



TOWN OF ANDOVER *Finance & Budget*

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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, Keith Taverna,
Martha Sybert, Tara Bicknell, Town Website

Date: June 7, 2023

Re: ***FY 2023 Financials***

The attached reports summarize the Town's financial position through April 30, 2023. Included are the following:

- Executive Summary
- Budgeted versus Actual Revenues – General Fund and Enterprise Funds
- Revenue Comparison Graphs
- 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 April 30, 2023.

General Fund

The total general fund receipts of all sources collected through April 30, 2023 are exceeding the annual projections through ten months of the year. FY 2023 local receipts are \$3,276,813 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 building permits, as there was one very large permit in December, and the increase in hotel motel and meals tax revenue, as more people are dining out and traveling as compared to last year. Total off-set receipts collections are \$320,715 greater than FY 2022 collections, primarily due to the increase in ambulance receipts as people have become comfortable riding in ambulances again after the pandemic. General fund personal services and other expenditures are in line with or less than FY 2023 projections through April 2023. The public works other expenditures budget is overspent by \$493,062. This is due to the snow and ice deficit, which in May, Town Meeting voted to supplement with \$965,000 of free cash.

Water Enterprise Fund

The total water enterprise fund collections are exceeding the annual projections through April 2023. The user charges receipts are \$1,060,078 greater than FY22 through the same period of time because there were drier summer conditions, resulting in more consumption for FY23. Water personal services and other expenses are in line with FY 2023 projections through April 2023.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through April 2023. The user charges receipts are \$139,010 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 and other expenses are in line with projections through April 2023.

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 April 2023.

Revolving Accounts

Town Meeting voted to approve 16 revolving funds with a total spending limit of \$2,490,000. The spending limit can be increased by vote of the Select Board and Finance Committee.

Capital Projects

These projects are part of the Town's capital improvement plan voted at Town Meeting from taxation. There is a balance of \$2,956,453 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 4/30/2023 and 4/30/2022

	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	5,305,218	93.9%	5,595,875	5,368,483	95.9%	55,959	(63,265)
Hotel/Motel/Meals	1,799,000	2,222,429	123.5%	1,475,000	1,701,618	115.4%	324,000	520,811
Penalties and Interest on Taxes and Excises	480,000	322,597	67.2%	480,000	479,153	99.8%	-	(156,556)
Fees	61,000	36,773	60.3%	61,000	140,409	230.2%	-	(103,636)
Payments in Lieu of Taxes	451,731	2,016	0.4%	440,713	2,016	0.5%	11,018	-
Other Departmental Revenues	213,000	343,681	161.4%	294,200	163,635	55.6%	(81,200)	180,045
Other Departmental Revenues - School Medicare	200,000	310,878	155.4%	200,000	522,801	261.4%	-	(211,922)
Non-Recurring Revenues	5,000	61,107	1222.1%	5,800	9,496	163.7%	(800)	51,611
Licenses and Permits	2,377,540	2,768,339	116.4%	2,354,000	2,655,788	112.8%	23,540	112,550
Fines & Forfeits	132,500	129,477	97.7%	227,000	113,138	49.8%	(94,500)	16,338
Investment Income	204,000	3,068,533	1504.2%	200,000	137,605	68.8%	4,000	2,930,929
Special Assessments	-	87	N/A	-	180	N/A	-	(93)
Total Estimated Receipts	11,575,605	14,571,134	125.9%	11,333,588	11,294,322	99.7%	242,017	3,276,813
Off-Set Receipts	FY 23 Budgeted	FY 23 YTD	%	FY 22 Budgeted	FY 22 YTD	%	Change in	Change in
	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Recreation	531,531	479,060	90.1%	393,510	456,988	116.1%	138,021	22,072
Elder Services	106,000	93,861	88.5%	106,000	105,415	99.4%	-	(11,554)
Public Facilities - Rental Receipts	40,000	84,823	212.1%	20,000	80,791	404.0%	20,000	4,032
Cemetery - Interment Fees	60,000	54,900	91.5%	60,000	50,017	83.4%	-	4,883
Public Safety - Police Detail Fees	60,000	62,709	104.5%	60,000	74,689	124.5%	-	(11,981)
Public Safety / Fire - Ambulance Receipts	1,300,000	1,462,632	112.5%	1,250,000	1,149,370	91.9%	50,000	313,262
Total Off-Set Receipts	2,097,531	2,237,984	106.7%	1,889,510	1,917,269	101.5%	208,021	320,715
Other Revenues	FY 23 Budgeted	FY 23 YTD	%	FY 22 Budgeted	FY 22 YTD	%	Change in	Change in
	Receipts	Revenues	Collected	Receipts	Revenues	Collected	Budgets	YTD Receipts
Property Taxes (inc. Tax Titles)	174,778,254	166,778,691	95.4%	165,459,877	158,533,938	95.8%	9,318,377	8,244,754
State Aid	14,794,019	12,224,300	82.6%	14,178,409	11,932,055	84.2%	615,610	292,245
Total Other Revenues	189,572,273	179,002,991	94.4%	179,638,286	170,465,993	94.9%	9,933,987	8,536,999
Total Revenues	203,245,409	195,812,110	96.3%	192,861,384	183,677,583.57	95.2%	10,384,025	12,134,526

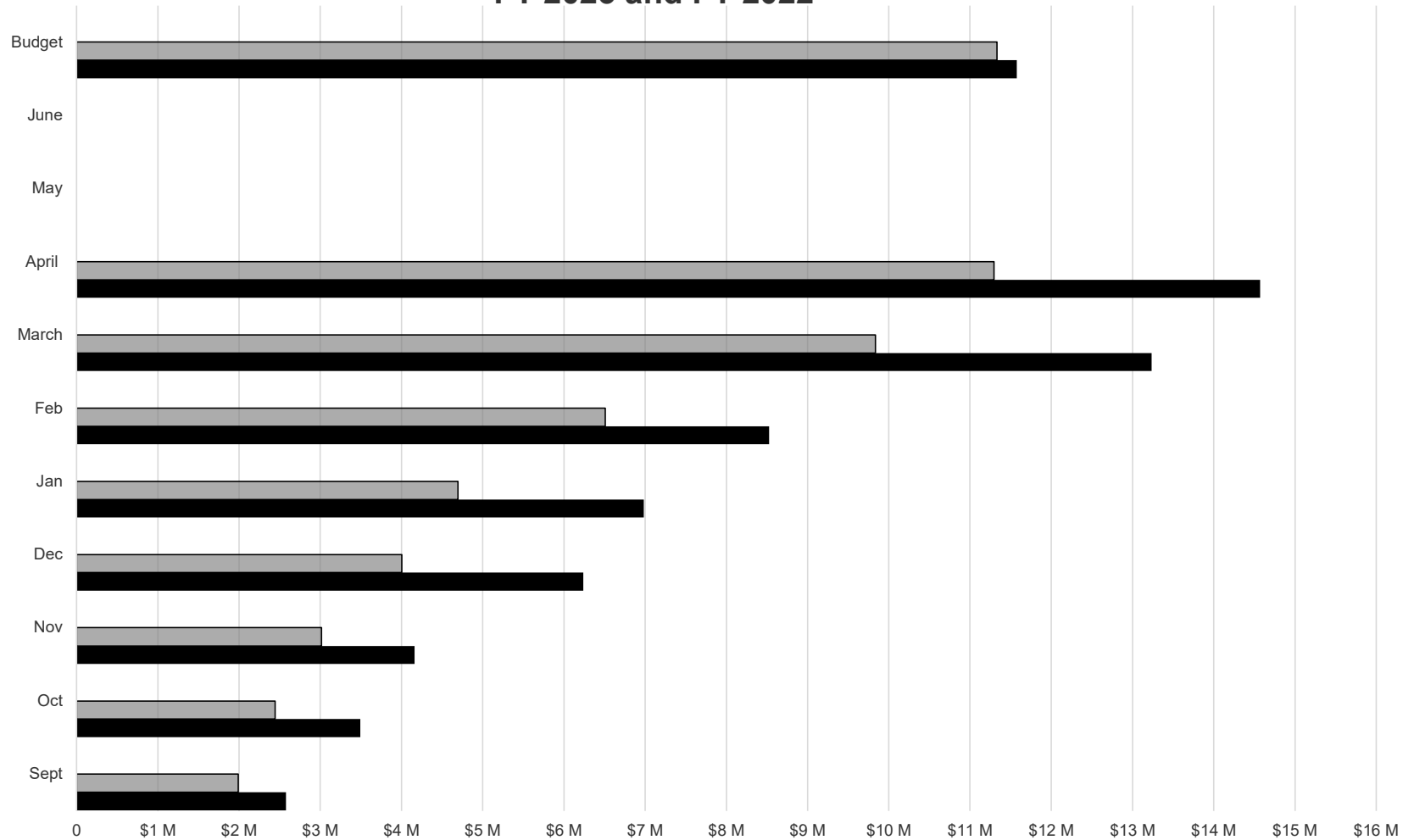
Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 4/30/2023 and 4/30/2022

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	9,217,083	88.2%	9,996,766	8,157,006	81.6%	449,078	1,060,078
Water Connection	7,500	4,403	58.7%	41,000	5,661	13.8%	(33,500)	(1,258)
Water Testing Fees	12,000	5,075	42.3%	18,000	12,490	69.4%	(6,000)	(7,415)
Meter Installations	10,000	6,650	66.5%	9,000	6,525	72.5%	1,000	125
Fire Flow Test	5,000	7,500	150.0%	9,000	4,982	55.4%	(4,000)	2,518
Special/Final Reads	25,000	12,886	51.5%	25,000	17,866	71.5%	-	(4,980)
Backflow/Cross Connection Fees	87,500	62,899	71.9%	75,000	103,088	137.5%	12,500	(40,188)
Water Tap	-	1,425	N/A	1,000	600	60.0%	(1,000)	825
Liens	85,000	78,231	92.0%	80,000	88,656	110.8%	5,000	(10,426)
Fire Suppression	280,000	179,713	64.2%	220,000	247,876	112.7%	60,000	(68,163)
Interest /Misc Revenue	2,500	4,049	162.0%	-	1,640	N/A	2,500	2,409
Non-Revenue Interest	7,500	33,671	448.9%	19,000	3,475	18.3%	(11,500)	30,196
Total Water Receipts	10,967,844	9,613,585	87.7%	10,493,766	8,649,864	82.4%	474,078	963,721

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	3,796,994	73.4%	5,086,120	3,657,984	71.9%	87,181	139,010
Committed Interest/Income	110,000	124,256	113.0%	165,000	151,725	92.0%	(55,000)	(27,469)
Liens	55,000	38,839	70.6%	55,000	58,398	106.2%	-	(19,559)
Apport Assmnts	340,000	401,438	118.1%	410,000	443,822	108.2%	(70,000)	(42,384)
Deferred Property Tax	-	10,800	N/A	-	-	N/A	-	10,800
State Reimb/Grants	-	5,630	N/A	-	7,218	N/A	-	(1,588)
Interest /Misc Revenue	3,500	1,194	34.1%	-	2,479	N/A	3,500	(1,285)
Non-Revenue Interest	6,500	36,468	561.0%	15,000	2,437	16.2%	(8,500)	34,031
Total Sewer Receipts	5,688,301	4,415,619.15	77.6%	5,731,120	4,324,062	75.4%	(42,819)	91,557

Total Enterprise Revenues	16,656,145	14,029,204	84.2%	16,224,886	12,973,927	79.96%	431,259	1,055,277
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Town of Andover Local Receipts FY 2023 and FY 2022

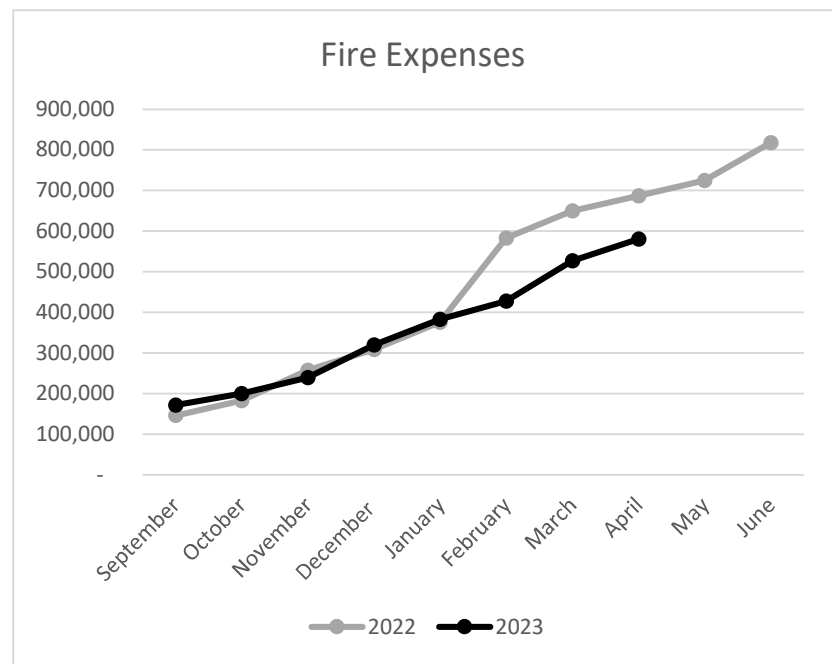
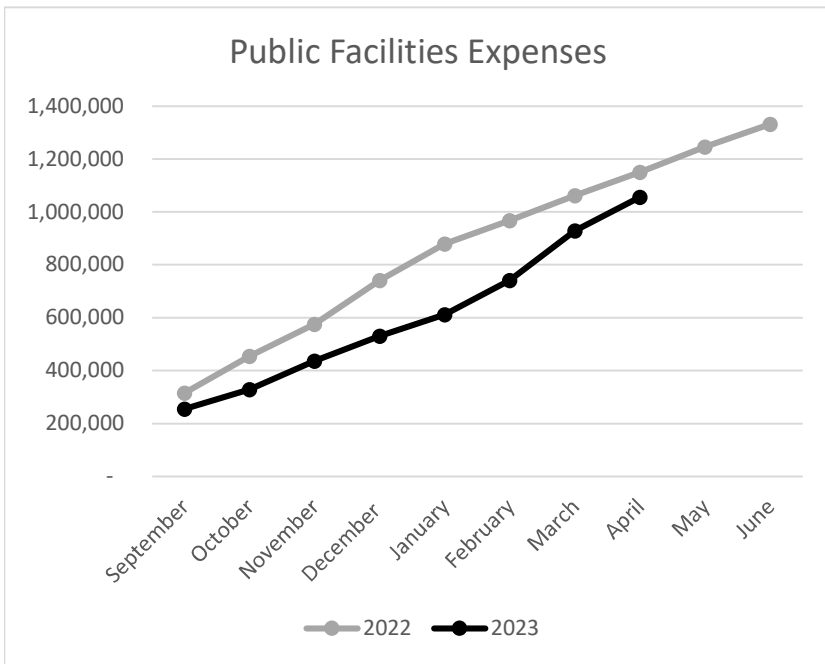
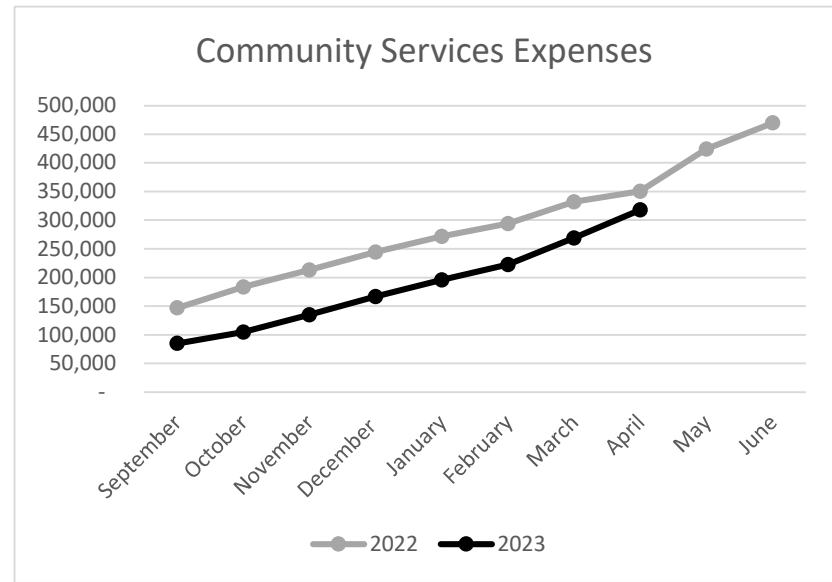
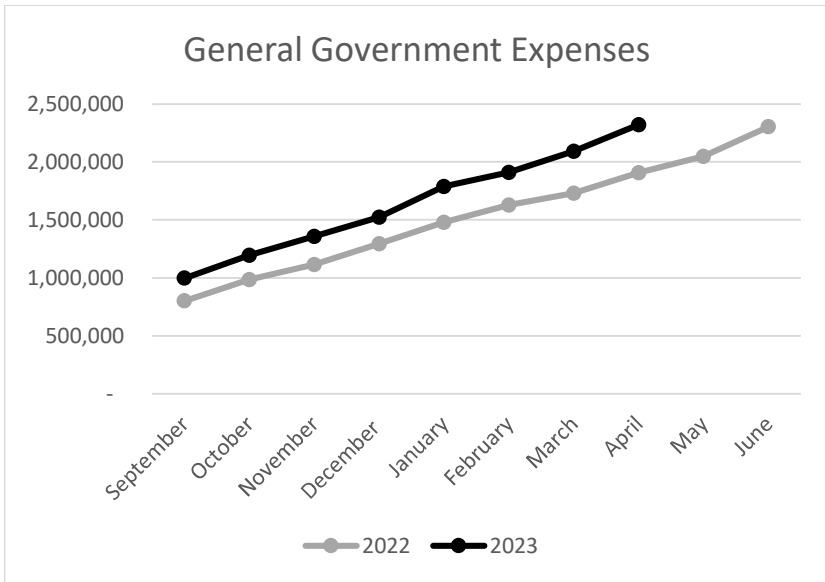


	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
■ FY 2022 % of Budget	17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.8%	99.7%	0.0%	0.0%	100.0%
■ FY 2023 % of Budget	22.3%	30.2%	36.0%	53.9%	60.3%	73.6%	114.3%	125.9%	0.0%	0.0%	100.0%
■ FY 2022 Receipts	\$1,989,405	\$2,444,067	\$3,015,542	\$4,004,836	\$4,695,288	\$6,508,233	\$9,835,835	\$11,294,322			\$11,333,588
■ FY 2023 Receipts	\$2,577,784	\$3,494,520	\$4,161,602	\$6,236,788	\$6,982,570	\$8,525,336	\$13,235,643	\$14,571,134			\$11,575,605

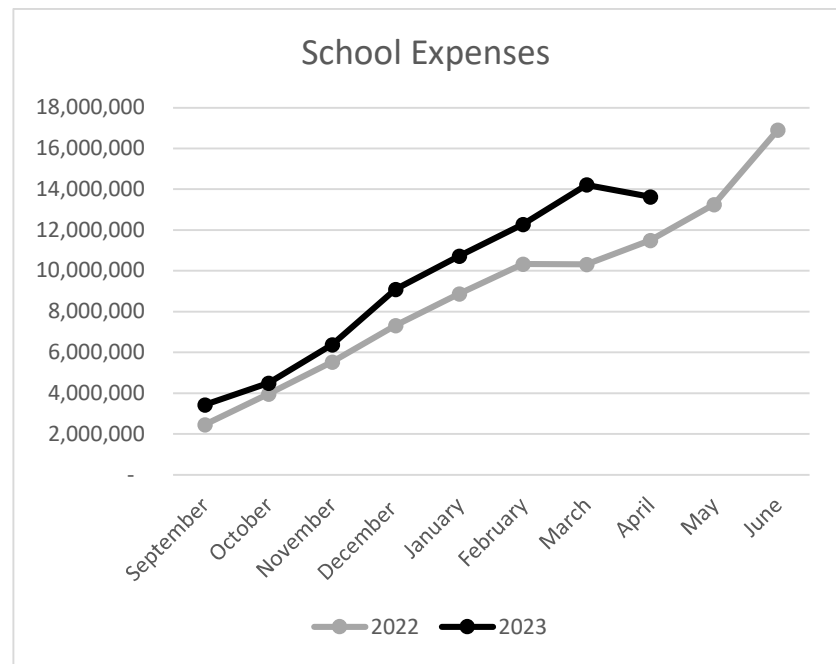
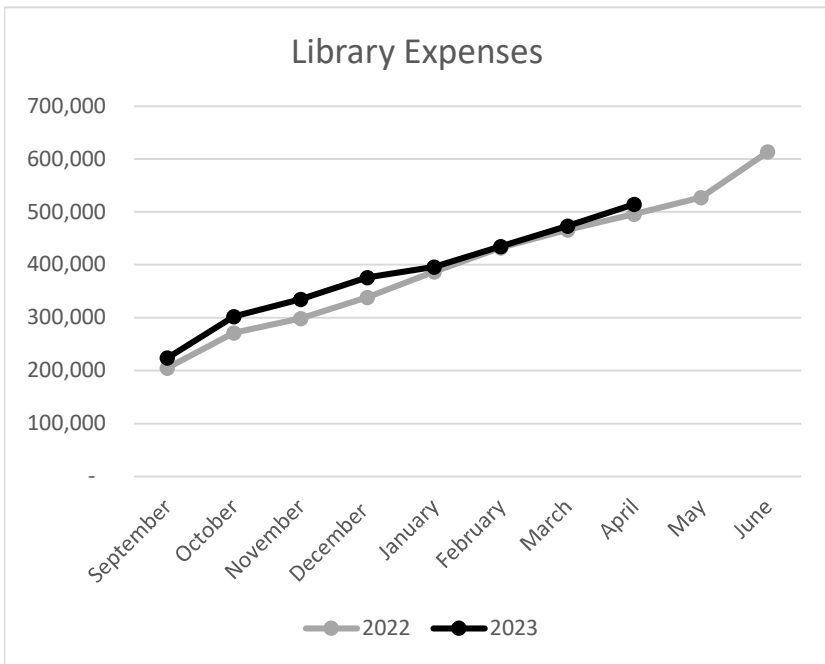
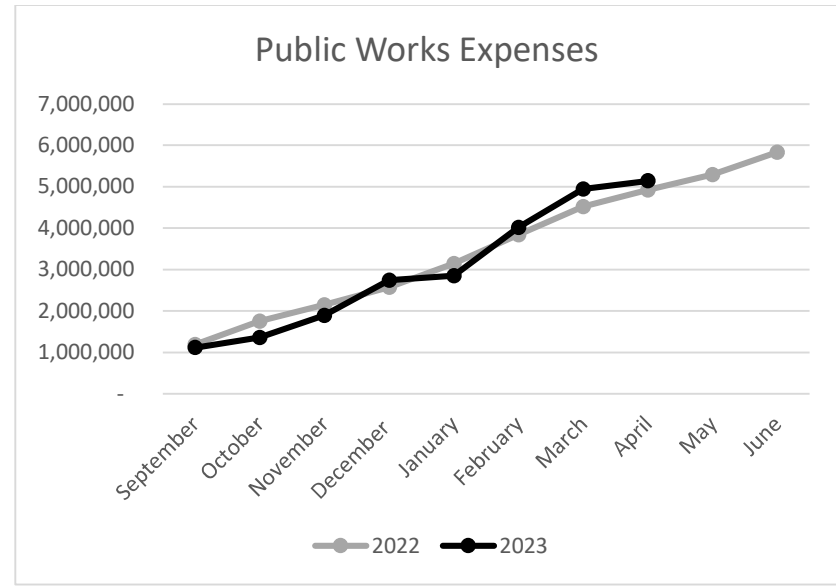
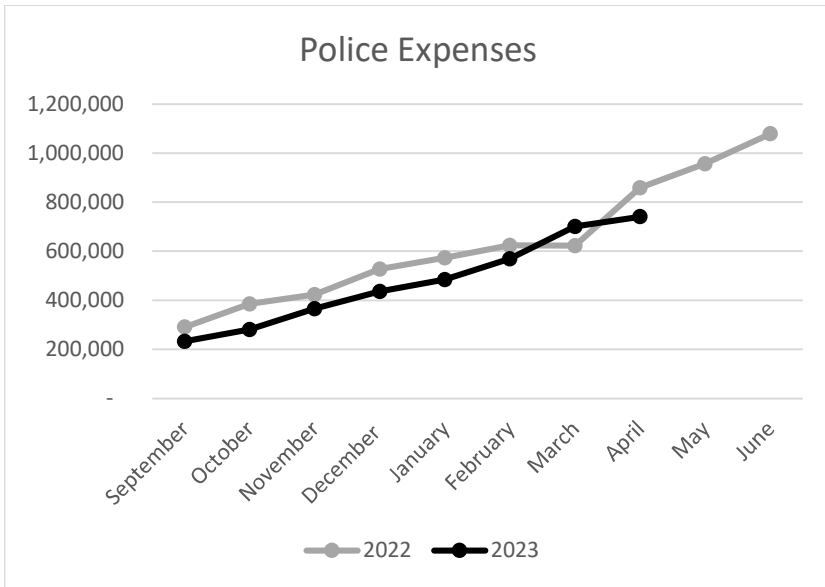
Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 4/30/2023

	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	5,769,447	-	1,769,658	76.5%	76.5%
Community Services	1,879,000	-	1,879,000	1,426,760	-	452,240	75.9%	75.9%
Public Facilities	2,592,091	-	2,592,091	2,054,281	-	537,810	79.3%	79.3%
Public Safety - Fire	8,611,698	14,621	8,626,319	7,167,368	14,621	1,444,330	83.3%	83.1%
Public Safety - Police	8,116,962	-	8,116,962	6,560,502	-	1,556,460	80.8%	80.8%
Public Works	3,834,283	-	3,834,283	3,204,700	-	629,583	83.6%	83.6%
Library	2,307,538	-	2,307,538	1,814,988	-	492,550	78.7%	78.7%
School	77,899,943	-	77,899,943	53,658,563	21,190,906	3,050,474	96.1%	68.9%
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	81,656,609	21,205,526	10,781,444	90.5%	71.9%
Water Enterprise	2,343,272	-	2,343,272	1,866,987	-	476,285	79.7%	79.7%
Sewer Enterprise	357,873	1,794	359,667	198,820	-	160,847	55.3%	55.3%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	2,065,807	-	637,132	76.4%	76.4%
Other Expenses								
General Government	2,721,202	222,087	2,943,289	2,322,058	301,187	320,044	89.1%	78.9%
Community Services	610,024	65,776	675,800	318,218	118,743	238,838	64.7%	47.1%
Public Facilities	1,354,850	193,418	1,548,268	1,056,064	333,850	158,353	89.8%	68.2%
Public Safety - Fire	612,050	62,985	675,035	580,370	57,701	36,965	94.5%	86.0%
Public Safety - Police	1,018,318	79,609	1,097,927	741,225	247,856	108,846	90.1%	67.5%
Public Works	5,888,050	353,729	6,241,779	5,142,604	1,592,237	(493,062) *	107.9%	82.4%
Library	666,437	37,072	703,509	514,640	72,207	116,662	83.4%	73.2%
School	17,226,948	1,576,330	18,803,278	13,630,175	4,481,927	691,176	96.3%	72.5%
Technical Schools	1,274,000	-	1,274,000	931,186	267,899	74,915	94.1%	73.1%
Debt Service	23,333,890	-	23,333,890	20,344,900	-	2,988,990	87.2%	87.2%
Insurance	1,164,000	6,313	1,170,313	1,151,409	11,920	6,984	99.4%	98.4%
Health Insurance	23,034,797	-	23,034,797	12,914,114	-	10,120,683	56.1%	56.1%
Unemployment	164,000	-	164,000	88,508	46,460	29,031	82.3%	54.0%
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	67,742,840	7,531,987	14,563,626	83.8%	75.4%
Water Enterprise	7,727,574	1,097,243	8,824,817	7,194,644	1,399,155	231,018	97.4%	81.5%
Sewer Enterprise	4,580,540	621,368	5,201,908	4,375,170	258,871	567,868	89.1%	84.1%
Total Other Expenses - Enterprise Funds	12,308,114	1,718,612	14,026,726	11,569,814	1,658,026	798,886	94.3%	82.5%
Total - General Fund	200,877,232	2,604,801	203,482,033	149,399,449	28,737,513	25,345,070	87.5%	73.4%
Total - Enterprise Funds	15,009,259	1,720,406	16,729,665	13,635,621	1,658,026	1,436,018	91.4%	81.5%

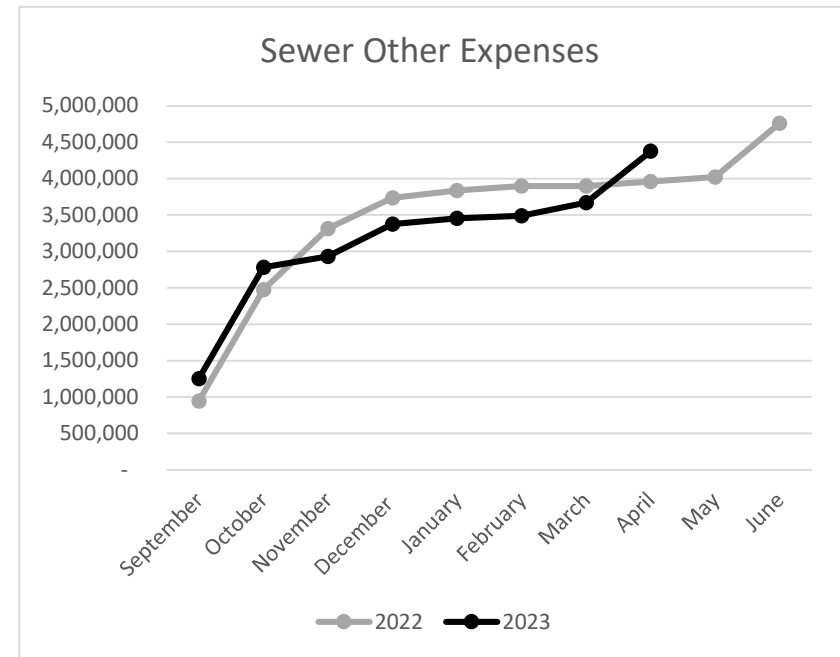
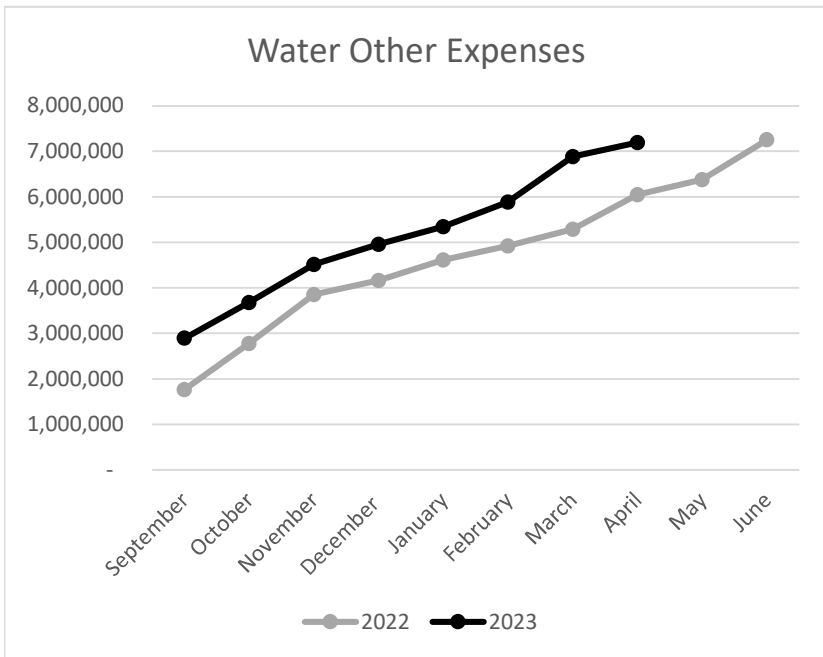
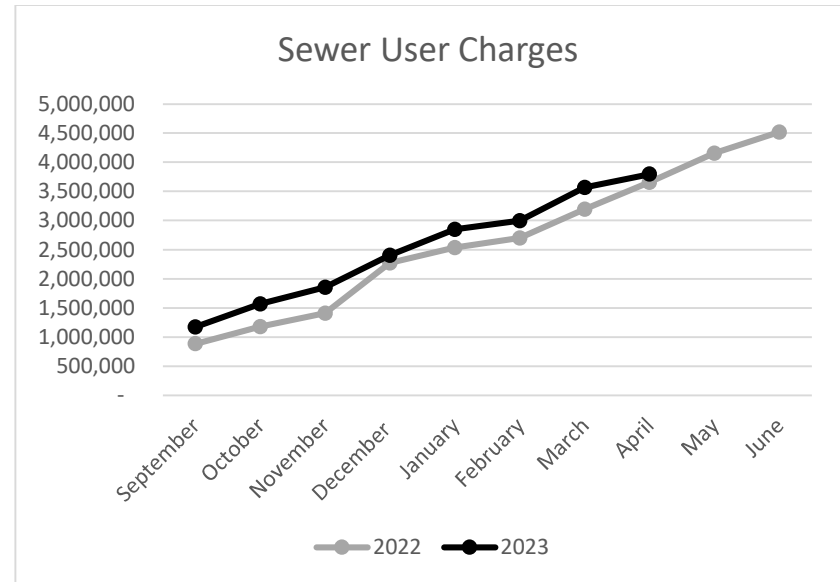
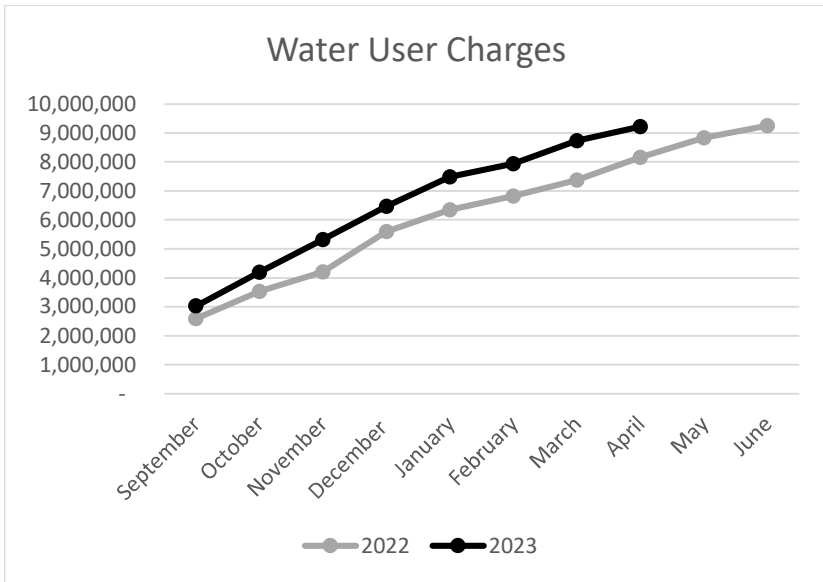
*Includes snow & ice deficit. Town Meeting approved \$965,000 of free cash to supplement this budget.



*Expenses vary from year to year due to timing and departmental needs, but can still be on budget.



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Town of Andover
FY 2023 Reserve Account and Compensation Fund
As of 4/30/23

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 4/30/23

	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 6/30/2021	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 4/30/2023	25,285	3,359	58,321	1,709,384	260,993	53,804	93,874	5,247	6,271	18,884	14,151	0	0	59,685	0	1,695
Expenditures thru 4/30/2023	17,155	3,038	33,114	1,193,626	141,676	15,230	65,179	0	0	30,871	22,308	0	0	14,525	95	29,624
Balance thru 4/30/2023	32,417	18,406	39,127	1,556,920	460,657	194,176	170,682	58,892	48,126	24,347	81,247	0	681	195,226	3,184	18,574

Spending Authorization	\$20,000	\$20,000	\$60,000	\$1,750,000 *	\$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	85.77%	15.19%	55.19%	68.21%	35.42%	10.15%	28.97%	0.00%	0.00%	51.45%	55.77%	0.00%	0.00%	14.53%	0.19%	14.81%

* Spending limit increased from \$1,000,000 to \$1,750,000 with Select Board and Finance Committee approval

**Town of Andover
Capital Projects
4/30/2023**

	<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	993,163	1,042,952	1,048,582	653,445	
Encumbered	-	-	-	8,688	36,810	54,433	123,930	
Total School CIP	Available	-	-	9,748	70,238	81,985	494,126	656,097
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000	
Expended	192,000	555,672	406,836	810,878	802,108	86,040	6,061	
Encumbered	-	9,300	34,429	22,317	-	17,436	5,810	
Total General Government CIP	Available	30,000	14,046	45,736	210,903	100,000	138,130	572,340
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	-	-	-	10,000	-	-	-	
Total Library CIP	Available	-	-	-	35,000	-	-	35,000
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	1,298,765	367,280	653,304	92,871	
Encumbered	-	18,348	259	460	20,778	204,708	89,417	
Total Facilities CIP	Available	-	5	3,477	3,775	79,942	321,989	1,391,900
Budget	195,000	293,500	250,077	195,000.00	195,000.00	255,000	-	
Expended	195,000	293,500	249,159	195,000.00	179,055.49	77,808	-	
Encumbered	-	-	-	-	15,945	165,156	-	
Total Police CIP	Available	-	918	-	-	12,036	-	12,954
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	275,370	366,154	323,147	399,026	-	20,277	-	
Encumbered	431	2,713	4,853	973	-	106,944	-	
Total DPW CIP	Available	9,200	46,132	-	-	37,779	170,000	263,112
Budget	1,420,000	2,183,232	2,225,077	2,952,098	1,711,108	1,825,000	1,485,000	
Expended	1,380,370	2,090,539	2,123,121	2,703,668	1,459,443	914,811	98,932	
Encumbered	431	30,362	39,540	33,750	36,723	494,243	95,227	
Total Town CIP	Available	39,200	62,331	62,416	214,679	214,942	1,290,842	2,300,355
Budget	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000	2,756,500	
Expended	2,500,370	3,586,182	3,163,121	3,696,831	2,502,395	1,963,393	752,376	
Encumbered	431	30,362	39,540	42,438	73,533	548,676	219,156	
Grand Total	Available	39,200	62,331	62,416	224,428	285,180	1,784,967	2,956,453