



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, Keith Taverna,
Martha Sybert, Town Website

Date: January 9, 2022

Re: ***FY 2023 Financials***

The attached reports summarize the Town's financial position through November 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 – FY17 – FY23

Feel free to contact me, should you have any questions regarding the reports.

The attached reports of the Town Accountant summarize FY 2023 revenues and expenditures for the General Fund, Enterprise Funds, Compensation Fund, Reserve Fund, Revolving Funds and Capital Projects through November 30, 2022.

General Fund

The total general fund receipts of all sources collected through November 30, 2022 are exceeding the annual projections through the first five months of the year. FY2023 local receipts are \$1,146,060 greater than FY 2022 collections through the same period of time. This is primarily due to the increase in investment income as interest rates have risen, the increase in other departmental revenues due to the sale of surplus equipment, and the increase in hotel motel and meals tax revenue, as more people are dining out and traveling as compared to last year. Off-set receipts collections are consistent with collections through the same period of time last fiscal year.

General fund personal services are lower than and other expenditures are in line with FY 2023 projections through November 2022. Insurance premiums and the required appropriation for pension were paid in July and the OPEB appropriation was transferred in November. Encumbrances are adjusted throughout the year.

Water Enterprise Fund

The total water enterprise fund collections are exceeding the annual projections through November 2022. The user charges receipts are \$1,114,220 greater than FY22 through the same period of time because there were drier summer conditions, resulting in more consumption for FY23. Water personal services are in line with and other expenses are greater than FY 2023 projections through November 2022.

Sewer Enterprise Fund

The total sewer enterprise fund collections are in line with projections through November 2022 and user charges receipts are \$449,018 more than prior year receipts through the same period. The greater collections are correlated with the larger water collections through this period. Sewer personal services are lower than the FY 2023 projections

through November 2022. Other expenses are greater than projections through the first five months due to timing of debt service payments.

Reserve Fund

Town Meeting approved a reserve fund balance of \$200,000. The Finance Committee authorized \$34,800 to be spent on the replacement of three boiler sections at the West Elementary School.

Compensation Fund

Town Meeting approved a compensation fund balance of \$848,339. This money has not been used through November 2022.

Revolving Accounts

Town Meeting voted to approve 16 revolving funds with a total spending limit of \$2,490,000.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. There is a balance of \$3,753,633 available for the most recent seven years of approved projects.

Town of Andover
FY 2023 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2022 and 11/30/2021

	FY 23 Budgeted	FY 23 YTD	%	FY 22 Budgeted	FY 22 YTD	%	Change in	Change in
Local Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Motor Vehicle Excise	5,651,834	603,649	10.7%	5,595,875	633,960	11.3%	55,959	(30,311)
Hotel/Motel/Meals	1,799,000	801,438	44.5%	1,475,000	555,061	37.6%	324,000	246,376
Penalties and Interest on Taxes and Excises	480,000	178,343	37.2%	480,000	297,125	61.9%	-	(118,782)
Fees	61,000	23,415	38.4%	61,000	78,742	129.1%	-	(55,327)
Payments in Lieu of Taxes	451,731	-	0.0%	440,713	-	0.0%	11,018	-
Other Departmental Revenues	213,000	186,499	87.6%	294,200	76,112	25.9%	(81,200)	110,387
Other Departmental Revenues - School Medicare	200,000	125,748	62.9%	200,000	56,107	28.1%	-	69,641
Non-Recurring Revenues	5,000	61,000	1220.0%	5,800	1,290	22.2%	(800)	59,710
Licenses and Permits	2,377,540	1,097,467	46.2%	2,354,000	1,186,770	50.4%	23,540	(89,304)
Fines & Forfeits	132,500	66,470	50.2%	227,000	59,651	26.3%	(94,500)	6,818
Investment Income	204,000	1,017,575	498.8%	200,000	70,722	35.4%	4,000	946,853
Total Estimated Receipts	11,575,605	4,161,602	36.0%	11,333,588	3,015,542	26.6%	242,017	1,146,060

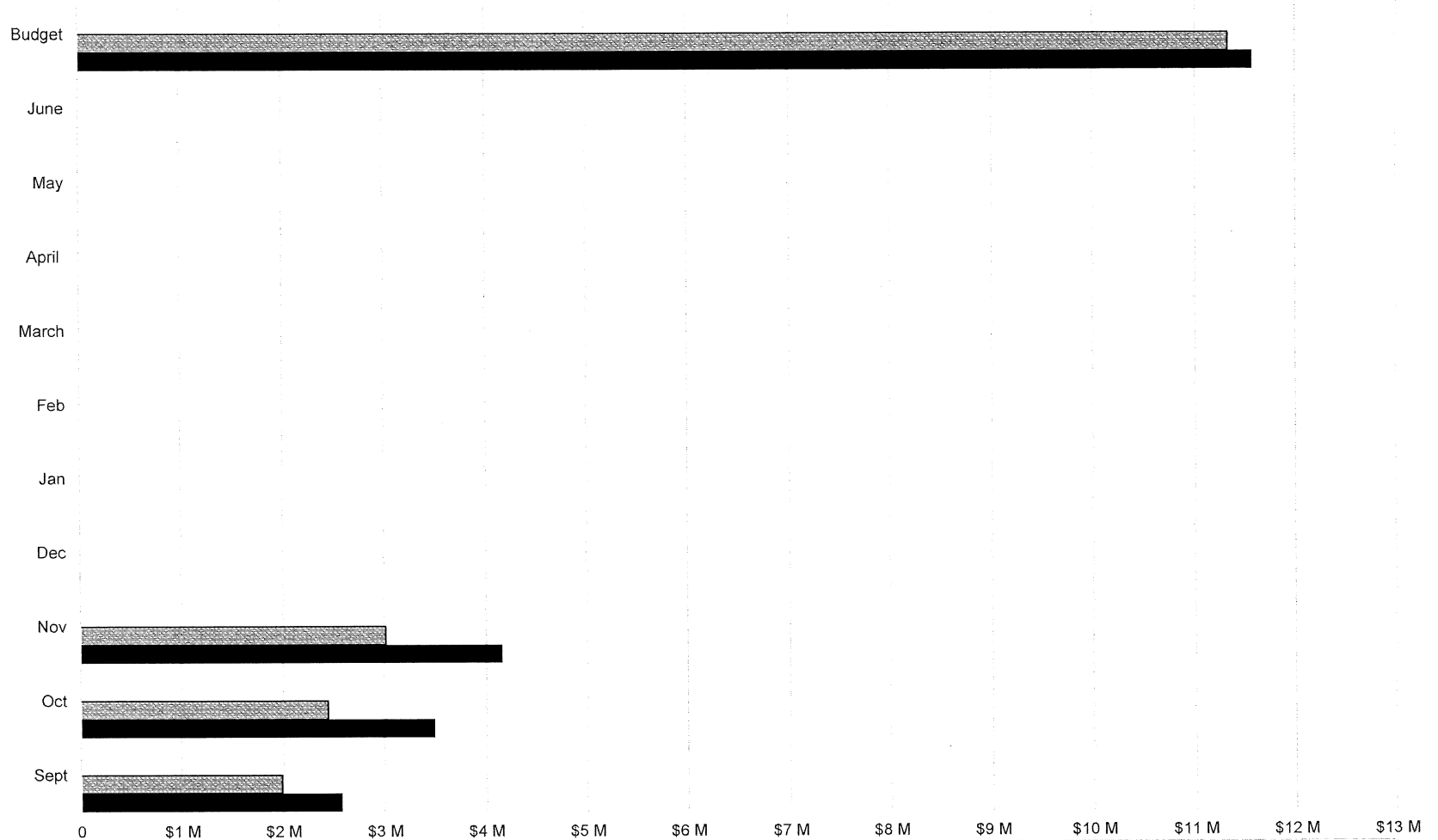
	FY 23 Budgeted	FY 23 YTD	%	FY 22 Budgeted	FY 22 YTD	%	Change in	Change in
Off-Set Receipts	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Recreation	531,531	63,089	11.9%	393,510	132,112	33.6%	138,021	(69,023)
Elder Services	106,000	40,113	37.8%	106,000	47,212	44.5%	-	(7,099)
Public Facilities - Rental Receipts	40,000	37,112	92.8%	20,000	37,316	186.6%	20,000	(204)
Cemetery - Interment Fees	60,000	27,787	46.3%	60,000	23,387	39.0%	-	4,400
Public Safety - Police Detail Fees	60,000	29,142	48.6%	60,000	29,775	49.6%	-	(634)
Public Safety / Fire - Ambulance Receipts	1,300,000	680,888	52.4%	1,250,000	542,552	43.4%	50,000	138,336
Total Off-Set Receipts	2,097,531	878,131	41.9%	1,889,510	812,354	43.0%	208,021	65,776

	FY 23 Budgeted	FY 23 YTD	%	FY 22 Budgeted	FY 22 YTD	%	Change in	Change in
Other Revenues	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Property Taxes (inc. Tax Titles)	174,778,254	82,458,700	47.2%	165,459,877	79,476,980	48.0%	9,318,377	2,981,720
State Aid	14,794,019	6,133,780	41.5%	14,178,409	6,015,772	42.4%	615,610	118,008
Total Other Revenues	189,572,273	88,592,480	46.7%	179,638,286	85,492,752	47.6%	9,933,987	3,099,728
Total Revenues	203,245,409	93,632,213	46.1%	192,861,384	89,320,648	46.3%	10,384,025	4,311,565

Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 11/30/2022 and 11/30/2021

Water Fund	FY 23 Budgeted Receipts	FY 23 YTD Revenues	% Collected	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	10,445,844	5,323,308	51.0%	9,996,766	4,209,088	42.1%	449,078	1,114,220
Water Connection	7,500	3,774	50.3%	41,000	1,258	3.1%	(33,500)	2,516
Water Testing Fees	12,000	5,075	42.3%	18,000	1,885	10.5%	(6,000)	3,190
Meter Installations	10,000	4,825	48.3%	9,000	4,050	45.0%	1,000	775
Fire Flow Test	5,000	6,500	130.0%	9,000	2,800	31.1%	(4,000)	3,700
Special/Final Reads	25,000	9,686	38.7%	25,000	11,432	45.7%	-	(1,746)
Backflow/Cross Connection Fees	87,500	34,734	39.7%	75,000	43,445	57.9%	12,500	(8,712)
Water Tap	-	425	N/A	1,000	300	30.0%	(1,000)	125
Liens	85,000	12,328	14.5%	80,000	9,684	12.1%	5,000	2,644
Fire Suppression	280,000	89,055	31.8%	220,000	115,504	52.5%	60,000	(26,449)
Interest /Misc Revenue	2,500	595	23.8%	-	1,051	N/A	2,500	(457)
Non-Revenue Interest	7,500	4,066	54.2%	19,000	1,318	6.9%	(11,500)	2,748
Total Water Receipts	10,967,844	5,494,370	50.1%	10,493,766	4,401,815	41.9%	474,078	1,092,555
Sewer Fund	FY 23 Budgeted Receipts	FY 23 YTD Revenues	% Collected	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
User Charges	5,173,301	1,856,816	35.9%	5,086,120	1,407,798	27.7%	87,181	449,018
Committed Interest/Income	110,000	2,337	2.1%	165,000	7,766	4.7%	(55,000)	(5,429)
Liens	55,000	6,603	12.0%	55,000	4,953	9.0%	-	1,651
Apport Assmnts	340,000	38,449	11.3%	410,000	66,626	16.3%	(70,000)	(28,177)
Deferred Property Tax		10,800	N/A		-	N/A	-	10,800
Interest /Misc Revenue	3,500	490	14.0%	-	1,789	N/A	3,500	(1,298)
Non-Revenue Interest	6,500	6,648	102.3%	15,000	1,176	7.8%	(8,500)	5,473
Total Sewer Receipts	5,688,301	1,922,144	33.8%	5,731,120	1,490,106	26.0%	(42,819)	432,037
Total Enterprise Revenues	16,656,145	7,416,513	44.5%	16,224,886	5,891,921	36.31%	431,259	1,524,592

Town of Andover Local Receipts FY 2023 and FY 2022



	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
■ FY 2022 % of Budget	17.6%	21.6%	26.6%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
▨ FY 2023 % of Budget	22.3%	30.2%	36.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
■ FY 2022 Receipts	\$1,989,405	\$2,444,067	\$3,015,542								\$11,333,588
■ FY 2023 Receipts	\$2,577,784	\$3,494,520	\$4,161,602								\$11,575,605

Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 11/30/2022

	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	7,511,444	27,661	7,539,105	2,764,795	-	4,774,311	36.7%	36.7%
Community Services	1,879,000	-	1,879,000	820,158	-	1,058,842	43.6%	43.6%
Public Facilities	2,592,091	-	2,592,091	951,240	-	1,640,851	36.7%	36.7%
Public Safety - Fire	8,611,698	14,621	8,626,319	3,396,302	14,621	5,215,396	39.5%	39.4%
Public Safety - Police	8,116,962	-	8,116,962	3,140,374	-	4,976,588	38.7%	38.7%
Public Works	3,834,283	-	3,834,283	1,427,114	-	2,407,169	37.2%	37.2%
Library	2,307,538	-	2,307,538	854,632	-	1,452,906	37.0%	37.0%
School	77,899,943	-	77,899,943	20,365,534	50,601,607	6,932,802	91.1%	26.1%
Compensation Fund	848,339	-	848,339	-	-	848,339	0.0%	0.0%
Total Personal Services - General Fund	113,601,298	42,282	113,643,580	33,720,149	50,616,228	29,307,203	74.2%	29.7%
Water Enterprise	2,343,272	-	2,343,272	899,666	-	1,443,606	38.4%	38.4%
Sewer Enterprise	357,873	1,794	359,667	89,657	-	270,010	24.9%	24.9%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	989,322	-	1,713,617	36.6%	36.6%
	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Other Expenses								
General Government	2,721,202	222,087	2,943,289	1,358,103	455,143	1,130,044	61.6%	46.1%
Community Services	610,024	65,776	675,800	134,867	168,876	372,057	44.9%	20.0%
Public Facilities	1,354,850	193,418	1,548,268	436,066	600,445	511,756	66.9%	28.2%
Public Safety - Fire	612,050	62,985	675,035	239,412	162,036	273,587	59.5%	35.5%
Public Safety - Police	1,018,318	79,609	1,097,927	365,470	336,201	396,256	63.9%	33.3%
Public Works	5,888,050	353,729	6,241,779	1,892,026	3,138,360	1,211,394	80.6%	30.3%
Library	666,437	37,072	703,509	334,829	216,380	152,299	78.4%	47.6%
School	17,226,948	1,576,330	18,803,278	6,375,382	11,358,050	1,069,845	94.3%	33.9%
Technical Schools	1,274,000	-	1,274,000	535,798	663,287	74,915	94.1%	42.1%
Debt Service	23,333,890	-	23,333,890	14,617,811	-	8,716,079	62.6%	62.6%
Insurance	1,164,000	6,313	1,170,313	1,095,365	18,849	56,099	95.2%	93.6%
Health Insurance	23,034,797	-	23,034,797	4,649,789	-	18,385,008	20.2%	20.2%
Unemployment	164,000	-	164,000	66,819	-	97,181	40.7%	40.7%
Retirement	6,253,955	-	6,253,955	6,253,956	-	(1)	100.0%	100.0%
Reserve Fund	200,000	(34,800)	165,200	-	-	165,200	0.0%	0.0%
OPEB Appropriation	1,753,413	-	1,753,413	1,753,413	-	-	100.0%	100.0%
Total Other Expenses - General Fund	87,275,934	2,562,519	89,838,453	40,109,107	17,117,627	32,611,720	63.7%	44.6%
Water Enterprise	7,727,574	1,097,243	8,824,817	4,511,406	2,425,702	1,887,709	78.6%	51.1%
Sewer Enterprise	4,580,540	621,368	5,201,908	2,931,077	212,157	2,058,675	60.4%	56.3%
Total Other Expenses - Enterprise Funds	12,308,114	1,718,612	14,026,726	7,442,483	2,637,859	3,946,384	71.9%	53.1%
Total - General Fund	200,877,232	2,604,801	203,482,033	73,829,255	67,733,854	61,918,923	69.6%	36.3%
Total - Enterprise Funds	15,009,259	1,720,406	16,729,665	8,431,805	2,637,859	5,660,000	66.2%	50.4%

Town of Andover
FY 2023 Reserve Account and Compensation Fund
As of 11/30/22

RESERVE FUND

Appropriation by Vote of Town Meeting June 2022	\$ 200,000.00
Transfers by Vote of Town Meeting	0.00
Transfers by Authority of the Finance Committee	
Replacement of three boiler sections at West Elementary	(34,800.00)
Available Balance	<u>\$ 165,200.00</u>

COMPENSATION FUND

Appropriation by Vote of Town Meeting June 2022	\$ 848,339.00
Transfers by Vote of Town Meeting	0.00
Transfer by Authority of the Select Board	0.00
Available Balance	<u>\$ 848,339.00</u>

Town of Andover
FY 2023 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 11/30/22

	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 6/30/2021	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
Receipts thru 11/30/2022	17,845	1,657	28,310	796,678	141,651	46,851	45,049	1,737	2,935	5,000	8,295	0	0	12,885	0	1,695
Expenditures thru 11/30/2022	10,518	0	32,114	602,827	88,512	10,232	36,626	0	0	25,895	2,302	0	0	10,120	95	9,000
Balance thru 11/30/2022	31,615	19,743	10,116	1,235,014	394,478	192,221	150,409	55,382	44,791	15,439	95,396	0	681	152,831	3,184	39,198

Spending Authorization	\$20,000	\$20,000	\$60,000	\$1,000,000	\$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	52.59%	0.00%	53.52%	60.28%	22.13%	6.82%	16.28%	0.00%	0.00%	43.16%	5.75%	0.00%	0.00%	10.12%	0.19%	4.50%

**Town of Andover
Capital Projects
11/30/2022**

	<u>FY17</u>	<u>FY18</u>	<u>FY19</u>	<u>FY20</u>	<u>FY21</u>	<u>FY22</u>	<u>FY23</u>	<u>Total Available</u>
Budget	1,120,000	1,495,643	1,040,000	1,011,600	1,150,000	1,185,000	1,271,500	
Expended	1,120,000	1,495,643	1,040,000	991,920	1,002,389	942,113	359,298	
Encumbered	-	-	-	7,431	41,624	106,241	176,980	
Total School CIP	Available	-	-	12,249	105,987	136,647	735,222	990,105
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000	
Expended	192,000	555,672	403,221	771,262	802,108	36,064	2,649	
Encumbered	-	9,300	38,224	26,215	-	48,107	7,810	
Total General Government CIP	Available	30,000	14,046	45,555	246,621	100,000	139,541	628,593
Budget	-	32,214	-	-	-	-	-	
Expended	-	32,214	-	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Youth Services CIP	Available	-	-	-	-	-	-	-
Budget	50,000	-	-	-	-	-	-	
Expended	50,000	-	-	-	-	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Recreation CIP	Available	-	-	-	-	-	-	-
Budget	25,000	-	-	10,000	50,000	-	-	
Expended	25,000	-	-	-	15,000	-	-	
Encumbered	-	-	-	-	-	-	-	
Total Library CIP	Available	-	-	10,000	35,000	-	-	45,000
Budget	623,000	800,000	946,000	1,303,000	468,000	1,180,000	1,165,000	
Expended	623,000	781,647	942,264	1,294,513	367,193	572,623	23,954	
Encumbered	-	18,348	259	460	15,121	152,694	5,376	
Total Facilities CIP	Available	-	5	3,477	8,027	85,686	454,683	1,135,670
Budget	195,000	293,500	250,077	195,000	195,000	255,000	-	
Expended	195,000	293,500	249,159	195,000	179,055	41,700	-	
Encumbered	-	-	-	-	15,945	126,413	-	
Total Police CIP	Available	-	918	-	-	86,887	-	87,805
Budget	20,000	63,500	214,000	-	96,000	88,000	-	
Expended	20,000	61,352	201,715	-	96,000	77,383	-	
Encumbered	-	-	-	-	-	-	-	
Total Fire CIP	Available	-	2,148	12,285	-	10,617	-	25,050
Budget	285,000	415,000	328,000	400,000	-	165,000	170,000	
Expended	273,440	366,154	323,147	399,026	-	-	-	
Encumbered	1,930	1,944	-	881	-	106,944	-	
Total DPW CIP	Available	9,631	46,902	4,853	92	58,056	170,000	289,533
Budget	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108	1,825,000	1,485,000	
Expended	1,378,440	2,090,539	2,119,506	2,659,802	1,459,357	727,769	26,603	
Encumbered	1,930	29,592	38,483	27,556	31,065	434,158	13,186	
Total Town CIP	Available	39,631	63,100	67,088	264,740	220,686	663,072	1,445,211
Budget	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000	2,756,500	
Expended	2,498,440	3,586,182	3,159,506	3,651,721	2,461,746	1,669,882	385,901	
Encumbered	1,930	29,592	38,483	34,987	72,689	540,399	190,166	
Grand Total	Available	39,631	63,100	67,088	276,989	326,673	799,719	2,180,432
								3,753,633