



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: February 22, 2022

Re: ***FY 2022 Financials***

The attached reports summarize the Town's financial position through December 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 December 31, 2021.

General Fund

The total general fund receipts of all sources collected through December 31, 2021 are in line with the annual projections through the first half of the year. FY2022 local receipts are approximately \$587,000 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 in line with projections and approximately \$39,000 greater than collections through the same period of time last fiscal year, mainly due to higher rental receipts.

General fund personal services are lower and other expenditures are in line with FY 2022 projections through December 31, 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 December 31, 2021. The user charges receipts are approximately \$1,187,000 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 slightly greater than the FY 2022 projections through December 31, 2021.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through December 31, 2021 with user charges being approximately \$462,000 less than prior year receipts through the same period. The lower collections are correlated with the lower water collections. Sewer personal services are in line with and other expenses are greater than the FY 2022 projections through December 31, 2021. The greater expenditures are due to a significant sewer main repair which was not budgeted.

Reserve Fund

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

Compensation Fund

Town Meeting approved a compensation fund balance of \$155,326. This money has not been used through December 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 12/31/2021 and 12/31/2020

	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	674,083	12.0%	5,445,856	780,298	14.3%	150,019	(106,216)
Hotel/Motel/Meals	1,475,000	1,239,237	84.0%	1,064,009	605,569	56.9%	410,991	633,668
Penalties and Interest on Taxes and Excises	480,000	316,571	66.0%	480,000	246,918	51.4%	-	69,653
Fees	61,000	79,647	130.6%	61,000	28,080	46.0%	-	51,567
Payments in Lieu of Taxes	440,713	-	0.0%	430,000	-	0.0%	10,713	-
Other Departmental Revenues	300,000	115,079	38.4%	300,000	164,247	54.7%	-	(49,168)
Other Departmental Revenues - School Medicare	200,000	56,107	28.1%	180,000	111,685	62.0%	20,000	(55,578)
Licenses and Permits	2,354,000	1,374,050	58.4%	2,408,496	1,243,037	51.6%	(54,496)	131,013
Fines & Forfeits	227,000	68,486	30.2%	227,000	81,563	35.9%	-	(13,078)
Investment Income	200,000	81,532	40.8%	395,918	156,193	39.5%	(195,918)	(74,661)
Special Assessments	-	45	N/A	-	-	N/A	-	45
Total Estimated Receipts	11,333,588	4,004,836	35.3%	10,992,279	3,417,591	31.1%	341,309	587,245

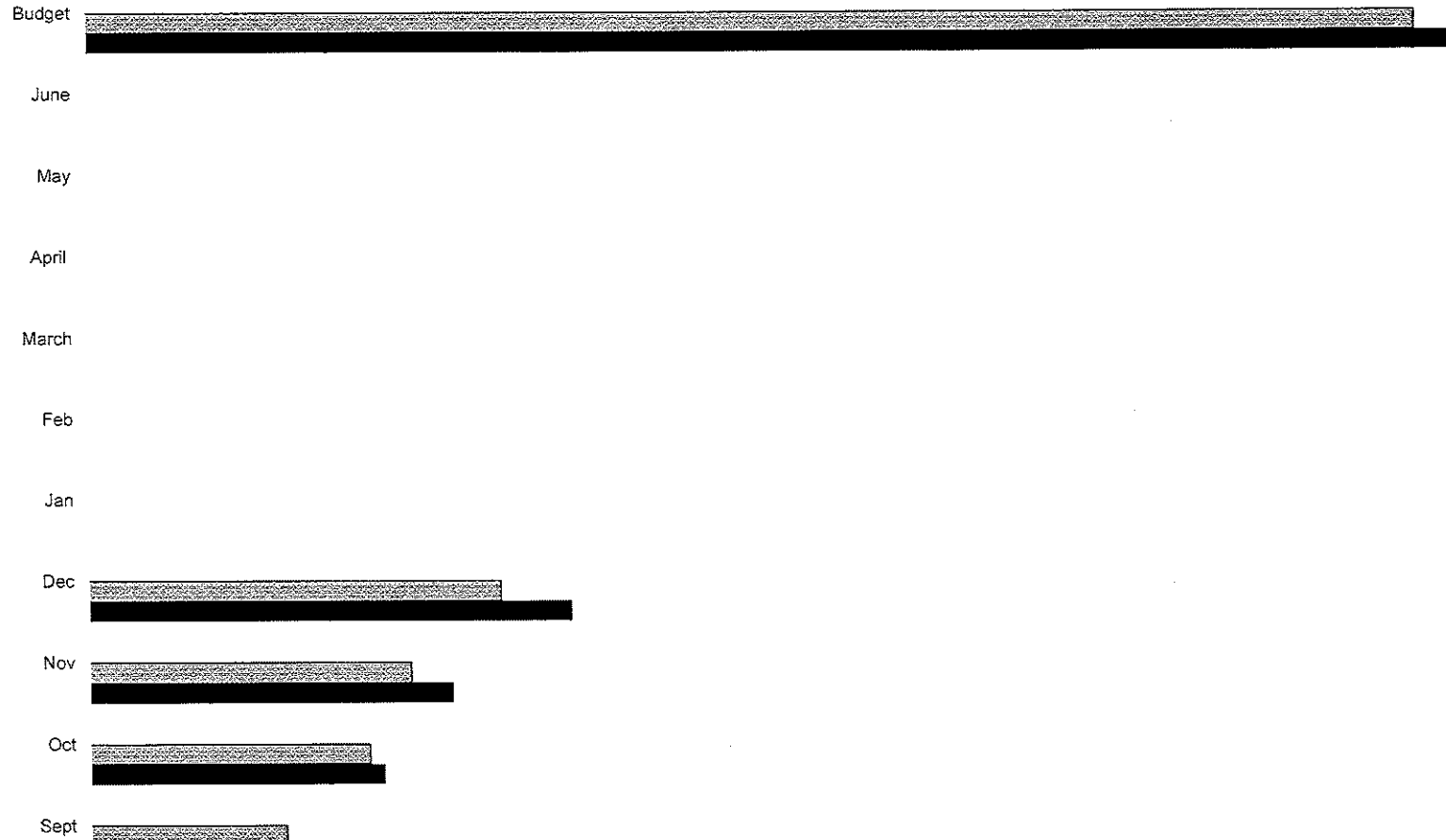
	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
Off-Set Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Recreation	393,510	134,625	34.2%	593,510	159,345	26.8%	(200,000)	(24,720)
Elder Services	106,000	63,517	59.9%	106,000	49,459	46.7%	-	14,058
Public Facilities - Rental Receipts	20,000	48,608	243.0%	80,000	9,600	12.0%	(60,000)	39,008
Cemetery - Interment Fees	60,000	33,785	56.3%	60,000	31,991	53.3%	-	1,794
Public Safety - Police Detail Fees	60,000	38,046	63.4%	90,000	23,553	26.2%	(30,000)	14,493
Public Safety / Fire - Ambulance Receipts	1,250,000	676,310	54.1%	1,350,000	681,506	50.5%	(100,000)	(5,196)
Total Off-Set Receipts	1,889,510	994,891	52.7%	2,279,510	955,454	41.9%	(390,000)	39,437

	FY 22 Budgeted	FY 22 YTD	%	FY 21 Budgeted	FY 21 YTD	%	Change in	Change in
Other Revenues	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Property Taxes (inc. Tax Titles)	165,459,877	80,194,742	48.5%	159,488,649	76,661,877	48.1%	5,971,228	3,532,866
State Aid	14,178,409	7,197,419	50.8%	13,939,807	6,940,150	49.8%	238,602	257,269
Total Other Revenues	179,638,286	87,392,161	48.6%	173,428,456	83,602,027	48.2%	6,209,830	3,790,135
Total Revenues	192,861,384	92,391,889	47.9%	186,700,245	87,975,072	47.1%	6,161,139	4,416,817

Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 12/31/2021 and 12/31/2020

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	5,596,531	56.0%	9,567,598	6,783,576	70.9%	429,168	(1,187,045)
Water Connection	41,000	1,887	4.6%	41,000	28,305	69.0%	-	(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	9,225	92.3%	(1,000)	(5,175)
Fire Flow Test	9,000	4,482	49.8%	9,000	5,500	61.1%	-	(1,018)
Special/Final Reads	25,000	13,382	53.5%	25,000	34,366	137.5%	-	(20,984)
Backflow/Cross Connection Fees	75,000	59,599	79.5%	75,000	4,160	5.5%	-	55,439
Water Tap	1,000	600	60.0%	-	1,050	N/A	1,000	(450)
Liens	80,000	9,802	12.3%	120,000	15,258	12.7%	(40,000)	(5,456)
Fire Suppression	220,000	160,579	73.0%	220,000	123,874	56.3%	-	36,705
Interest /Misc Revenue	-	1,055	N/A	12,000	14,569	121.4%	(12,000)	(13,515)
Non-Revenue Interest	19,000	2,353	12.4%	16,000	7,807	48.8%	3,000	(5,455)
Total Water Receipts	10,493,766	5,856,205	55.8%	10,117,598	7,038,996	69.6%	376,168	(1,182,791)
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	2,272,499	44.7%	4,962,068	2,734,718	55.1%	124,052	(462,219)
Committed Interest/Income	165,000	19,281	11.7%	170,000	30,627	18.0%	(5,000)	(11,346)
Liens	55,000	4,953	9.0%	55,000	13,072	23.8%	-	(8,120)
Apport Assmnts	410,000	80,018	19.5%	445,000	100,243	22.5%	(35,000)	(20,225)
Interest /Misc Revenue	-	1,789	N/A	-	1,350	N/A	-	439
Non-Revenue Interest	15,000	1,662	11.1%	48,000	5,474	11.4%	(33,000)	(3,812)
Total Sewer Receipts	5,731,120	2,380,201	41.5%	5,680,068	2,885,484	50.8%	51,052	(505,283)
Total Enterprise Revenues	16,224,886	8,236,406	50.8%	15,797,666	9,924,479	62.82%	427,220	(1,688,074)

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%	31.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%	
■ FY 2022 % of Budget		17.6%	21.6%	26.6%	35.3%	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	\$3,417,591							\$11,011,223	
■ FY 2022 Receipts		\$1,989,405	\$2,444,067	\$3,015,542	\$4,004,836							\$11,333,588	

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 12/31/2021

	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	3,430,434	-	3,849,586	47.1%	47.1%
Community Services	1,819,521	-	1,819,521	1,008,373	-	811,148	55.4%	55.4%
Public Facilities	2,508,336	-	2,508,336	1,253,209	-	1,255,127	50.0%	50.0%
Public Safety - Fire	8,628,347	32,813	8,661,160	4,425,546	-	4,235,614	51.1%	51.1%
Public Safety - Police	8,090,689	32,178	8,122,867	4,005,521	-	4,117,346	49.3%	49.3%
Public Works	3,814,578	-	3,814,578	1,824,978	-	1,989,601	47.8%	47.8%
Library	2,321,710	-	2,321,710	1,083,884	-	1,237,826	46.7%	46.7%
School	75,617,287	-	75,617,287	28,689,446	43,593,322	3,334,519	95.6%	37.9%
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	45,721,391	43,593,322	20,986,093	81.0%	41.5%
Water Enterprise	2,338,139	-	2,338,139	1,106,270	-	1,231,869	47.3%	47.3%
Sewer Enterprise	355,912	-	355,912	164,253	-	191,659	46.1%	46.1%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	1,270,522	-	1,423,529	47.2%	47.2%
	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Other Expenses								
General Government	2,233,879	216,881	2,450,760	1,294,876	398,634	757,250	69.1%	52.8%
Community Services	605,675	103,285	708,960	244,516	200,468	263,976	62.8%	34.5%
Public Facilities	1,325,450	247,628	1,573,078	740,808	542,610	289,661	81.6%	47.1%
Public Safety - Fire	571,550	81,058	652,608	308,824	146,418	197,366	69.8%	47.3%
Public Safety - Police	1,019,300	149,034	1,168,334	528,187	309,685	330,463	71.7%	45.2%
Public Works	5,921,832	893,969	6,815,801	2,571,340	2,521,123	1,723,338	74.7%	37.7%
Library	660,687	15,053	675,740	338,781	188,453	148,507	78.0%	50.1%
School	16,978,165	666,223	17,662,388	7,318,376	10,083,567	260,445	98.5%	41.4%
Technical Schools	800,000	-	800,000	420,753	422,105	(42,858)	105.4%	52.6%
Debt Service	11,057,553	-	11,057,553	7,017,303	-	4,040,250	63.5%	63.5%
Insurance	1,240,000	18,911	1,258,911	1,177,237	17,377	64,297	94.9%	93.5%
Health Insurance	23,147,462	-	23,147,462	6,089,860	-	17,057,602	26.3%	26.3%
Unemployment	160,000	-	160,000	42,590	2,050	115,360	27.9%	26.6%
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	42,686,866	14,832,490	25,405,656	69.4%	51.5%
Water Enterprise	6,782,728	1,046,651	7,829,379	4,159,797	1,822,997	1,846,585	76.4%	53.1%
Sewer Enterprise	4,936,767	346,744	5,283,511	3,735,307	1,411,641	136,563	97.4%	70.7%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	7,895,104	3,234,638	1,983,148	84.9%	60.2%
Total - General Fund	190,636,617	2,589,199	193,225,816	88,408,256	58,425,811	46,391,748	76.0%	45.8%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	9,165,627	3,234,638	3,406,677	78.4%	58.0%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 12/31/21

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 12/31/21

	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	16,599	14,082	26,344	227,426	199,511	68,107	129,857	39,289	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	21,250	14,507	-688	397,353	329,733	108,905	133,721	46,715	29,218	14,497	76,288	0	681	119,994	3,279	13,176
Receipts thru 12/31/2021	16,015	2,083	29,463	579,064	84,624	37,475	38,599	3,456	10,344	5,105	9,514	0	0	39,575	0	15,080
Expenditures thru 12/31/2021	13,112	71	26,496	592,170	83,897	16,141	32,936	0	0	24	435	0	0	3,200	0	20,624
Balance thru 12/31/2021	24,153	16,520	2,280	384,247	330,460	130,238	139,384	50,171	39,561	19,578	85,366	0	681	156,369	3,279	7,633

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	65.56%	0.35%	44.16%	78.96%	20.97%	10.76%	14.64%	0.00%	0.00%	0.04%	1.09%	0.00%	0.00%	3.20%	0.00%	10.31%

**Town of Andover
Capital Projects
12/31/2021**

	<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	942,882	704,431	245,295		
Encumbered	-	-	-	410	46,664	290,316	290,117		
Total School CIP	Available	-	179	6,017	3,461	22,054	155,254	649,587	836,552
Budget	112,000	222,000	579,018	487,000	1,044,098	902,108	137,000		
Expended	77,000	191,142	553,143	396,617	678,809	524,048	-		
Encumbered	-	-	9,300	9,950	28,874	278,060	-		
Total General Government CIP	Available	35,000	30,858	16,575	80,433	336,415	100,000	137,000	736,281
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	929,963	1,243,385	267,431	220,086		
Encumbered	-	-	2,355	16,022	34,951	33,360	225,611		
Total Facilities CIP	Available	-	-	19,199	15	24,664	167,209	734,303	945,390
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	166,672	41,700		
Encumbered	-	-	-	-	-	11,640	-		
Total Police CIP	Available	-	-	100	918	-	16,689	213,300	231,007
Budget	50,000	20,000	63,500	214,000	-	96,000	88,000		
Expended	37,332	20,000	61,352	201,715	-	96,000	77,383		
Encumbered	-	-	-	-	-	-	-		
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	254,895	363,644	323,147	377,246	-	-		
Encumbered	5,838	20,475	5,223	4,312	22,662	-	-		
Total DPW CIP	Available	-	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	2,078,587	2,100,601	2,494,439	1,054,151	339,170		
Encumbered	5,838	20,475	16,878	30,284	86,486	338,059	225,611		
Total Town CIP	Available	50,796	40,489	87,767	94,192	371,172	318,898	1,260,220	2,223,533
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	3,568,212	3,136,730	3,437,322	1,758,582	584,465		
Encumbered	5,838	20,475	16,878	30,694	133,150	628,375	515,728		
Grand Total	Available	50,796	40,667	93,784	97,653	393,226	474,151	1,909,807	3,060,085