



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,
Keith Taverna, Janet Wright, Laura Reinholm, Town Website

Date: June 22, 2022

Re: ***FY 2022 Financials***

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

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 May 31, 2022.

General Fund

The total general fund receipts of all sources collected through May 31, 2022 are greater than projections through the eleven months of the year. FY2022 local receipts are approximately \$2.7 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, a large school Medicaid payment and timing of the Phillips Academy PILOT payment. Off-set receipts collections also exceed projections and are consistent with collections through the same period of time last fiscal year.

General fund personal services and other expenditures are lower than FY 2022 projections through May 31, 2022. The school encumbers most of their projected salaries and adjusts them throughout the school year. Department heads frequently communicate with the finance department near year end to ensure expenditures and encumbrances are within the fiscal year budgets.

Water Enterprise Fund

The total water enterprise fund collections are slightly lower than the annual projections through May 31, 2022. The user charges receipts are approximately \$1 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 May 31, 2022.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through May 31, 2022, with user charges being approximately \$229,000 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 May 31, 2022.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. This money has not been used through May 31, 2022.

Compensation Fund

Town Meeting approved a compensation fund balance of \$155,326. This money has not been used through May 31, 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 \$2,466,391 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 5/31/2022 and 5/31/2021

	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	5,605,418	100.2%	5,445,856	5,235,818	96.1%	150,019	369,600
Hotel/Motel/Meals	1,475,000	1,701,618	115.4%	1,064,009	842,898	79.2%	410,991	858,721
Penalties and Interest on Taxes and Excises	480,000	550,403	114.7%	480,000	432,839	90.2%	-	117,563
Fees	61,000	142,044	232.9%	61,000	33,755	55.3%	-	108,289
Payments in Lieu of Taxes	440,713	453,111	102.8%	430,000	2,016	0.5%	10,713	451,095
Other Departmental Revenues	294,200	185,018	62.9%	291,481	285,856	98.1%	2,719	(100,838)
Other Departmental Revenues - School Medicare	200,000	522,801	261.4%	180,000	141,298	78.5%	20,000	381,502
Non-Recurring Revenues	5,800	5,866	101.1%	8,519	11,976	140.6%	(2,719)	(6,110)
Licenses and Permits	2,354,000	2,879,529	122.3%	2,408,496	2,254,606	93.6%	(54,496)	624,923
Fines & Forfeits	227,000	124,442	54.8%	227,000	159,439	70.2%	-	(34,997)
Investment Income	200,000	159,899	79.9%	395,918	233,597	59.0%	(195,918)	(73,697)
Special Assessments	-	180	N/A	-	1,193	N/A	-	(1,013)
Total Estimated Receipts	11,333,588	12,330,329	108.8%	10,992,279	9,635,291	87.7%	341,309	2,695,037
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	451,314	114.7%	593,510	610,997	102.9%	(200,000)	(159,683)
Elder Services	106,000	115,635	109.1%	106,000	100,966	95.3%	-	14,670
Public Facilities - Rental Receipts	20,000	90,064	450.3%	80,000	28,321	35.4%	(60,000)	61,743
Cemetery - Interment Fees	60,000	57,583	96.0%	60,000	62,671	104.5%	-	(5,088)
Public Safety - Police Detail Fees	60,000	73,841	123.1%	90,000	60,032	66.7%	(30,000)	13,809
Public Safety / Fire - Ambulance Receipts	1,250,000	1,269,382	101.6%	1,350,000	1,194,177	88.5%	(100,000)	75,204
Total Off-Set Receipts	1,889,510	2,057,820	108.9%	2,279,510	2,057,165	90.2%	(390,000)	654
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)	165,459,877	164,723,335	99.6%	159,488,649	158,526,644	99.4%	5,971,228	6,196,692
State Aid	14,178,409	13,114,514	92.5%	13,939,807	12,741,821	91.4%	238,602	372,693
Total Other Revenues	179,638,286	177,837,849	99.0%	173,428,456	171,268,465	98.8%	6,209,830	6,569,385
Total Revenues	192,861,384	192,225,998	99.7%	186,700,245	182,960,921	98.0%	6,161,139	9,265,076

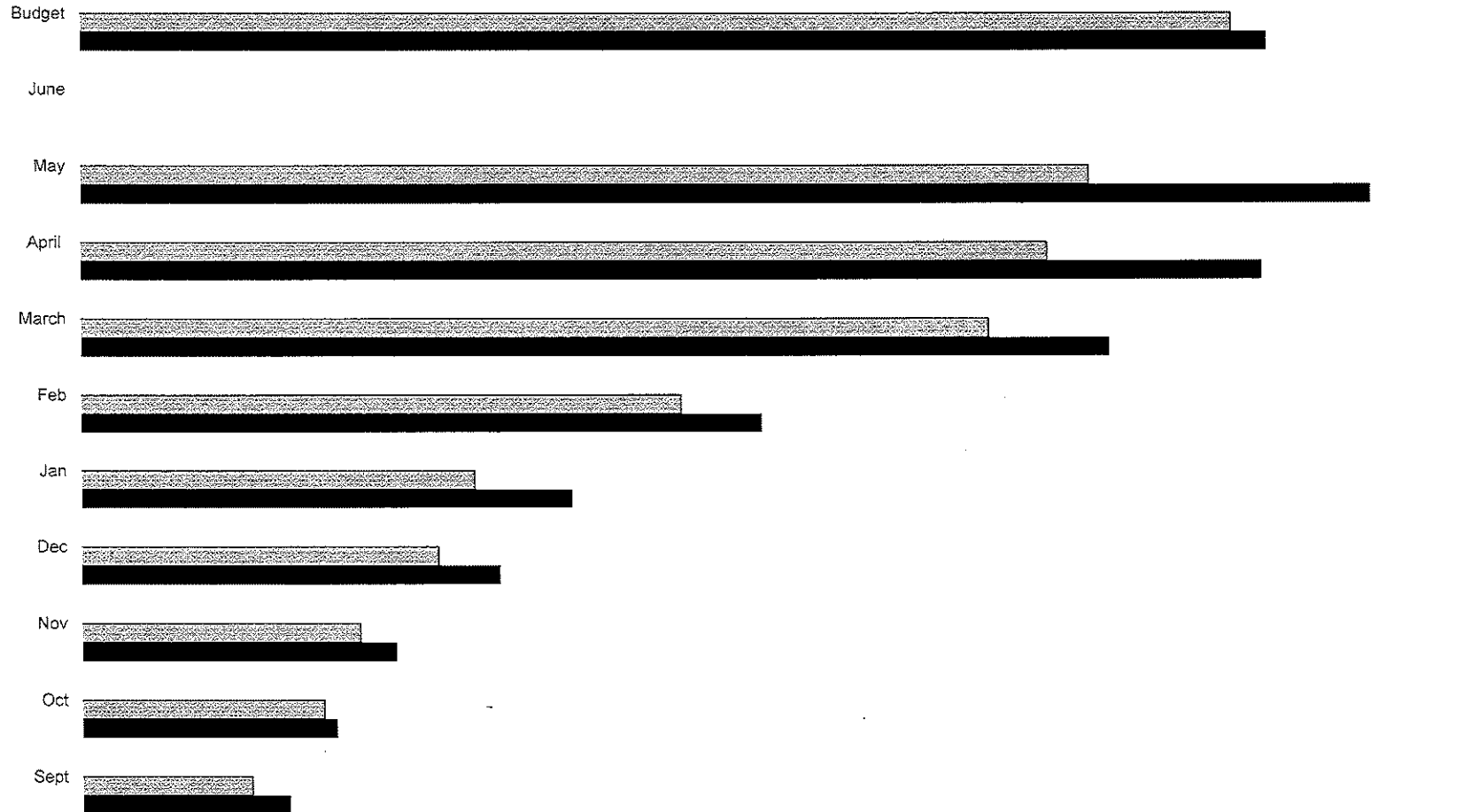
Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 5/31/2022 and 5/31/2021

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	8,829,596	88.3%	9,567,598	9,860,417	103.1%	429,168	(1,030,822)
Water Connection	41,000	5,661	13.8%	41,000	32,079	78.2%	-	(26,418)
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	19,413	77.7%	25,000	50,393	201.6%	-	(30,981)
Backflow/Cross Connection Fees	75,000	114,125	152.2%	75,000	57,634	76.8%	-	56,492
Water Tap	1,000	600	60.0%	-	1,200	N/A	1,000	(600)
Liens	80,000	94,951	118.7%	120,000	81,996	68.3%	(40,000)	12,955
Fire Suppression	220,000	271,198	123.3%	220,000	231,688	105.3%	-	39,510
Interest /Misc Revenue	-	1,693	N/A	12,000	18,851	157.1%	(12,000)	(17,157)
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	9,364,708	89.2%	10,117,598	10,379,219	102.6%	376,168	(1,014,511)

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	4,157,224	81.7%	4,962,068	4,386,378	88.4%	124,052	(229,154)
Committed Interest/Income	165,000	164,952	100.0%	170,000	202,806	119.3%	(5,000)	(37,854)
Liens	55,000	62,400	113.5%	55,000	63,728	115.9%	-	(1,327)
Apport Assmnts	410,000	494,521	120.6%	445,000	563,921	126.7%	(35,000)	(69,401)
State Reimb/Grants	-	7,218	N/A	-	8,512	N/A	-	(1,294)
Interest /Misc Revenue	-	2,580	N/A	-	2,788	N/A	-	(209)
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	4,891,332	85.3%	5,680,068	5,235,562	92.2%	51,052	(344,230)

Total Enterprise Revenues	16,224,886	14,256,040	87.9%	15,797,666	15,614,781	98.84%	427,220	(1,358,740)
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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	\$13 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%	87.7%	0.0%	100.0%		
▨ FY 2022 % of Budget		17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.7%	99.6%	108.8%	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	\$9,635,291		\$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	\$12,330,329		\$11,333,588		

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 5/31/2022

	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	6,204,744	-	1,075,276	85.2%	85.2%
Community Services	1,819,521	-	1,819,521	1,605,338	-	214,183	88.2%	88.2%
Public Facilities	2,508,336	-	2,508,336	2,195,777	-	312,559	87.5%	87.5%
Public Safety - Fire	8,628,347	32,813	8,661,160	7,763,475	-	897,685	89.6%	89.6%
Public Safety - Police	8,090,689	32,178	8,122,867	7,287,844	-	835,023	89.7%	89.7%
Public Works	3,814,578	227,800	4,042,378	3,561,732	-	480,646	88.1%	88.1%
Library	2,321,710	-	2,321,710	1,965,779	-	355,931	84.7%	84.7%
School	75,617,287	(500,000)	75,117,287	59,075,900	15,027,328	1,014,058	98.7%	78.6%
Compensation Fund	155,326	-	155,326	-	-	155,326	0.0%	0.0%
Total Personal Services - General Fund	110,123,648	(95,043)	110,028,605	89,660,589	15,027,328	5,340,687	95.1%	81.5%
Water Enterprise	2,338,139	-	2,338,139	1,942,907	-	395,232	83.1%	83.1%
Sewer Enterprise	355,912	-	355,912	289,909	-	66,003	81.5%	81.5%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	2,232,816	-	461,235	82.9%	82.9%
	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Other Expenses								
General Government	2,233,879	246,881	2,480,760	2,046,572	214,981	219,207	91.2%	82.5%
Community Services	605,675	103,285	708,960	424,255	100,663	184,043	74.0%	59.8%
Public Facilities	1,325,450	247,628	1,573,078	1,245,281	265,316	62,481	96.0%	79.2%
Public Safety - Fire	571,550	356,058	927,608	724,364	85,915	117,329	87.4%	78.1%
Public Safety - Police	1,019,300	149,034	1,168,334	956,207	200,165	11,962	99.0%	81.8%
Public Works	5,921,832	1,166,169	7,088,001	5,290,307	1,387,644	410,051	94.2%	74.6%
Library	660,687	15,053	675,740	527,167	89,084	59,488	91.2%	78.0%
School	16,976,165	1,186,223	18,162,388	13,246,937	3,700,448	1,215,002	93.3%	72.9%
Technical Schools	800,000	274,952	1,074,952	1,072,920	-	2,032	99.8%	99.8%
Debt Service	11,057,553	-	11,057,553	10,701,710	-	355,843	96.8%	96.8%
Insurance	1,240,000	18,911	1,258,911	1,215,601	12,566	30,744	97.6%	96.6%
Health Insurance	23,147,462	-	23,147,462	15,314,595	-	7,832,867	66.2%	66.2%
Unemployment	160,000	-	160,000	63,701	-	96,299	39.8%	39.8%
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	3,764,194	84,277,163	67,423,033	6,056,782	10,797,347	87.2%	80.0%
Water Enterprise	6,782,728	1,046,651	7,829,379	6,378,189	972,900	478,290	93.9%	81.5%
Sewer Enterprise	4,936,767	346,744	5,283,511	4,019,043	747,488	516,980	90.2%	76.1%
Total Other Expenses - Enterprise Funds	11,719,495	1,393,395	13,112,890	10,397,232	1,720,388	995,270	92.4%	79.3%
Total - General Fund	190,636,617	3,669,151	194,305,768	157,083,623	21,084,111	16,138,034	91.7%	80.8%
Total - Enterprise Funds	14,413,546	1,393,395	15,806,941	12,630,049	1,720,388	1,456,504	90.8%	79.9%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 5/31/22

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 5/31/22

	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 5/31/2022	27,230	3,569	39,468	1,687,445	141,217	50,120	76,803	6,351	11,897	22,950	18,544	0	0	54,210	0	15,080
Expenditures thru 5/31/2022	23,474	541	29,035	968,381	126,407	26,820	65,093	0	0	4,065	5,604	0	0	6,096	0	20,624
Balance thru 5/31/2022	25,006	17,535	9,745	1,116,417	344,544	132,204	145,431	53,066	41,115	33,382	89,228	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	117.37%	2.70%	48.39%	129.12%	31.60%	17.88%	28.93%	0.00%	0.00%	6.78%	14.01%	0.00%	0.00%	6.10%	0.00%	10.31%

**Town of Andover
Capital Projects
5/31/2022**

	<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	1,120,000	1,489,687	1,036,539	972,511	942,535	604,127		
Encumbered	-	-	-	3,461	28,785	92,469	123,672		
Total School CIP	Available	-	-	5,956	-	10,305	114,996	457,201	588,458
Budget	112,000	222,000	579,018	487,000	1,044,098	902,108	137,000		
Expended	77,000	192,000	555,462	399,604	739,089	673,289	2,836		
Encumbered	4,400	-	9,300	11,841	8,054	68,789	47,820		
Total General Government CIP	Available	30,600	30,000	14,256	75,555	296,956	160,030	86,344	693,741
Budget	-	-	32,214	-	-	-	-		
Expended	-	-	32,214	-	-	-	-		
Encumbered	-	-	-	-	-	-	-		
Total Youth Services CIP	Available	-	-	-	-	-	-	-	-
Budget	70,000	50,000	-	-	-	-	-		
Expended	66,873	50,000	-	-	-	-	-		
Encumbered	3,127	-	-	-	-	-	-		
Total Recreation CIP	Available	-	-	-	-	-	-	-	-
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	780,801	934,358	1,266,210	304,596	368,085		
Encumbered	-	-	-	11,627	29,083	45,783	204,121		
Total Facilities CIP	Available	-	-	19,199	15	7,706	117,622	607,794	752,336
Budget	285,000	195,000	293,500	250,077	195,000	195,000	255,000		
Expended	285,000	195,000	293,500	249,159	195,000	179,055	41,700		
Encumbered	-	-	-	-	-	15,945	86,046		
Total Police CIP	Available	-	-	918	-	-	127,254	128,172	
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	1,366,090	2,089,483	2,107,983	2,583,245	1,267,940	490,004		
Encumbered	13,365	14,711	12,013	27,780	54,099	130,516	337,987		
Total Town CIP	Available	43,268	39,200	81,735	89,315	314,754	312,652	997,009	1,877,933
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	2,486,090	3,579,170	3,144,522	3,555,756	2,210,476	1,094,131		
Encumbered	13,365	14,711	12,013	31,241	82,883	222,985	461,659		
Grand Total	Available	43,268	39,200	87,692	89,315	325,059	427,648	1,454,210	2,466,391