



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, Keith Taverna,
Town Website

Date: September 19, 2022

Re: ***FY 2022 Financials***

The attached reports summarize the Town's financial position through June 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 General Fund Revenues and Expenditures – *Preliminary and Unaudited* – through June 30, 2022.

General Fund – Revenues

FY 2022 Total General Fund Collections of all sources collected through June 2022 are \$195,604,423 which is \$2,743,039 *greater* than FY2022 Budgeted.

FY 2022 Local Receipts collected through June 2022 are approximately \$2.4 million *greater* than budgeted and \$1.6 million *greater* than FY 2021 collections. Specifically, the following collections contributed to the higher than budgeted collection:

- Motor Vehicle Excise Tax collections are \$406,075 greater than budgeted
- Hotel/Motel and Meals Tax Revenues are \$758,211 greater than budgeted
- School Medicare Revenue is \$459,471 greater than budgeted
- Licenses and Permits are \$744,596 greater than budgeted

FY2022 Off-Set Receipts collected through June 2022 are \$339,844 *more* than budgeted.

The Town continues to have a high tax collection rate at 99.8% with \$165,198,433 collected for property taxes (including tax titles).

Executive Summary **FY** **2022**

General Fund – Expenditures

FY 2022 General Fund Personal Services plus Encumbrances total \$109,442,232, which is \$273,124 *less* than FY2022 Budgeted.

FY 2022 General Fund Other Expenses plus Encumbrances total \$83,007,627, which is \$1,582,784 *less* than FY2022 Budgeted.

General Fund Expenditures plus Encumbrances less than Budgeted:

• Personal Services – General Government	\$ 121,566
• Personal Services – Community Services	\$ (14,080)*
• Personal Services – Public Facilities	\$ 39,661
• Personal Services – Public Works	\$ 64,113
• Personal Services – Public Safety(Police & Fire)	\$ 49,399
• Personal Services – Library	<u>\$ 12,464</u>
Total Personal Services	\$ 273,124
• Other Expenses – General Government	\$ 66,444
• Other Expenses – Community Services	\$ 222,418
• Other Expenses – Public Facilities	\$ 83,146
• Other Expenses – Public Works	\$ 896,949
• Other Expenses – Public Safety(Police & Fire)	\$ 57,247
• Other Expenses – Library	\$ 25,091
• Other Expenses – Schools	\$ 812
• Other Expenses – Technical Schools	\$ 2,032
• Other Expenses – Debt Service	\$ 28,645
• Other Expenses – Reserve Fund	<u>\$ 200,000</u>
Total Other Expenses	\$1,582,784

<i>FY 2022 General Fund Expenditure Surplus Estimate</i>	<i>\$ 1,855,908</i>
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*The department budgets are voted in total, so overages in personal services are covered by surpluses in other expenses.

Executive Summary **FY 2022**

Water Enterprise Fund

FY 2022 Total Water Receipts are \$9,822,448 which is \$671,318 *less* than FY2022 Budgeted.

FY 2022 Water Personal Services are \$118,870 *less* than FY 2022 Budgeted.

FY 2022 Water Other Expenses plus Encumbrances are \$328,233 *less* than FY2022 Budgeted.

<i>FY 2022 Water Enterprise Fund Expenditure Surplus Estimate \$ 447,103</i>
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Sewer Enterprise Fund

FY 2022 Total Sewer Receipts are \$5,288,216 which is \$442,904 *less* than FY2022 Budgeted.

FY 2022 Sewer Personal Services are \$32,406 *less* than FY2022 Budgeted.

FY 2022 Sewer Other Expenses plus Encumbrances are \$412,776 *less* than FY2022 Budgeted.

<i>FY 2022 Sewer Enterprise Fund Expenditure Surplus Estimate \$ 445,182</i>
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Town of Andover
FY 2022 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 6/30/2022 and 6/30/2021

Local Receipts	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
Motor Vehicle Excise	5,595,875	6,001,950	107.3%	5,445,856	6,135,196	112.7%	150,019	(133,246)
Hotel/Motel/Meals	1,475,000	2,233,211	151.4%	1,064,009	1,170,485	110.0%	410,991	1,062,726
Penalties and Interest on Taxes and Excises	480,000	588,985	122.7%	480,000	471,759	98.3%	-	117,226
Fees	61,000	142,964	234.4%	61,000	69,995	114.7%	-	72,969
Payments in Lieu of Taxes	440,713	453,111	102.8%	430,000	437,436	101.7%	10,713	15,675
Other Departmental Revenues	294,200	218,353	74.2%	291,481	333,109	114.3%	2,719	(114,756)
Other Departmental Revenues - School Medicare	200,000	659,471	329.7%	180,000	406,342	225.7%	20,000	253,129
Non-Recurring Revenues	5,800	9,497	163.7%	8,519	12,463	146.3%	(2,719)	(2,966)
Licenses and Permits	2,354,000	3,098,596	131.6%	2,408,496	2,661,413	110.5%	(54,496)	437,184
Fines & Forfeits	227,000	138,911	61.2%	227,000	171,918	75.7%	-	(33,007)
Investment Income	200,000	201,717	100.9%	395,918	248,328	62.7%	(195,918)	(46,611)
Special Assessments	-	180	N/A	-	1,193	N/A	-	(1,013)
Total Estimated Receipts	11,333,588	13,746,947	121.3%	10,992,279	12,119,637	110.3%	341,309	1,627,310

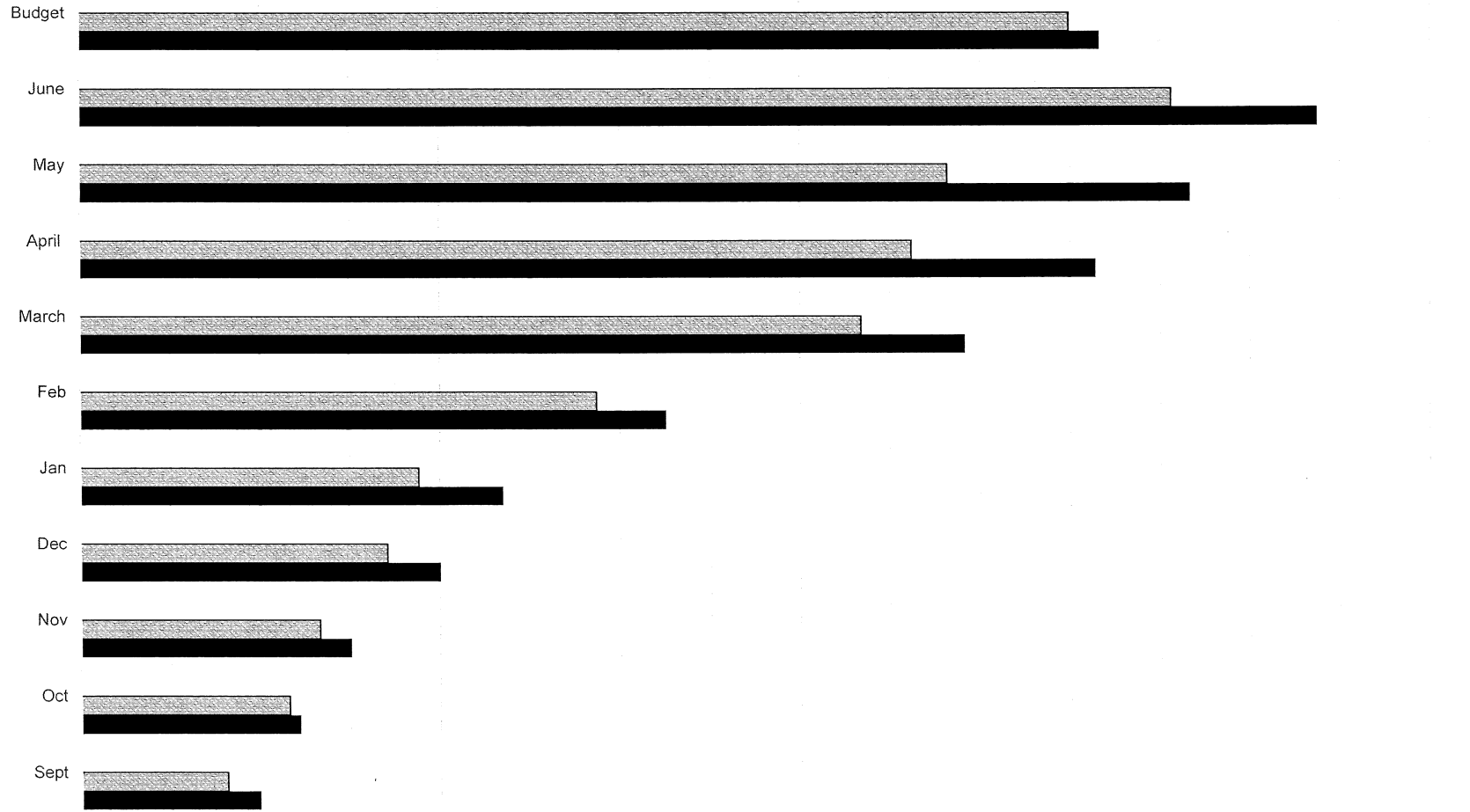
Off-Set Receipts	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	FY 21 Budgeted Receipts	FY 21 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	393,510	457,927	116.4%	593,510	733,823	123.6%	(200,000)	(275,896)
Elder Services	106,000	125,795	118.7%	106,000	115,866	109.3%	-	9,929
Public Facilities - Rental Receipts	20,000	87,674	438.4%	80,000	34,980	43.7%	(60,000)	52,694
Cemetery - Interment Fees	60,000	77,256	128.8%	60,000	85,873	143.1%	-	(8,617)
Public Safety - Police Detail Fees	60,000	85,124	141.9%	90,000	67,739	75.3%	(30,000)	17,385
Public Safety / Fire - Ambulance Receipts	1,250,000	1,395,579	111.6%	1,350,000	1,303,192	96.5%	(100,000)	92,386
Total Off-Set Receipts	1,889,510	2,229,354	118.0%	2,279,510	2,341,473	102.7%	(390,000)	(112,119)

Other Revenues	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
Property Taxes (inc. Tax Titles)	165,459,877	165,198,433	99.8%	159,488,649	158,854,822	99.6%	5,971,228	6,343,611
State Aid	14,178,409	14,429,689	101.8%	13,939,807	13,919,028	99.9%	238,602	510,661
Total Other Revenues	179,638,286	179,628,122	100.0%	173,428,456	172,773,850	99.6%	6,209,830	6,854,272
Total Revenues	192,861,384	195,604,423	101.4%	186,700,245	187,234,960	100.3%	6,161,139	8,369,463

Town of Andover
FY 2022 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 6/30/2022 and 6/30/2021

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	9,254,350	92.6%	9,567,598	10,608,912	110.9%	429,168	(1,354,562)
Water Connection	41,000	6,919	16.9%	41,000	32,708	79.8%	-	(25,789)
Water Testing Fees	18,000	12,490	69.4%	22,000	13,510	61.4%	(4,000)	(1,020)
Meter Installations	9,000	11,370	126.3%	10,000	17,325	173.3%	(1,000)	(5,955)
Fire Flow Test	9,000	5,482	60.9%	9,000	8,000	88.9%	-	(2,518)
Special/Final Reads	25,000	22,412	89.6%	25,000	52,318	209.3%	-	(29,907)
Backflow/Cross Connection Fees	75,000	115,685	154.2%	75,000	68,791	91.7%	-	46,895
Water Tap	1,000	600	60.0%	-	1,200	N/A	1,000	(600)
Liens	80,000	95,948	119.9%	120,000	85,940	71.6%	(40,000)	10,007
Fire Suppression	220,000	290,856	132.2%	220,000	253,679	115.3%	-	37,177
Interest /Misc Revenue	-	1,713	N/A	12,000	18,940	157.8%	(12,000)	(17,227)
Non-Revenue Interest	19,000	4,624	24.3%	16,000	13,723	85.8%	3,000	(9,100)
Total Water Receipts	10,493,766	9,822,448	93.6%	10,117,598	11,175,046	110.5%	376,168	(1,352,599)
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	4,519,685	88.9%	4,962,068	4,924,583	99.2%	124,052	(404,898)
Committed Interest/Income	165,000	168,716	102.3%	170,000	205,004	120.6%	(5,000)	(36,287)
Liens	55,000	63,189	114.9%	55,000	68,645	124.8%	-	(5,456)
Apport Assmnts	410,000	522,666	127.5%	445,000	591,827	133.0%	(35,000)	(69,161)
State Reimb/Grants	-	7,218	N/A	-	8,512	N/A	-	(1,294)
Interest /Misc Revenue	-	2,713	N/A	-	3,025	N/A	-	(311)
Non-Revenue Interest	15,000	4,028	26.9%	48,000	9,671	20.1%	(33,000)	(5,643)
Total Sewer Receipts	5,731,120	5,288,216	92.3%	5,680,068	5,811,267	102.3%	51,052	(523,051)
Total Enterprise Revenues	16,224,886	15,110,664	93.1%	15,797,666	16,986,313	107.52%	427,220	(1,875,649)

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	\$14 M	\$15 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%	110.3%	100.0%				
■ FY 2022 % of Budget		17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.7%	99.6%	108.8%	121.3%	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	\$12,119,637	\$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	\$13,746,947	\$11,333,588				

Town of Andover
FY 2022 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 6/30/2022

	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	7,167,854	(97,834)	7,070,020	6,920,793	27,661	121,566	98.3%	97.9%
Community Services	1,819,521	-	1,819,521	1,833,601	-	(14,080)	100.8%	100.8%
Public Facilities	2,508,336	-	2,508,336	2,468,675	-	39,661	98.4%	98.4%
Public Safety - Fire	8,628,347	162,813	8,791,160	8,781,222	14,621	(4,683)	100.1%	99.9%
Public Safety - Police	8,090,689	367,504	8,458,193	8,404,111	-	54,082	99.4%	99.4%
Public Works	3,814,578	227,800	4,042,378	3,978,265	-	64,113	98.4%	98.4%
Library	2,321,710	(100,000)	2,221,710	2,209,246	-	12,464	99.4%	99.4%
School	75,617,287	(813,249)	74,804,038	74,804,038	-	-	100.0%	100.0%
Compensation Fund	155,326	(155,326)	-	-	-	-	0.0%	0.0%
Total Personal Services - General Fund	110,123,648	(408,292)	109,715,356	109,399,951	42,282	273,124	99.8%	99.7%
Water Enterprise	2,338,139	-	2,338,139	2,219,269	-	118,870	94.9%	94.9%
Sewer Enterprise	355,912	-	355,912	321,711	1,794	32,406	90.9%	90.4%
Total Personal Services - Enterprise Funds	2,694,051	-	2,694,051	2,540,981	1,794	151,276	94.4%	94.3%
	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	2,303,669	110,647	66,444	97.3%	92.9%
Community Services	605,675	103,285	708,960	469,740	16,802	222,418	68.6%	66.3%
Public Facilities	1,325,450	247,628	1,573,078	1,331,315	158,618	83,146	94.7%	84.6%
Public Safety - Fire	571,550	356,058	927,608	817,397	62,985	47,226	94.9%	88.1%
Public Safety - Police	1,019,300	149,034	1,168,334	1,078,704	79,609	10,021	99.1%	92.3%
Public Works	5,921,832	1,166,169	7,088,001	5,837,324	353,729	896,949	87.3%	82.4%
Library	660,687	15,053	675,740	613,577	37,072	25,091	96.3%	90.8%
School	16,976,165	1,499,471	18,475,636	16,898,493	1,576,330	812	100.0%	91.5%
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	11,028,908	-	28,645	99.7%	99.7%
Insurance	1,240,000	18,911	1,258,911	1,252,598	6,313	-	100.0%	99.5%
Health Insurance	23,147,462	-	23,147,462	23,147,462	-	-	100.0%	100.0%
Unemployment	160,000	-	160,000	160,000	-	-	100.0%	100.0%
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	4,077,442	84,590,411	80,605,522	2,402,105	1,582,784	98.1%	95.3%
Water Enterprise	8,247,333	1,046,651	9,293,984	8,718,507	247,243	328,233	96.5%	93.8%
Sewer Enterprise	5,427,888	346,744	5,774,632	5,250,487	111,368	412,776	92.9%	90.9%
Total Other Expenses - Enterprise Funds	13,675,221	1,393,395	15,068,616	13,968,995	358,612	741,010	95.1%	92.7%
Total - General Fund	190,636,617	3,669,150	194,305,767	190,005,473	2,444,386	1,855,908	99.0%	97.8%
Total - Enterprise Funds	16,369,272	1,393,395	17,762,667	16,509,976	360,406	892,286	95.0%	92.9%

Town of Andover
FY 2022 Reserve Account and Compensation Fund
As of 6/30/22

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	155,326.00
Available Balance	<u>\$ -</u>

Town of Andover
FY 2022 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 6/30/22

	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 Managemen 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 6/30/2022	29,730	4,119	44,490	1,866,865	156,582	77,050	83,795	6,930	12,638	26,010	29,665	0	0	57,435	0	53,950
Expenditures thru 6/30/2022	26,692	541	29,882	1,223,055	144,976	30,352	75,530	0	0	4,174	16,550	0	0	27,363	0	20,624
Balance thru 6/30/2022	24,288	18,086	13,920	1,041,162	341,339	155,602	141,987	53,645	41,855	36,333	89,403	0	681	150,066	3,279	46,503

Spending Authorization	\$30,000 *	\$20,000	\$60,000	\$1,300,000 *	\$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	88.97%	2.70%	49.80%	94.08%	36.24%	20.23%	33.57%	0.00%	0.00%	6.96%	41.37%	0.00%	0.00%	27.36%	0.00%	10.31%

*The spending authorization for CD&P Legal Notices and Recreation Special Services increased \$10,000 and \$550,000, respectively, per vote of the Select Board and Finance Committee.

**Town of Andover
Capital Projects
6/30/2022**

	<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	1,120,000	1,489,687	1,036,539	973,711	949,615	671,132	
Encumbered	-	-	-	3,461	15,789	67,139	201,072	
Total School CIP	-	-	5,956	-	22,101	133,246	312,796	474,099
Budget	112,000	222,000	579,018	487,000	1,044,098	902,108	137,000	
Expended	81,400	192,000	555,462	402,960	749,018	742,078	7,625	
Encumbered	-	-	9,300	38,484	8,054	-	44,688	
Total General Government CIP	30,600	30,000	14,256	45,555	287,026	160,030	84,687	652,154
Budget	-	-	32,214	-	-	-	-	
Expended	-	-	32,214	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Youth Services CIP	-	-	-	-	-	-	-	-
Budget	70,000	50,000	-	-	-	-	-	
Expended	66,873	50,000	-	-	-	-	-	
Encumbered	3,127	-	-	-	-	-	-	
Total Recreation CIP	-	-	-	-	-	-	-	-
Budget	25,000	25,000	-	-	10,000	50,000	-	
Expended	25,000	25,000	-	-	-	15,000	-	
Encumbered	-	-	-	-	-	-	-	
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	780,801	940,545	1,272,894	326,714	417,880	
Encumbered	-	-	-	1,978	21,874	35,974	175,447	
Total Facilities CIP	-	-	19,199	3,477	8,232	105,312	586,673	722,892
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	-	-	-	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	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	390,071	-	-	
Encumbered	-	14,280	1,944	-	9,837	-	-	
Total DPW CIP	5,838	9,631	46,902	4,853	92	-	165,000	232,315
Budget	1,372,000	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108	1,825,000	
Expended	1,319,767	1,366,090	2,089,483	2,117,526	2,606,983	1,358,848	544,589	
Encumbered	3,127	14,280	11,244	40,462	39,765	51,918	306,181	
Total Town CIP	49,106	39,631	82,505	67,088	305,350	300,342	974,230	1,818,251
Budget	2,450,000	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000	
Expended	2,397,767	2,486,090	3,579,170	3,154,065	3,580,694	2,308,463	1,215,721	
Encumbered	3,127	14,280	11,244	43,923	55,553	119,058	507,253	
Grand Total	49,106	39,631	88,461	67,088	327,451	433,588	1,287,027	2,292,351