910	37.7%	37.7%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	1,036,117	-	1,657,934	38.5%	38.5%
Other Expenses								
General Government	2,233,879	216,881	2,450,760	1,115,140	441,175	894,445	63.5%	45.5%
Community Services	605,675	103,285	708,960	213,166	230,998	264,796	62.7%	30.1%
Public Facilities	1,325,450	247,628	1,573,078	575,285	604,630	393,163	75.0%	36.6%
Public Safety - Fire	571,550	81,058	652,608	257,564	160,004	235,041	64.0%	39.5%
Public Safety - Police	1,019,300	149,034	1,168,334	423,054	364,490	380,790	67.4%	36.2%
Public Works	5,921,832	893,969	6,815,801	2,151,047	2,870,460	1,794,294	73.7%	31.6%
Library	660,687	15,053	675,740	298,691	205,253	171,796	74.6%	44.2%
School	16,976,165	686,223	17,662,388	5,531,799	11,427,605	702,984	96.0%	31.3%
Technical Schools	800,000	-	800,000	320,340	321,693	157,967	80.3%	40.0%
Debt Service	11,057,553	-	11,057,553	5,840,405	-	5,217,148	52.8%	52.8%
Insurance	1,240,000	18,911	1,258,911	1,157,984	35,783	65,144	94.8%	92.0%
Health Insurance	23,147,462	-	23,147,462	4,493,002	-	18,654,460	19.4%	19.4%
Unemployment	160,000	-	160,000	33,545	2,050	124,405	22.2%	21.0%
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	-	-	100.0%	100.0%
Total Other Expenses - General Fund	80,512,969	2,412,042	82,925,011	37,004,438	16,664,140	29,256,433	64.7%	44.6%
Water Enterprise	6,782,728	1,046,651	7,829,379	3,851,379	1,946,206	2,031,793	74.0%	49.2%
Sewer Enterprise	4,936,767	346,744	5,283,511	3,312,940	1,412,479	558,091	89.4%	62.7%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	7,164,320	3,358,686	2,589,884	80.2%	54.6%
Total - General Fund	190,636,617	2,589,199	193,225,816	70,401,824	69,065,672	53,758,319	72.2%	36.4%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	8,200,437	3,358,686	4,247,819	73.1%	51.9%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 11/30/21

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 11/30/21

	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	Student Technology Rental Acct 4260
Balance thru 6/30/2020	16,598	14,081	26,344	227,426	199,511	68,107	129,857	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	133,721	46,716	29,218	14,497	76,288	0	681	119,994	3,279	13,176
Receipts thru 11/30/2021	14,580	1,403	28,926	612,453	60,621	38,384	32,928	2,877	10,085	4,262	9,514	0	0	20,600	0	15,080
Expenditures thru 11/30/2021	11,064	34	26,271	436,116	79,550	16,114	31,038	0	0	12,907	435	0	0	255	0	0
Balance thru 11/30/2021	24,765	15,875	1,967	573,690	310,804	131,174	135,611	49,593	39,303	5,853	85,366	0	681	140,339	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	55.32%	0.17%	43.79%	58.15%	19.89%	10.74%	13.79%	0.00%	0.00%	21.51%	1.09%	0.00%	0.00%	0.26%	0.00%	0.00%

**Town of Andover
Capital Projects
11/30/2021**

	<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	1,119,821	1,489,626	1,036,129	939,101	618,577	199,321	
Encumbered	-	-	-	410	24,216	278,049	184,547	
Total School CIP	-	179	6,017	3,461	48,282	253,374	801,131	1,112,445
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	648,156	471,929	-	
Encumbered	-	-	9,300	13,206	53,044	327,740	-	
Total General Government CIP	35,000	30,858	16,575	80,433	342,898	102,439	137,000	745,203
Budget	-	-	32,214	-	-	-	-	
Expended	-	-	28,601	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Youth Services CIP	-	-	3,613	-	-	-	-	3,613
Budget	70,000	50,000	-	-	-	-	-	
Expended	66,873	50,000	-	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Recreation CIP	3,127	-	-	-	-	-	-	3,127
Budget	25,000	25,000	-	-	10,000	50,000	-	
Expended	25,000	25,000	-	-	-	-	-	
Encumbered	-	-	-	-	-	15,000	-	
Total Library CIP	-	-	-	-	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	921,535	1,242,339	259,285	190,233	
Encumbered	-	-	1,355	24,100	38,488	30,954	151,758	
Total Facilities CIP	-	-	20,199	366	22,173	177,761	838,008	1,058,507
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	167,923	-	
Encumbered	-	-	-	-	-	11,640	41,700	
Total Police CIP	-	-	100	918	-	15,437	213,300	229,755
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	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	254,895	361,564	323,147	371,546	-	-	
Encumbered	5,838	20,475	7,303	4,312	28,362	-	-	
Total DPW CIP	-	9,631	46,132	541	93	-	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	1,359,037	2,076,507	2,088,916	2,457,041	995,138	240,233	
Encumbered	5,838	20,475	17,958	41,618	119,893	385,333	220,841	
Total Town CIP	50,796	40,489	88,767	94,543	375,164	330,637	1,363,925	2,344,321
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	2,478,858	3,566,132	3,125,045	3,396,142	1,613,715	439,555	
Encumbered	5,838	20,475	17,958	42,028	144,109	663,382	405,389	
Grand Total	50,796	40,667	94,784	98,004	423,446	584,011	2,165,057	3,456,765