



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 May 31, 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 May 31, 2023.

General Fund

The total general fund receipts of all sources collected through May 31, 2023 are exceeding the annual projections through eleven months of the year. FY 2023 local receipts are \$3,815,068 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 \$342,055 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 FY 2023 projections through May 2023. The fire safety other expenditures budget was overspent by \$10,581 due to increased medical expenses. This over expenditure was covered by year-end transfers voted in June.

Water Enterprise Fund

The total water enterprise fund collections are in line with the annual projections through May 2023. The user charges receipts are \$746,816 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 May 2023.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than annual projections through May 2023. The user charges receipts are \$168,839 less than prior year receipts through

the same period. Sewer personal services are lower than and other expenses are in line with projections through May 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 May 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 \$2,709,910 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 5/31/2023 and 5/31/2022

	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	5,639,426	99.8%	5,595,875	5,605,418	100.2%	55,959	34,008
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	372,163	77.5%	480,000	550,403	114.7%	-	(178,239)
Fees	61,000	40,249	66.0%	61,000	142,044	232.9%	-	(101,795)
Payments in Lieu of Taxes	451,731	2,016	0.4%	440,713	453,111	102.8%	11,018	(451,095)
Other Departmental Revenues	213,000	366,553	172.1%	294,200	185,018	62.9%	(81,200)	181,535
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	3,384,702	142.4%	2,354,000	2,879,529	122.3%	23,540	505,173
Fines & Forfeits	132,500	145,709	110.0%	227,000	124,442	54.8%	(94,500)	21,267
Investment Income	204,000	3,603,707	1766.5%	200,000	159,899	79.9%	4,000	3,443,807
Special Assessments	-	87	N/A	-	180	N/A	-	(93)
Total Estimated Receipts	11,575,605	16,149,026	139.5%	11,333,588	12,333,958	108.8%	242,017	3,815,068
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	482,505	90.8%	393,510	451,314	114.7%	138,021	31,191
Elder Services	106,000	110,117	103.9%	106,000	115,635	109.1%	-	(5,518)
Public Facilities - Rental Receipts	40,000	93,265	233.2%	20,000	90,064	450.3%	20,000	3,201
Cemetery - Interment Fees	60,000	57,958	96.6%	60,000	57,583	96.0%	-	375
Public Safety - Police Detail Fees	60,000	65,584	109.3%	60,000	78,673	131.1%	-	(13,089)
Public Safety / Fire - Ambulance Receipts	1,300,000	1,595,277	122.7%	1,250,000	1,269,382	101.6%	50,000	325,895
Total Off-Set Receipts	2,097,531	2,404,706	114.6%	1,889,510	2,062,652	109.2%	208,021	342,055
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	173,723,499	99.4%	165,459,877	164,723,335	99.6%	9,318,377	9,000,164
State Aid	14,794,019	13,441,891	90.9%	14,178,409	13,114,514	92.5%	615,610	327,377
Total Other Revenues	189,572,273	187,165,390	98.7%	179,638,286	177,837,849	99.0%	9,933,987	9,327,541
Total Revenues	203,245,409	205,719,122	101.2%	192,861,384	192,234,459.33	99.7%	10,384,025	13,484,663

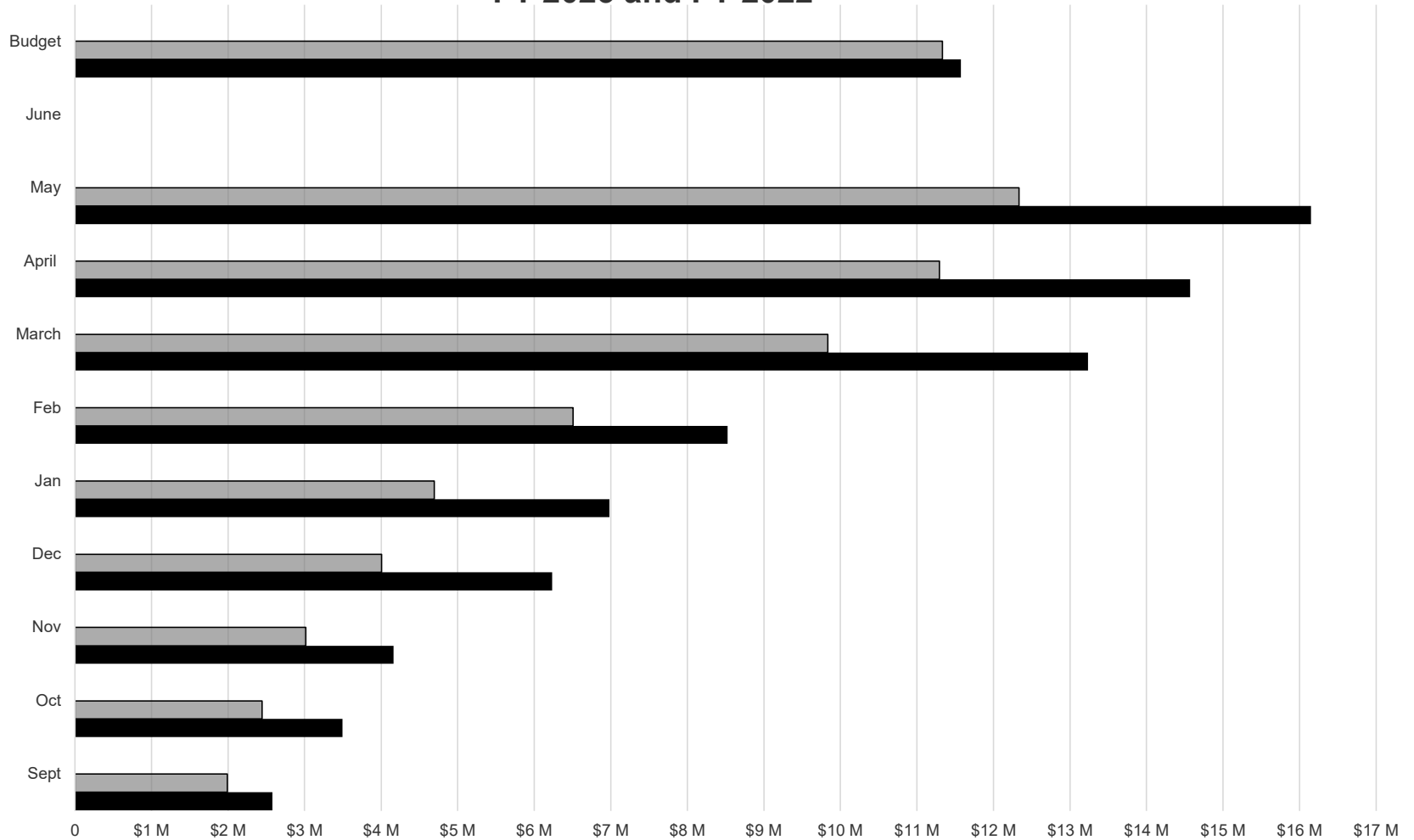
Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 5/31/2023 and 5/31/2022

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	9,672,637	92.6%	9,996,766	8,829,596	88.3%	449,078	843,041
Water Connection	7,500	5,032	67.1%	41,000	5,661	13.8%	(33,500)	(629)
Water Testing Fees	12,000	5,075	42.3%	18,000	12,490	69.4%	(6,000)	(7,415)
Meter Installations	10,000	8,225	82.3%	9,000	6,525	72.5%	1,000	1,700
Fire Flow Test	5,000	9,773	195.5%	9,000	4,982	55.4%	(4,000)	4,791
Special/Final Reads	25,000	14,136	56.5%	25,000	19,413	77.7%	-	(5,277)
Backflow/Cross Connection Fees	87,500	75,910	86.8%	75,000	114,125	152.2%	12,500	(38,216)
Water Tap	-	1,575	N/A	1,000	600	60.0%	(1,000)	975
Liens	85,000	83,486	98.2%	80,000	94,951	118.7%	5,000	(11,465)
Fire Suppression	280,000	197,907	70.7%	220,000	271,198	123.3%	60,000	(73,291)
Interest /Misc Revenue	2,500	4,098	163.9%	-	1,693	N/A	2,500	2,405
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	10,111,524	92.2%	10,493,766	9,364,708	89.2%	474,078	746,816

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	3,988,385	77.1%	5,086,120	4,157,224	81.7%	87,181	(168,839)
Committed Interest/Income	110,000	136,662	124.2%	165,000	164,952	100.0%	(55,000)	(28,290)
Liens	55,000	42,956	78.1%	55,000	62,400	113.5%	-	(19,444)
Apport Assmnts	340,000	452,886	133.2%	410,000	494,521	120.6%	(70,000)	(41,634)
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	1,286	36.7%	-	2,580	N/A	3,500	(1,294)
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	4,675,073.97	82.2%	5,731,120	4,891,332	85.3%	(42,819)	(216,258)

Total Enterprise Revenues	16,656,145	14,786,598	88.8%	16,224,886	14,256,040	87.87%	431,259	530,557
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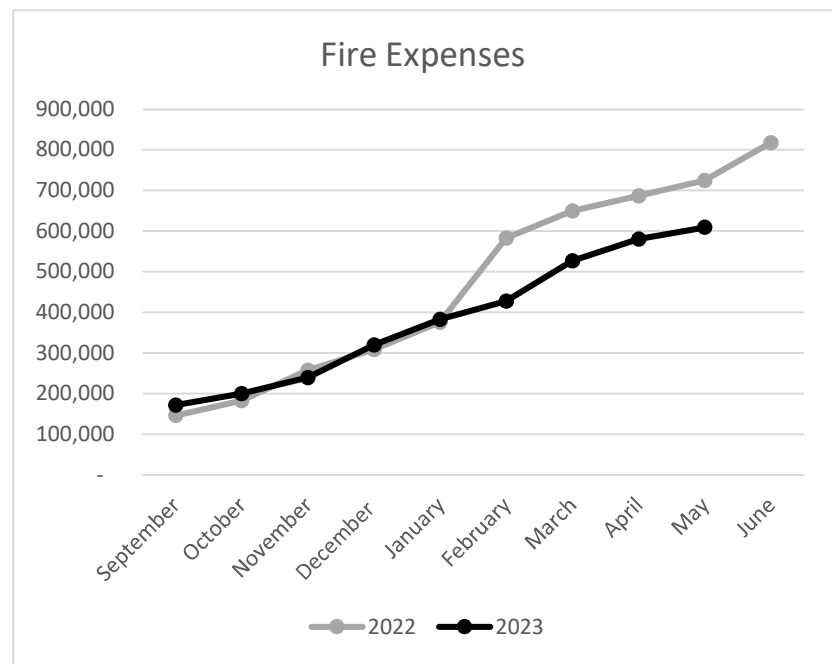
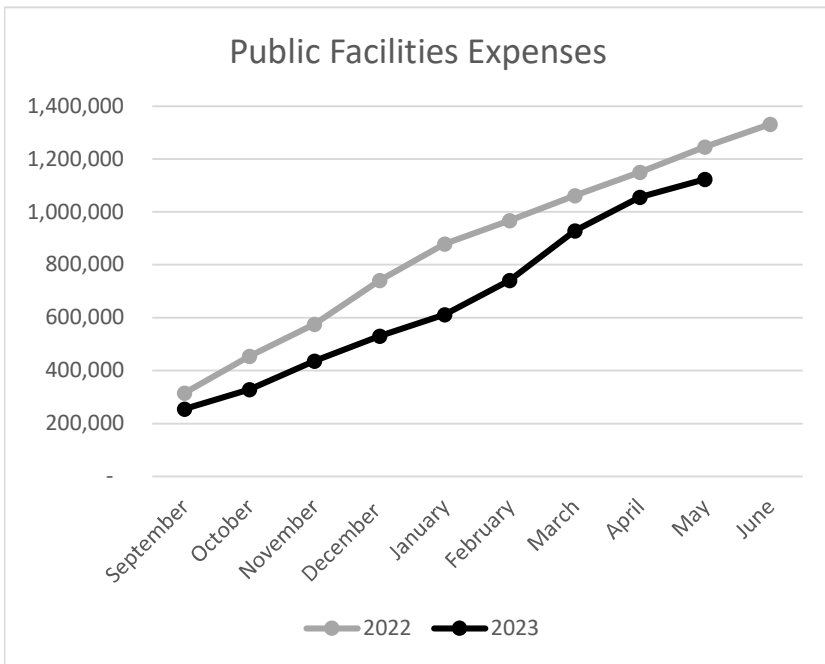
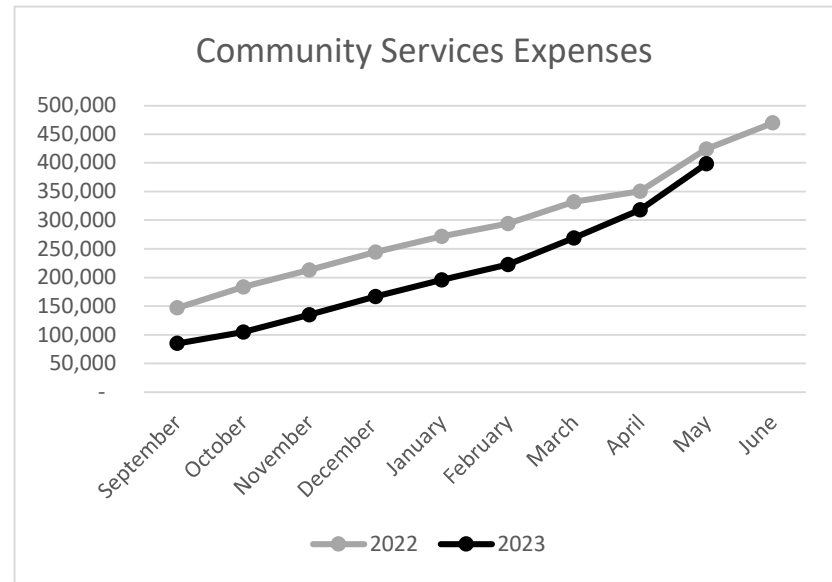
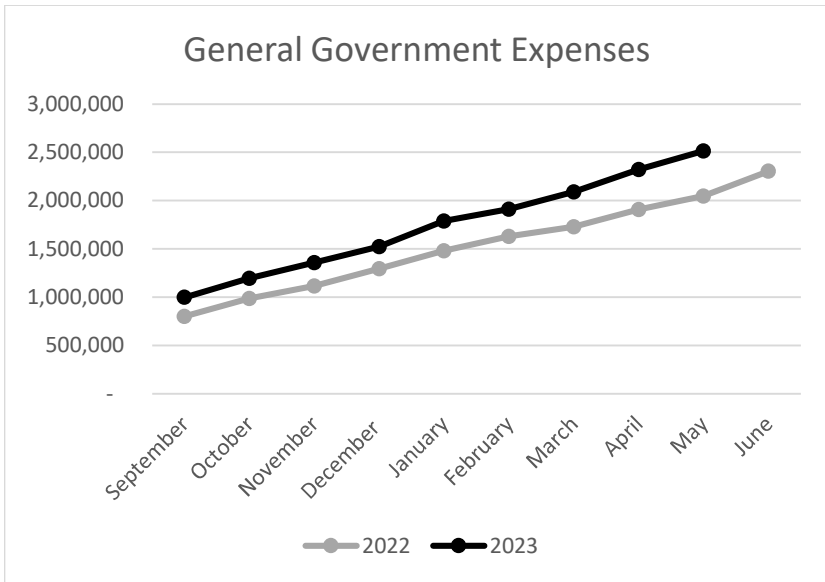
Town of Andover Local Receipts FY 2023 and FY 2022



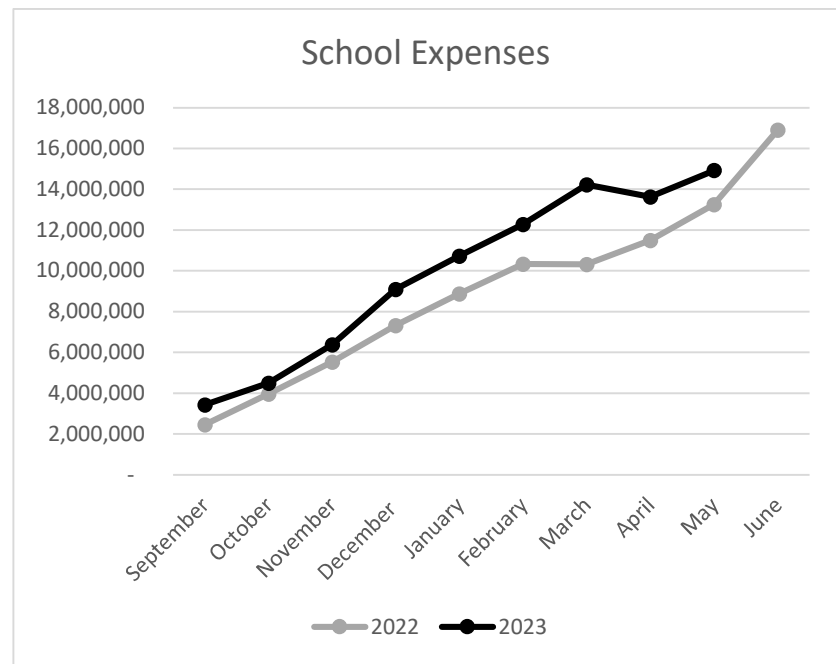
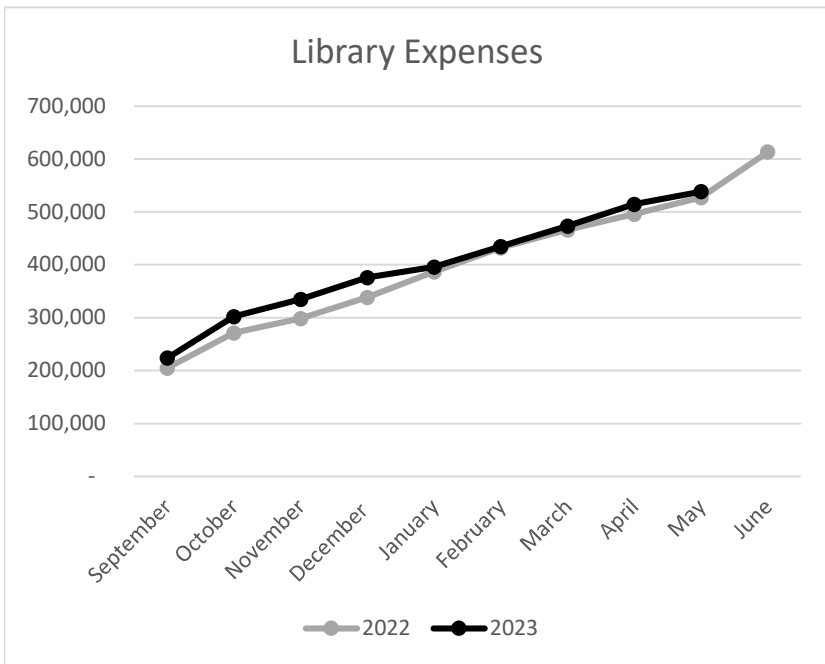
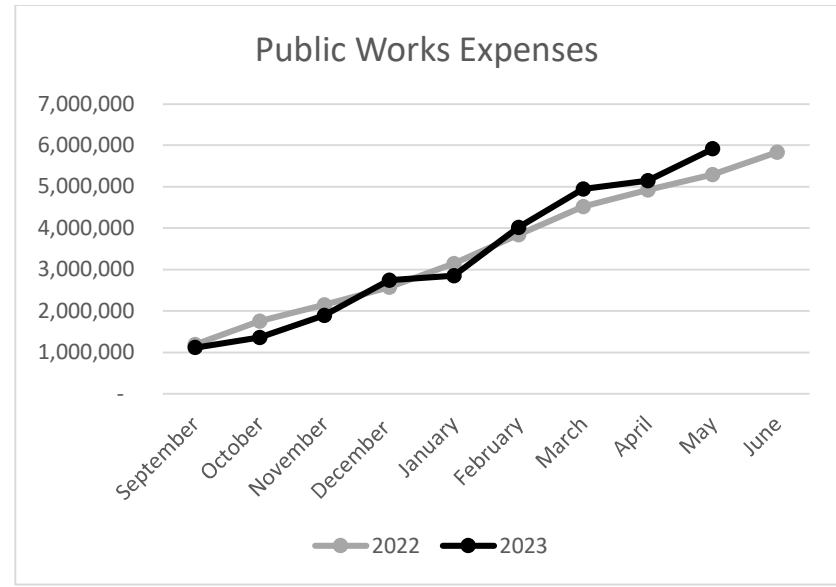
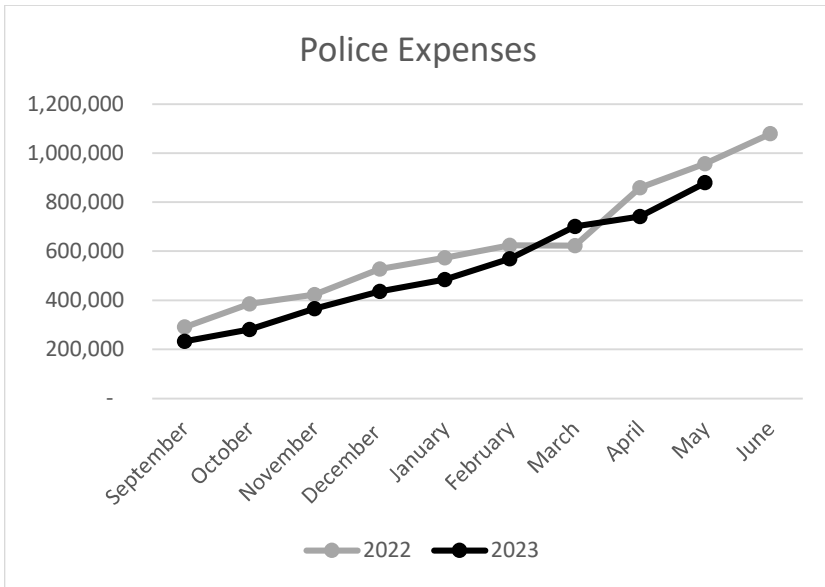
	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
■ FY 2022 % of Budget	17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.8%	99.7%	108.8%	0.0%	100.0%
■ FY 2023 % of Budget	22.3%	30.2%	36.0%	53.9%	60.3%	73.6%	114.3%	125.9%	139.5%	0.0%	100.0%
■ FY 2022 Receipts	\$1,989,405	\$2,444,067	\$3,015,542	\$4,004,836	\$4,695,288	\$6,508,233	\$9,835,835	\$11,294,322	\$12,333,958		\$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	\$16,149,026		\$11,575,605

Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 5/31/2023

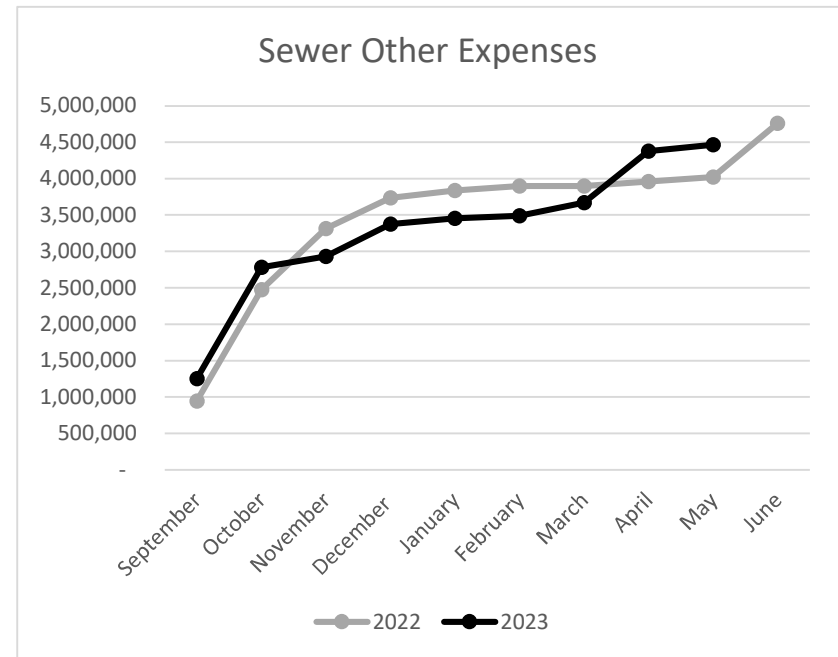
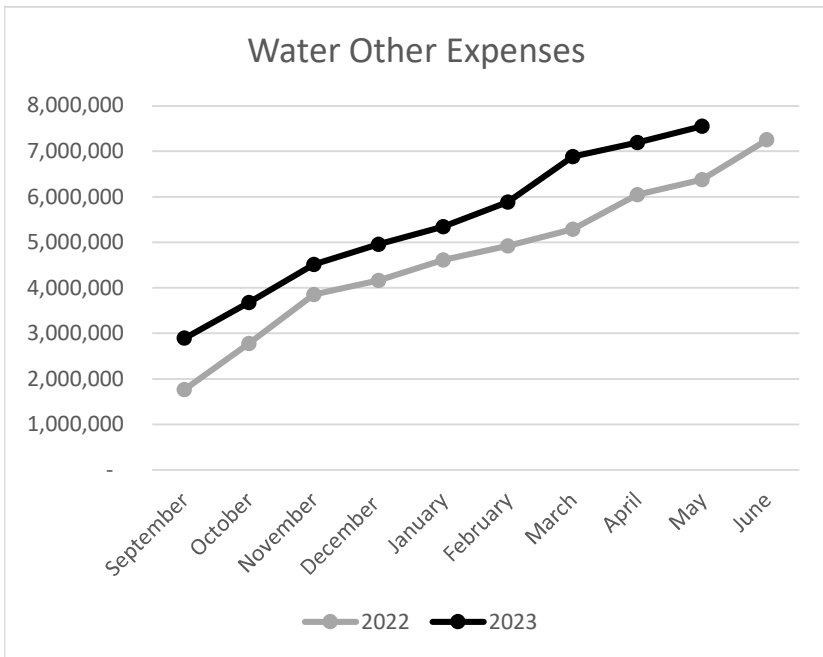
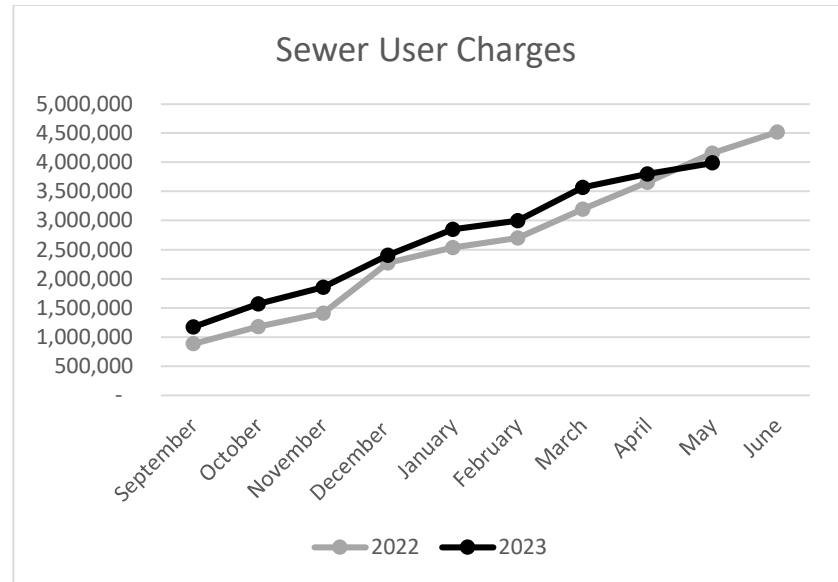
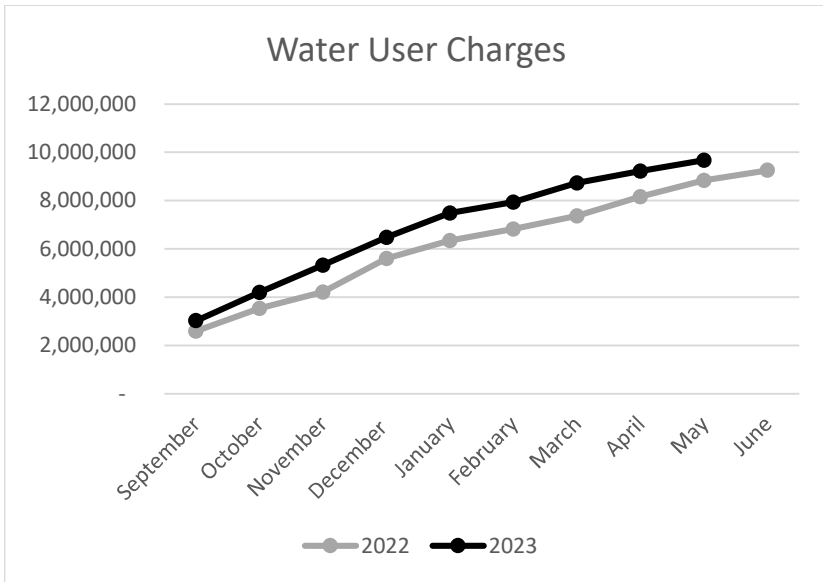
	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	7,511,444	27,661	7,539,105	6,295,487	-	1,243,618	83.5%	83.5%
Community Services	1,879,000	-	1,879,000	1,539,197	-	339,803	81.9%	81.9%
Public Facilities	2,592,091	-	2,592,091	2,239,582	-	352,510	86.4%	86.4%
Public Safety - Fire	8,611,698	14,621	8,626,319	7,791,177	14,621	820,521	90.5%	90.3%
Public Safety - Police	8,116,962	-	8,116,962	7,195,536	-	921,426	88.6%	88.6%
Public Works	3,834,283	159,069	3,993,352	3,433,161	-	560,191	86.0%	86.0%
Library	2,307,538	-	2,307,538	1,989,742	-	317,796	86.2%	86.2%
School	77,899,943	(1,300,000)	76,599,943	60,075,441	15,324,426	1,200,076	98.4%	78.4%
Compensation Fund	848,339	-	848,339	-	-	848,339	0.0%	0.0%
Total Personal Services - General Fund	113,601,298	(1,098,649)	112,502,649	90,559,322	15,339,047	6,604,281	94.1%	80.5%
Water Enterprise	2,343,272	-	2,343,272	2,052,246	-	291,027	87.6%	87.6%
Sewer Enterprise	357,873	1,794	359,667	292,062	-	67,605	81.2%	81.2%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	2,344,307	-	358,632	86.7%	86.7%
Other Expenses								
General Government	2,721,202	277,131	2,998,333	2,514,615	337,844	145,874	95.1%	83.9%
Community Services	610,024	65,776	675,800	398,594	101,090	176,116	73.9%	59.0%
Public Facilities	1,354,850	193,418	1,548,268	1,123,297	319,755	105,215	93.2%	72.6%
Public Safety - Fire	612,050	62,985	675,035	609,436	76,181	(10,581)	101.6%	90.3%
Public Safety - Police	1,018,318	79,609	1,097,927	879,118	175,519	43,289	96.1%	80.1%
Public Works	5,888,050	1,159,660	7,047,710	5,916,559	957,846	173,305	97.5%	84.0%
Library	666,437	37,072	703,509	538,566	60,313	104,630	85.1%	76.6%
School	17,226,948	2,876,330	20,103,278	14,927,396	3,307,612	1,868,270	90.7%	74.3%
Technical Schools	1,274,000	-	1,274,000	1,199,085	-	74,915	94.1%	94.1%
Debt Service	23,333,890	-	23,333,890	20,919,567	-	2,414,323	89.7%	89.7%
Insurance	1,164,000	6,313	1,170,313	1,154,432	8,897	6,984	99.4%	98.6%
Health Insurance	23,034,797	-	23,034,797	13,994,262	-	9,040,535	60.8%	60.8%
Unemployment	164,000	-	164,000	134,969	-	29,031	82.3%	82.3%
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	4,723,494	91,999,428	72,317,265	5,345,056	14,337,106	84.4%	78.6%
Water Enterprise	7,727,574	1,097,243	8,824,817	7,551,202	1,243,621	29,994	99.7%	85.6%
Sewer Enterprise	4,580,540	621,368	5,201,908	4,465,399	234,505	502,004	90.3%	85.8%
Total Other Expenses - Enterprise Funds	12,308,114	1,718,612	14,026,726	12,016,601	1,478,127	531,998	96.2%	85.7%
Total - General Fund	200,877,232	3,624,845	204,502,077	162,876,586	20,684,103	20,941,387	89.8%	79.6%
Total - Enterprise Funds	15,009,259	1,720,406	16,729,665	14,360,908	1,478,127	890,630	94.7%	85.8%



*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 5/31/23

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 5/31/23

	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 5/31/2023	27,405	3,498	68,095	1,724,147	266,123	74,129	116,576	5,247	6,836	24,486	22,162	0	0	61,090	0	3,775
Expenditures thru 5/31/2023	18,480	3,038	33,125	1,266,763	144,910	22,527	71,730	0	0	31,434	22,308	0	0	14,525	95	29,624
Balance thru 5/31/2023	33,212	18,545	48,890	1,498,547	462,553	207,204	186,832	58,892	48,692	29,386	89,257	0	681	196,631	3,184	20,654

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	92.40%	15.19%	55.21%	72.39%	36.23%	15.02%	31.88%	0.00%	0.00%	52.39%	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
5/31/2023**

	<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	1,056,189	1,048,582	675,875	
Encumbered	-	-	-	8,733	19,899	54,433	122,685	
Total School CIP	Available	-	-	9,704	73,911	81,985	472,940	638,540
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000	
Expended	192,000	555,672	406,836	814,495	802,108	95,275	6,920	
Encumbered	-	9,300	34,429	23,106	-	8,201	5,810	
Total General Government CIP	Available	30,000	14,046	45,736	206,497	100,000	137,271	567,075
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	-	-	10,000	15,000	-	-	
Encumbered	-	-	-	-	-	-	-	
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	942,523	1,298,765	367,280	686,495	126,359	
Encumbered	-	18,348	-	460	48,248	249,278	161,631	
Total Facilities CIP	Available	-	5	3,477	3,775	52,472	244,227	1,180,966
Budget	195,000	293,500	250,077	195,000.00	195,000.00	255,000	-	
Expended	195,000	293,500	250,077	195,000.00	179,055.49	116,419	-	
Encumbered	-	-	-	-	15,945	134,845	-	
Total Police CIP	Available	-	-	-	-	3,736	-	3,736
Budget	20,000	63,500	214,000	-	96,000	88,000	-	
Expended	20,000	61,353	205,282	-	96,000	77,383	-	
Encumbered	-	-	-	-	-	-	-	
Total Fire CIP	Available	-	2,147	8,718	-	10,617	-	21,482
Budget	285,000	415,000	328,000	400,000	-	165,000	170,000	
Expended	275,370	366,154	327,190	399,026	-	20,277	-	
Encumbered	431	2,713	810	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	2,090,540	2,131,907	2,717,286	1,459,443	995,848	133,279	
Encumbered	431	30,362	35,239	24,539	64,193	499,268	167,441	
Total Town CIP	Available	39,200	62,330	57,931	210,273	187,472	1,184,280	2,071,370
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	3,586,183	3,171,907	3,710,449	2,515,633	2,044,430	809,153	
Encumbered	431	30,362	35,239	33,272	84,092	553,701	290,126	
Grand Total	Available	39,200	62,330	57,931	219,977	261,383	1,657,220	2,709,910