



2021-2022 Budget

Board of Finance Budget Presentation and Public Feedback

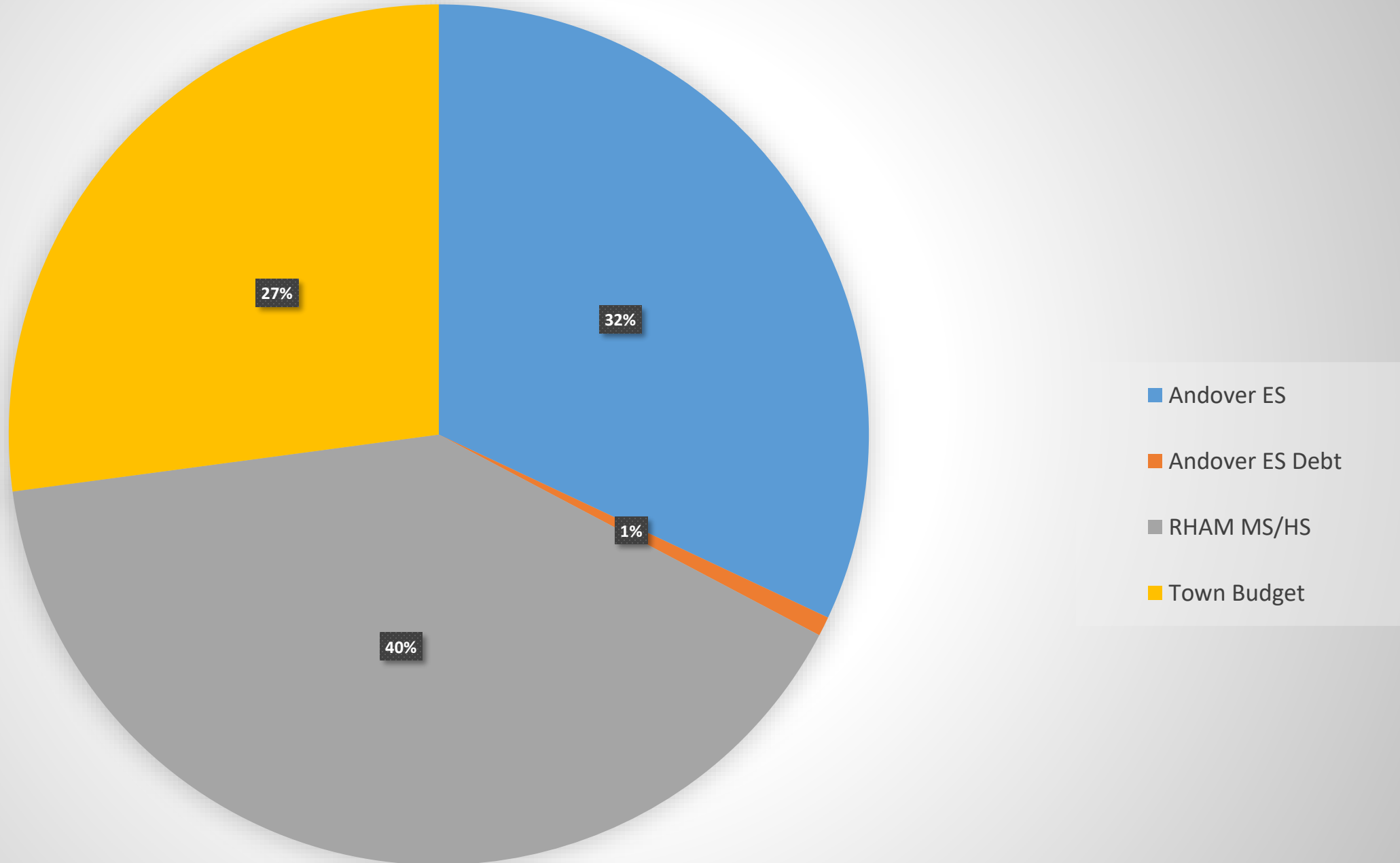
Budget History

- Dec 2020
 - All Town Departments submit proposed budgets
- Jan-Feb 2021
 - Administrator submits capital recommendations to Selectmen
 - Preliminary Town budget to Selectmen
 - RHAM board Presents Preliminary budget
 - Andover Elementary Board of Education presents preliminary budget
- Feb (Mid)
 - Board of Selectmen sends budget to Board of Finance
 - Budget includes 7.8% increase; mill rate of 38.31 (+ 2.7 mill increase)

Budget History

- March 2020
 - Board of Finance receives budget and begins review
 - RHAM budget is modified
- April 2020
 - April 7 BOF votes to approve budget for public hearing
 - BOF Public hearing set for 7 pm April 21
 - Town Budget Meeting set for May 6th
- May 6
 - Board of Finance Presents budget to the Town

Andover 2021-22 Town Budget



RHAM Budget

- RHAM proposed operating budget is a 1.83% increase - \$31,112,583
- RHAM proposed capital budget is a 11.77% decrease - \$ 299,500
- Andover's percentage of the Levy decreases from 17.34 to 17.13%
 - Number of Andover students at RHAM decreases relative to other towns
 - The overall student population decreases by ~90
 - Andover's Fraction of the cost for RHAM decreases slightly
 - RHAM returns unexpended fund balance to offset increase
- Andover's total levy for RHAM is \$5,119,758
- This is a decrease of \$108,054

Andover Elementary School budget

- Andover Board of Education requested a final budget of \$4,122,000
- Board of Finance voted to reduce this to \$4,078,008
 - This is a 4.5% increase from the 2020-2021 budget
- Debt service on the Bond for AES is \$93,000
 - Debt will be retired in next year

Town Operating Budget

Major factors decreasing operating budget

- Overall decrease from \$2,536,051 to \$2,483,900 (\$52,151)
- Mostly driven by reduction in salary and benefits
 - Combined Town Finance Department with AES
 - Tax Collector reduced to part time
 - Combined Assistant Town Clerk and Building Dept. administrative functions
 - Assigned Senior Coordinator role to Assistant Assessor on a long-term basis
- Reduced snow removal budget by \$10,000

Town Operating Budget

Major factors increasing operating budget

AHM Youth Services increased from \$46,536 to \$88,684

- Total AHM budget decreased, but town now pays all of the cost
- Previously paid by town, RHAM, and AES separately
- Shift expense from RHAM and AES budget to Town budget to make it more transparent
- Public Works Supervisor
 - New non-union position changed from hourly to salary
- Election-related expenses increased significantly

Town Capital Budget

Major factors increasing Capital budget

- Capital budgets are derived from Town Planning documents including:
 - Fire Department 10-year Capital Plan
 - Public Works Equipment Capital Plan
 - Andover Town Buildings and Properties 2020-21 CIP Report
 - Andover Culvert Inspection Reports
 - DOT inspection reports on Town bridges
 - Huge tree loss in town roadway ROW and increase utility outages and road blockage
 - Road Maintenance and Improvement Planning

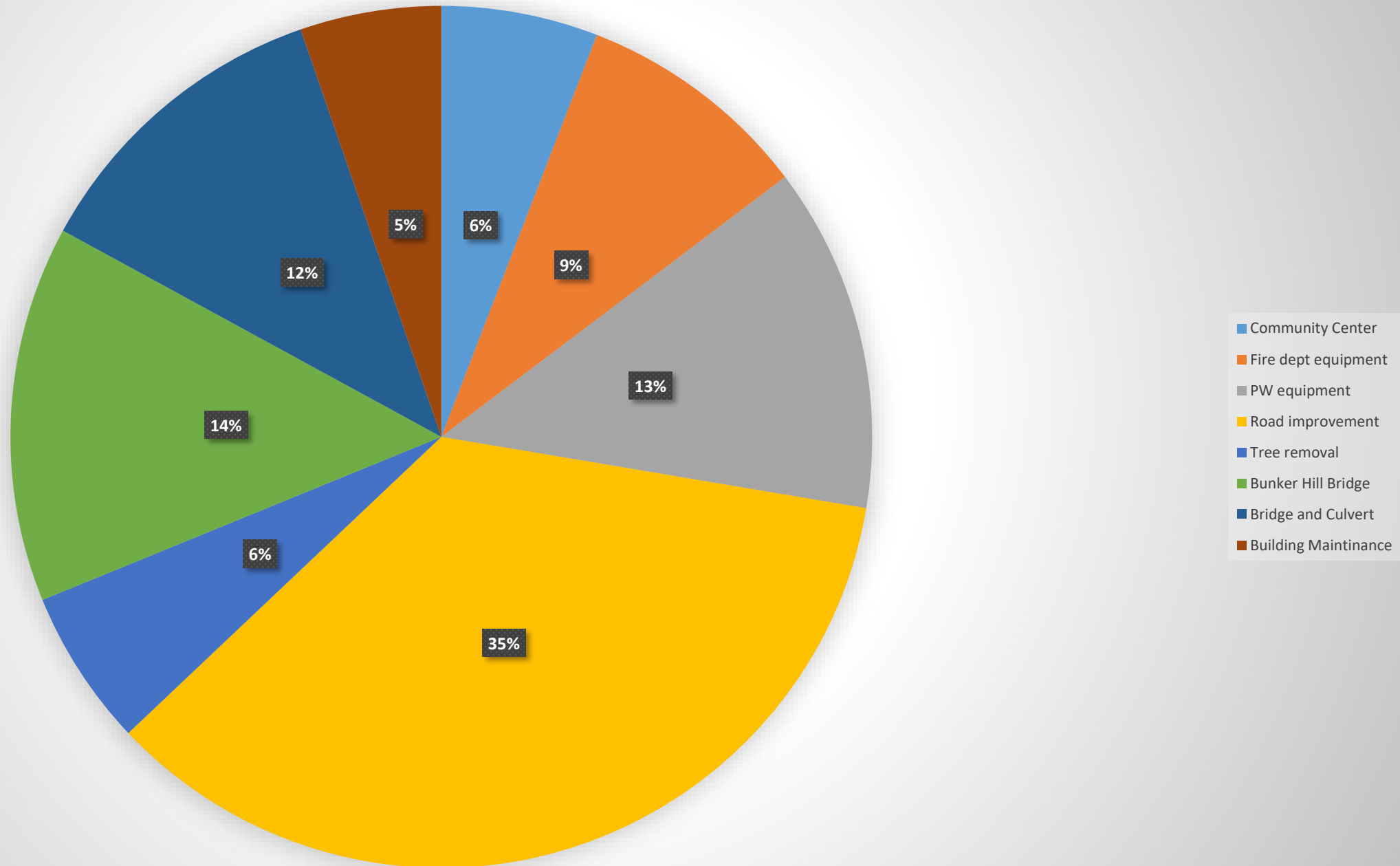
Town Capital Budget

The town of Andover significantly underfunded equipment and infrastructure over several decades.

This will increase costs to taxpayers over the next 20 years as we catch up to this deferred maintenance.

- 42% of our roads are rated POOR or FAILING
- 2 bridges over the Hop River need replacement
- 2 smaller bridges need significant repair
- 3 large culverts are rated poor-failing and need replacement to prevent future road closures
- Andover has 750-1000 dead trees in the town ROW that need to be removed.

Capital Project Funds



Capital project funds	
	\$
Community Center	50,000
Fire Dept. equipment	75,000
PW equipment	110,000
Road improvement	300,000
Tree removal	50,000
Bunker Hill Bridge	120,000
Bridge and Culvert	100,000
Building Maintenance	45,000
Total	850,000

Budget Summary

budget by entity	FY 2019-20	FY 2020-21	difference \$	difference %	FY 2021-22	difference \$	difference %
Andover Elementary	4,065,000	3,902,400	(162,600)	-4.0%	4,078,008	175,608	4.5%
AES Debt Service	100,845	96,548			93,000	(3,548)	-3.7%
RHAM	4,890,623	5,227,811	337,188	6.9%	5,119,757	(108,054)	-2.1%
TOWN budget	3,311,690	3,405,166	93,476	2.82%	3,463,015	57,849	1.5%
fund balance used	976,000	780,000	(196,000)		250,000	(530,000)	-67.9%
total by taxation	9,155,004	9,410,043	255,039	2.8%	9,997,839	587,796	5.9%

Mil Rate Calculation					
			FY 2019-2020	FY 2020-2021	FY 2021-2022
Total Expenditures			12,368,158	12,535,377	12,660,772
Total Estimated Revenue			2,272,154	2,377,933	2,402,933
Use of fund balance			976,000	415,000	225,000
Abatements/Exemptions			35,000	35,000	35,000
reallocation of existing funds to fund balance			0	365,400	
To be raised by taxes			9,155,004	9,412,044	9,997,839
Est Taxable Grand List (includes MVS)			261,628,738	264,313,000	271,445,600
1 mil			261,629	264,313	271,446
Estimated Mil Rate			34.99	35.61	36.83
Per cent mil rate increase				1.76%	3.43%