



TOWN OF ANDOVER *Finance & Budget*

Hayley Green, CPA, Town Accountant/Assistant Finance Director
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

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

Date: June 2, 2022

Re: ***FY 2022 Financials***

The attached reports summarize the Town's financial position through April 30, 2022.
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 April 30, 2022.

General Fund

The total general fund receipts of all sources collected through April 30, 2022 are greater than projections through the first ten months of the year. FY2022 local receipts are approximately \$2.1 million 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, larger building permits, and a large school Medicaid payment. Off-set receipts collections also exceed projections and are approximately \$88,000 greater than collections through the same period of time last fiscal year, mainly due to increased public facility rentals and ambulance receipts. General fund personal services and other expenditures are in line with FY 2022 projections through April 30, 2022. 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. The Fire department incurred significant medical expenses, which were not budgeted, and the technical schools' appropriation came in higher than estimated. These two deficits will be covered with free cash which was approved at Town Meeting in May 2022.

Water Enterprise Fund

The total water enterprise fund collections are in line with the annual projections through April 30, 2022. The user charges receipts are approximately \$1.6 million 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 lower than FY 2022 projections through April 30, 2022.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through April 30, 2022, with user charges being approximately \$752,000 less than prior year receipts through the same period. The lower collections are correlated with the lower water collections. Sewer personal services and other expenses are lower than FY 2022 projections through April 30, 2022.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. This money has not been used through April 30, 2022.

Compensation Fund

Town Meeting approved a compensation fund balance of \$155,326. This money has not been used through April 30, 2022.

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 \$2,568,987 available for the most recent seven years of approved projects.

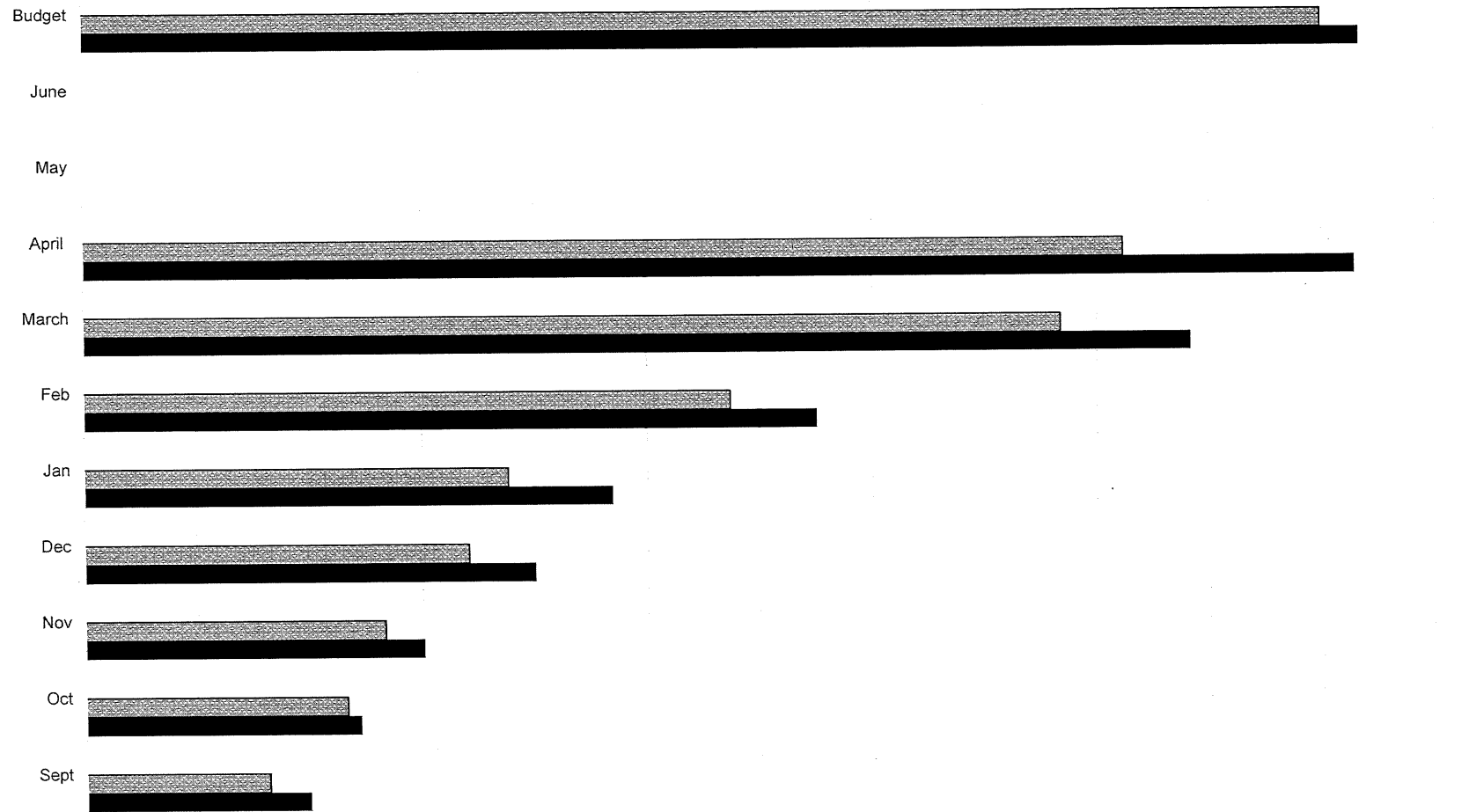
Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 4/30/2022 and 4/30/2021

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	8,157,006	81.6%	9,567,598	9,729,991	101.7%	429,168	(1,572,985)
Water Connection	41,000	5,661	13.8%	41,000	29,563	72.1%	-	(23,902)
Water Testing Fees	18,000	12,490	69.4%	22,000	13,510	61.4%	(4,000)	(1,020)
Meter Installations	9,000	6,525	72.5%	10,000	13,275	132.8%	(1,000)	(6,750)
Fire Flow Test	9,000	4,982	55.4%	9,000	7,500	83.3%	-	(2,518)
Special/Final Reads	25,000	17,866	71.5%	25,000	48,418	193.7%	-	(30,553)
Backflow/Cross Connection Fees	75,000	103,088	137.5%	75,000	26,929	35.9%	-	76,159
Water Tap	1,000	600	60.0%	-	1,200	N/A	1,000	(600)
Liens	80,000	88,656	110.8%	120,000	76,634	63.9%	(40,000)	12,023
Fire Suppression	220,000	247,876	112.7%	220,000	217,419	98.8%	-	30,458
Interest /Misc Revenue	-	1,640	N/A	12,000	18,664	155.5%	(12,000)	(17,024)
Non-Revenue Interest	19,000	3,475	18.3%	16,000	10,676	66.7%	3,000	(7,202)
Total Water Receipts	10,493,766	8,649,864	82.4%	10,117,598	10,193,778	100.8%	376,168	(1,543,913)

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	3,657,984	71.9%	4,962,068	4,290,483	86.5%	124,052	(632,498)
Committed Interest/Income	165,000	151,725	92.0%	170,000	179,441	105.6%	(5,000)	(27,716)
Liens	55,000	58,398	106.2%	55,000	59,750	108.6%	-	(1,352)
Apport Assmnts	410,000	443,822	108.2%	445,000	527,913	118.6%	(35,000)	(84,092)
State Reimb/Grants	-	7,218	N/A	-	8,512	N/A	-	(1,294)
Interest /Misc Revenue	-	2,479	N/A	-	2,676	N/A	-	(197)
Non-Revenue Interest	15,000	2,437	16.2%	48,000	7,428	15.5%	(33,000)	(4,992)
Total Sewer Receipts	5,731,120	4,324,062	75.4%	5,680,068	5,076,203	89.4%	51,052	(752,141)

Total Enterprise Revenues	16,224,886	12,973,927	80.0%	15,797,666	15,269,981	96.66%	427,220	(2,296,054)
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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%	24.3%	31.1%	34.3%	52.2%	78.9%	84.0%	0.0%	0.0%	100.0%	
▨ FY 2022 % of Budget		17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.7%	99.6%	0.0%	0.0%	100.0%	
▨ FY 2021 Receipts		\$1,628,383	\$2,323,802	\$2,669,886	\$3,417,591	\$3,767,743	\$5,740,163	\$8,675,697	\$9,235,997			\$10,992,279	
■ FY 2022 Receipts		\$1,989,405	\$2,444,067	\$3,015,542	\$4,004,836	\$4,695,288	\$6,508,233	\$9,831,470	\$11,289,767			\$11,333,588	

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 4/30/2022

	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	5,726,045	-	1,553,975	78.7%	78.7%
Community Services	1,819,521	-	1,819,521	1,496,915	-	322,606	82.3%	82.3%
Public Facilities	2,508,336	-	2,508,336	2,022,389	-	485,947	80.6%	80.6%
Public Safety - Fire	8,628,347	32,813	8,661,160	7,137,326	-	1,523,834	82.4%	82.4%
Public Safety - Police	8,090,689	32,178	8,122,867	6,674,186	-	1,448,681	82.2%	82.2%
Public Works	3,814,578	-	3,814,578	3,274,395	-	540,183	85.8%	85.8%
Library	2,321,710	-	2,321,710	1,801,657	-	520,053	77.6%	77.6%
School	75,617,287	(500,000)	75,117,287	53,024,749	20,926,285	1,166,253	98.4%	70.6%
Compensation Fund	155,326	-	155,326	-	-	155,326	0.0%	0.0%
Total Personal Services - General Fund	110,123,648	(322,843)	109,800,805	81,157,662	20,926,285	7,716,858	93.0%	73.9%
Water Enterprise	2,338,139	-	2,338,139	1,782,429	-	555,711	76.2%	76.2%
Sewer Enterprise	355,912	-	355,912	267,356	-	88,556	75.1%	75.1%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	2,049,785	-	644,266	76.1%	76.1%
Other Expenses								
General Government	2,233,879	216,881	2,450,760	1,905,812	279,075	265,873	89.2%	77.8%
Community Services	605,675	103,285	708,960	350,500	132,999	225,462	68.2%	49.4%
Public Facilities	1,325,450	247,628	1,573,078	1,149,851	337,469	85,757	94.5%	73.1%
Public Safety - Fire	571,550	81,058	652,608	686,967	77,605	(111,963)	117.2%	105.3%
Public Safety - Police	1,019,300	149,034	1,168,334	858,985	270,520	38,829	96.7%	73.5%
Public Works	5,921,832	893,969	6,815,801	4,924,476	1,503,036	388,289	94.3%	72.3%
Library	660,687	15,053	675,740	496,001	105,713	74,025	89.0%	73.4%
School	16,976,165	1,186,223	18,162,388	11,488,153	4,962,884	1,711,351	90.6%	63.3%
Technical Schools	800,000	-	800,000	680,996	161,862	(42,858)	105.4%	85.1%
Debt Service	11,057,553	-	11,057,553	10,078,768	-	978,785	91.1%	91.1%
Insurance	1,240,000	18,911	1,258,911	1,190,589	15,243	53,079	95.8%	94.6%
Health Insurance	23,147,462	-	23,147,462	14,308,273	-	8,839,189	61.8%	61.8%
Unemployment	160,000	-	160,000	59,974	1,075	98,951	38.2%	37.5%
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	2,912,042	83,425,011	62,772,761	7,847,480	12,804,770	84.7%	75.2%
Water Enterprise	6,782,728	1,046,651	7,829,379	6,049,191	1,214,588	565,600	92.8%	77.3%
Sewer Enterprise	4,936,767	346,744	5,283,511	3,957,919	722,982	602,610	88.6%	74.9%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	10,007,110	1,937,570	1,168,210	91.1%	76.3%
Total - General Fund	190,636,617	2,589,199	193,225,816	143,930,423	28,773,765	20,521,628	89.4%	74.5%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	12,056,895	1,937,570	1,812,476	88.5%	76.3%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 4/30/22

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 4/30/22

	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 4/30/2022	25,275	3,526	39,468	1,466,061	108,915	38,745	67,793	5,772	11,834	19,878	12,824	0	0	54,210	0	15,080
Expenditures thru 4/30/2022	21,142	541	28,889	864,644	122,861	24,726	57,875	0	0	4,065	5,604	0	0	6,096	0	20,624
Balance thru 4/30/2022	25,382	17,492	9,891	998,770	315,787	122,923	143,639	52,487	41,052	30,310	83,508	0	681	168,108	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	105.71%	2.70%	48.15%	115.29%	30.72%	16.48%	25.72%	0.00%	0.00%	6.78%	14.01%	0.00%	0.00%	6.10%	0.00%	10.31%

**Town of Andover
Capital Projects
4/30/2022**

	<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	1,036,539	970,561	929,990	588,750		
Encumbered	-	-	-	-	28,960	105,014	118,782		
Total School CIP	Available	-	179	6,017	3,461	12,079	114,996	477,468	614,201
Budget	112,000	222,000	579,018	487,000	1,044,098	902,108	137,000		
Expended	77,000	191,142	553,762	399,344	732,987	673,289	-		
Encumbered	4,400	-	9,300	9,754	8,054	99,926	40,900		
Total General Government CIP	Available	30,600	30,858	15,956	77,902	303,057	128,892	96,100	683,366
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	-	-	-	15,000	-		
Encumbered	-	-	-	-	-	-	-		
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	779,446	934,358	1,266,210	291,076	330,163		
Encumbered	-	-	1,355	11,627	23,033	45,715	181,291		
Total Facilities CIP	Available	-	-	19,199	15	13,756	131,208	668,546	832,725
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	179,055	41,700		
Encumbered	-	-	-	-	-	15,945	86,046		
Total Police CIP	Available	-	-	100	918	-	-	127,254	128,272
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	261,090	366,154	323,147	382,946	-	-		
Encumbered	5,838	14,711	2,713	4,312	16,962	-	-		
Total DPW CIP	Available	-	9,200	46,132	541	92	-	165,000	220,965
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	1,365,232	2,082,715	2,107,722	2,577,143	1,254,421	449,247		
Encumbered	10,238	14,711	13,368	25,693	48,049	161,586	308,236		
Total Town CIP	Available	46,396	40,058	87,148	91,661	326,906	295,101	1,067,517	1,954,787
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	2,485,053	3,572,341	3,144,261	3,547,704	2,184,411	1,037,997		
Encumbered	10,238	14,711	13,368	25,693	77,009	266,600	427,018		
Grand Total	Available	46,396	40,236	93,166	95,122	338,985	410,097	1,544,985	2,568,987