



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, Austin Simko, Patrick Lawlor, Keith Taverna,
Martha Sybert, Tara Bicknell, Town Website

Date: September 20, 2023

Re: ***FY 2023 Financials***

The attached reports summarize the Town's financial position through June 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 General Fund Revenues and Expenditures – *Preliminary and Unaudited* – through June 30, 2023.

General Fund – Revenues

FY 2023 Total General Fund Collections of all sources collected through June 2023 are \$210,648,783 which is \$7,403,374 *greater* than FY2023 Budgeted.

FY 2023 Local Receipts collected through June 2023 are approximately \$7.6 million *greater* than budgeted and \$5.4 million *greater* than FY 2022 collections. Specifically, the following collections greatly contributed to the higher than budgeted collection:

- Motor Vehicle Excise Tax collections are \$396,495 greater than budgeted
- Hotel/Motel and Meals Tax Revenues are \$1,075,141 greater than budgeted
- Licenses and Permits are \$1,903,035 greater than budgeted
- Investment Income is \$3,805,989 greater than budgeted

FY2023 Off-Set Receipts collected through June 2023 are \$533,314 *more* than budgeted.

The Town continues to have a high tax collection rate at 99.6% with \$174,155,732 collected for property taxes (including tax titles).

General Fund – Expenditures

FY 2023 General Fund Personal Services total \$111,115,822, which is \$1,032,870 *less* than FY2023 Budgeted.

FY 2023 General Fund Other Expenses plus Encumbrances total \$91,872,483, which is \$480,901 *less* than FY2023 Budgeted.

General Fund Expenditures plus Encumbrances less than Budgeted:

• Personal Services – General Government	\$ 338,856
• Personal Services – Community Services	\$ 194,811
• Personal Services – Public Facilities	\$ 68,741
• Personal Services – Public Works	\$ 106,938
• Personal Services – Public Safety(Police & Fire)	\$ 2,779
• Personal Services – Library	\$ 22,405
• Personal Services – Compensation Fund	<u>\$ 298,339</u>
Total Personal Services	\$ 1,032,870
• Other Expense – General Government	\$ (119,993)*
• Other Expenses – Community Services	\$ 127,121
• Other Expenses – Public Facilities	\$ 131,078
• Other Expenses – Public Works	\$ 12,360
• Other Expenses – Public Safety(Police & Fire)	\$ 9,160
• Other Expenses – Library	\$ 79,467
• Other Expenses – Technical Schools	\$ 915
• Other Expenses – Debt Service	\$ 75,594
• Other Expenses – Retirement	\$ (1)
• Other Expenses – Reserve Fund	<u>\$ 165,200</u>
Total Other Expenses	\$ 480,901

<i>FY 2023 General Fund Expenditure Surplus Estimate</i>	<i>\$ 1,513,771</i>
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*The department budgets are voted in total, so overages in other expenses are covered by surpluses in personal services.

Water Enterprise Fund

FY 2023 Total Water Receipts are \$10,858,091 which is \$109,753 *less* than FY2023 Budgeted.

FY 2023 Water Personal Services are \$6,396 *less* than FY 2023 Budgeted.

FY 2023 Water Other Expenses plus Encumbrances are \$333,181 *more* than FY2023 Budgeted.

<i>FY 2023 Water Enterprise Fund Expenditure Deficit Estimate</i> <i>\$ (326,785)</i>

Sewer Enterprise Fund

FY 2023 Total Sewer Receipts are \$5,123,012 which is \$565,289 *less* than FY2023 Budgeted.

FY 2023 Sewer Personal Services are \$37,555 *less* than FY2023 Budgeted.

FY 2023 Sewer Other Expenses plus Encumbrances are \$333,037 *less* than FY2023 Budgeted.

<i>FY 2023 Sewer Enterprise Fund Expenditure Surplus Estimate</i> <i>\$ 370,592</i>

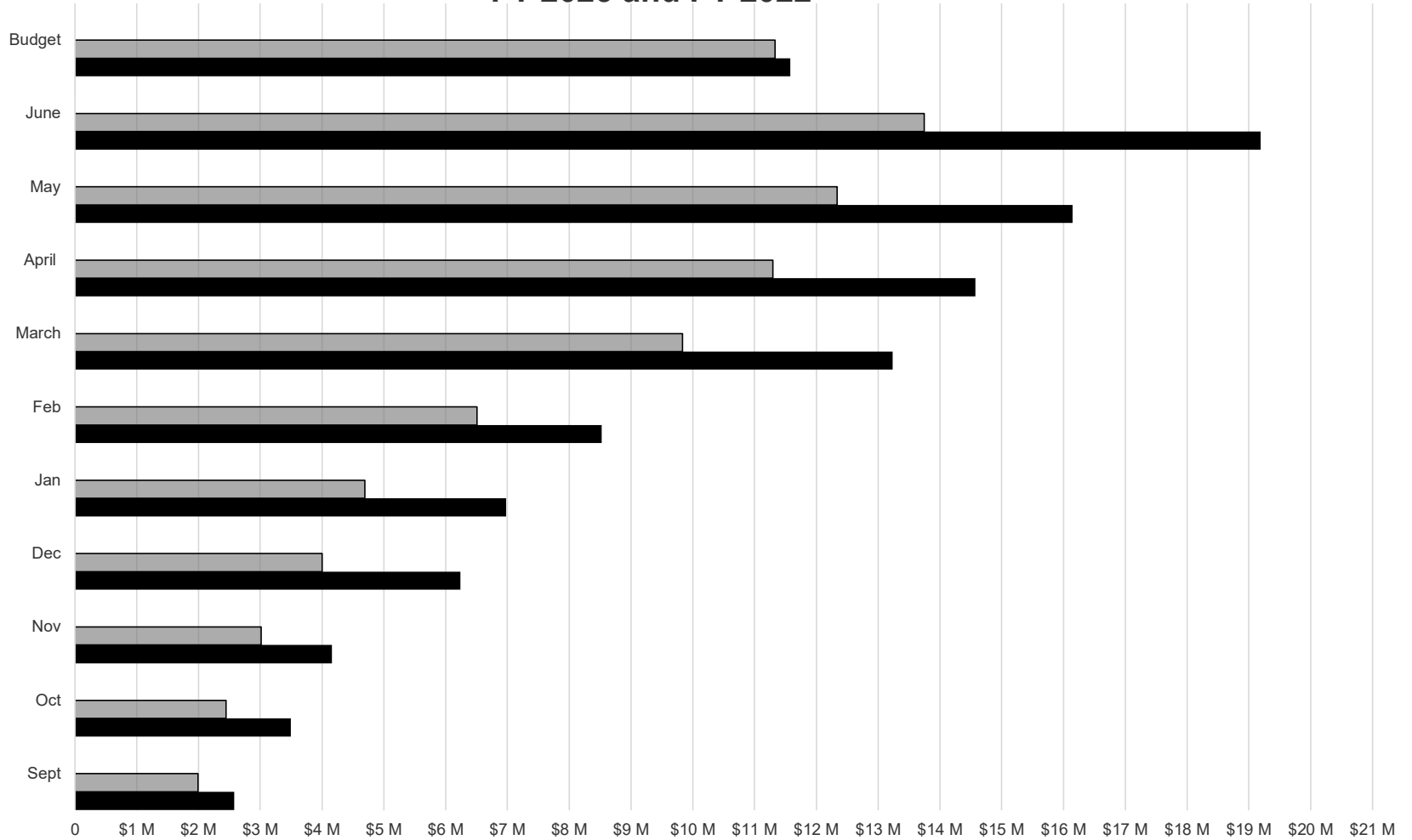
Town of Andover
FY 2023 General Fund Year-To-Date Revenue Report
Budgeted vs. Actuals 6/30/2023 and 6/30/2022

	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
Local Receipts								
Motor Vehicle Excise	5,651,834	6,048,329	107.0%	5,595,875	6,001,950	107.3%	55,959	46,379
Hotel/Motel/Meals	1,799,000	2,874,141	159.8%	1,475,000	2,233,211	151.4%	324,000	640,930
Penalties and Interest on Taxes and Excises	480,000	406,879	84.8%	480,000	588,985	122.7%	-	(182,106)
Fees	61,000	41,764	68.5%	61,000	142,964	234.4%	-	(101,200)
Payments in Lieu of Taxes	451,731	465,291	103.0%	440,713	453,111	102.8%	11,018	12,180
Other Departmental Revenues	213,000	426,734	200.3%	294,200	218,353	74.2%	(81,200)	208,381
Other Departmental Revenues - School Medicare	200,000	417,021	208.5%	200,000	659,471	329.7%	-	(242,451)
Non-Recurring Revenues	5,000	61,106	1222.1%	5,800	9,497	163.7%	(800)	51,608
Licenses and Permits	2,377,540	4,280,575	180.0%	2,354,000	3,098,596	131.6%	23,540	1,181,978
Fines & Forfeits	132,500	159,211	120.2%	227,000	138,911	61.2%	(94,500)	20,301
Investment Income	204,000	4,009,989	1965.7%	200,000	201,717	100.9%	4,000	3,808,272
Special Assessments	-	87	N/A	-	180	N/A	-	(93)
Total Estimated Receipts	11,575,605	19,191,127	165.8%	11,333,588	13,746,947	121.3%	242,017	5,444,180
Off-Set Receipts								
Recreation	531,531	534,599	100.6%	393,510	457,927	116.4%	138,021	76,672
Elder Services	106,000	120,998	114.1%	106,000	125,795	118.7%	-	(4,797)
Public Facilities - Rental Receipts	40,000	90,173	225.4%	20,000	87,674	438.4%	20,000	2,499
Cemetery - Interment Fees	60,000	67,904	113.2%	60,000	77,256	128.8%	-	(9,352)
Public Safety - Police Detail Fees	60,000	68,990	115.0%	60,000	85,124	141.9%	-	(16,135)
Public Safety / Fire - Ambulance Receipts	1,300,000	1,748,182	134.5%	1,250,000	1,395,579	111.6%	50,000	352,603
Total Off-Set Receipts	2,097,531	2,630,845	125.4%	1,889,510	2,229,354	118.0%	208,021	401,491
Other Revenues								
Property Taxes (inc. Tax Titles)	174,778,254	174,155,732	99.6%	165,459,877	165,198,433	99.8%	9,318,377	8,957,299
State Aid	14,794,019	14,671,080	99.2%	14,178,409	14,429,689	101.8%	615,610	241,391
Total Other Revenues	189,572,273	188,826,812	99.6%	179,638,286	179,628,122	100.0%	9,933,987	9,198,690
Total Revenues	203,245,409	210,648,783	103.6%	192,861,384	195,604,423.34	101.4%	10,384,025	15,044,360

Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 6/30/2023 and 6/30/2022

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	10,366,768	99.2%	9,996,766	9,254,350	92.6%	449,078	1,112,418
Water Connection	7,500	5,032	67.1%	41,000	6,919	16.9%	(33,500)	(1,887)
Water Testing Fees	12,000	5,075	42.3%	18,000	12,490	69.4%	(6,000)	(7,415)
Meter Installations	10,000	10,250	102.5%	9,000	11,370	126.3%	1,000	(1,120)
Fire Flow Test	5,000	9,773	195.5%	9,000	5,482	60.9%	(4,000)	4,291
Special/Final Reads	25,000	15,698	62.8%	25,000	22,412	89.6%	-	(6,714)
Backflow/Cross Connection Fees	87,500	77,275	88.3%	75,000	115,685	154.2%	12,500	(38,411)
Water Tap	-	1,725	N/A	1,000	600	60.0%	(1,000)	1,125
Liens	85,000	87,924	103.4%	80,000	95,948	119.9%	5,000	(8,024)
Fire Suppression	280,000	223,245	79.7%	220,000	290,856	132.2%	60,000	(67,611)
Interest /Misc Revenue	2,500	4,445	177.8%	-	1,713	N/A	2,500	2,732
Non-Revenue Interest	7,500	50,881	678.4%	19,000	4,624	24.3%	(11,500)	46,258
Total Water Receipts	10,967,844	10,858,091	99.0%	10,493,766	9,822,448	93.6%	474,078	1,035,643
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	4,400,108	85.1%	5,086,120	4,519,685	88.9%	87,181	(119,578)
Committed Interest/Income	110,000	138,212	125.6%	165,000	168,716	102.3%	(55,000)	(30,504)
Liens	55,000	46,707	84.9%	55,000	62,400	113.5%	-	(15,694)
Apport Assmnts	340,000	460,284	135.4%	410,000	522,666	127.5%	(70,000)	(62,382)
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	1,497	42.8%	-	2,713	N/A	3,500	(1,217)
Non-Revenue Interest	6,500	59,775	919.6%	15,000	4,028	26.9%	(8,500)	55,747
Total Sewer Receipts	5,688,301	5,123,012	90.1%	5,731,120	5,287,427	92.3%	(42,819)	(164,415)
Total Enterprise Revenues	16,656,145	15,981,103	95.9%	16,224,886	15,109,875	93.13%	431,259	871,227

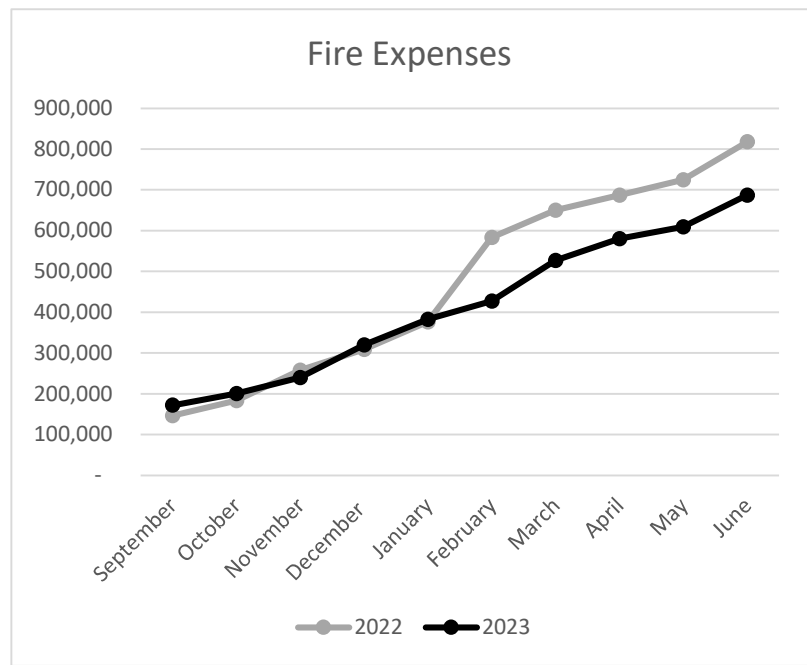
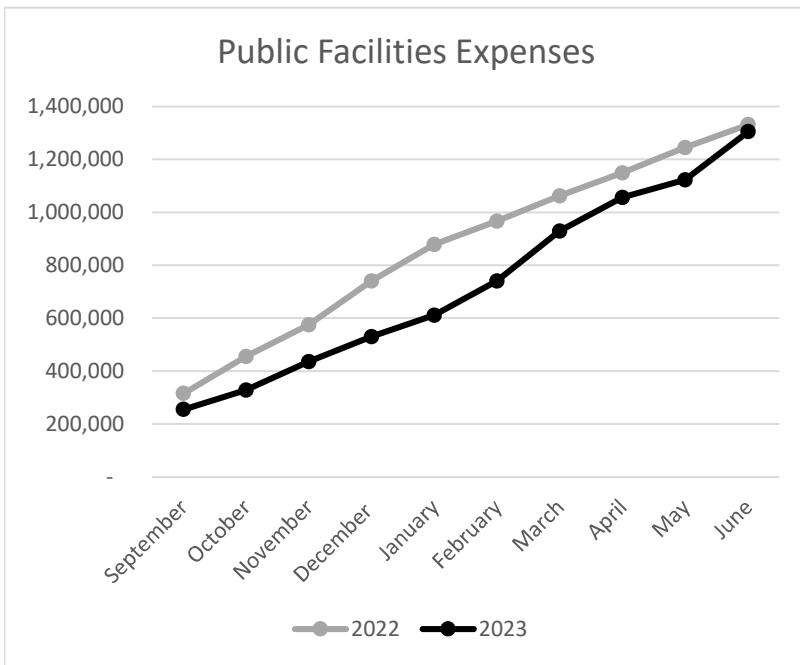
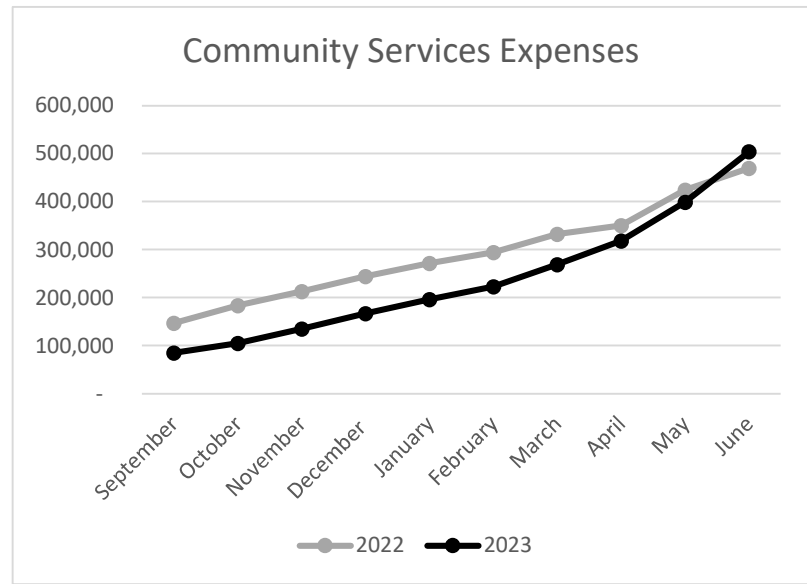
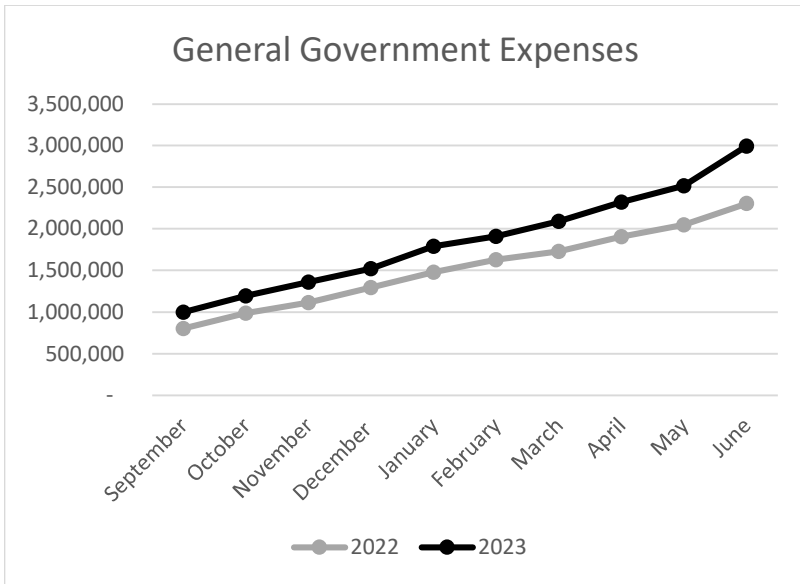
Town of Andover Local Receipts FY 2023 and FY 2022



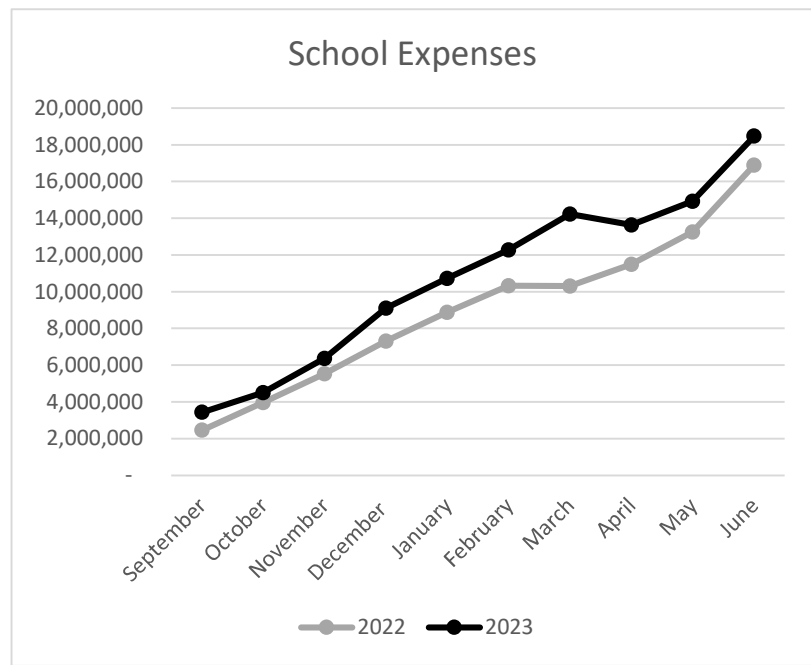
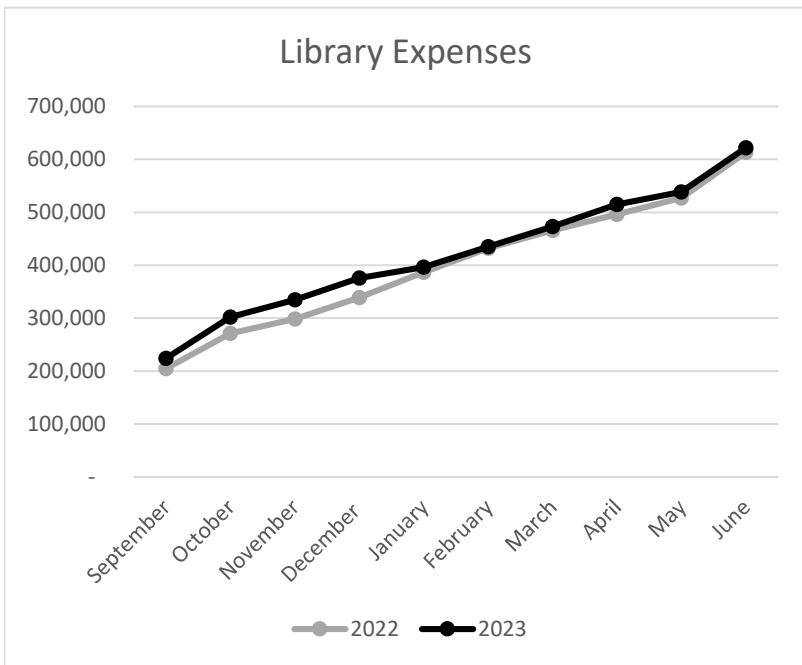
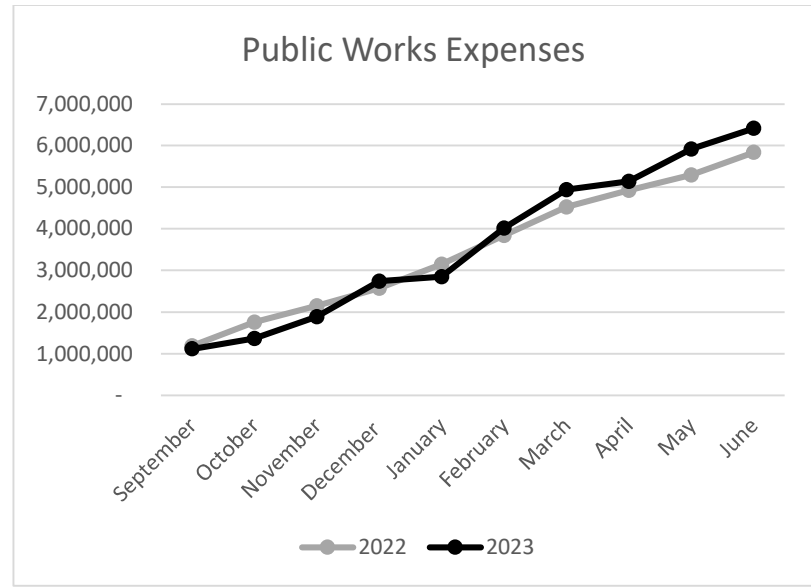
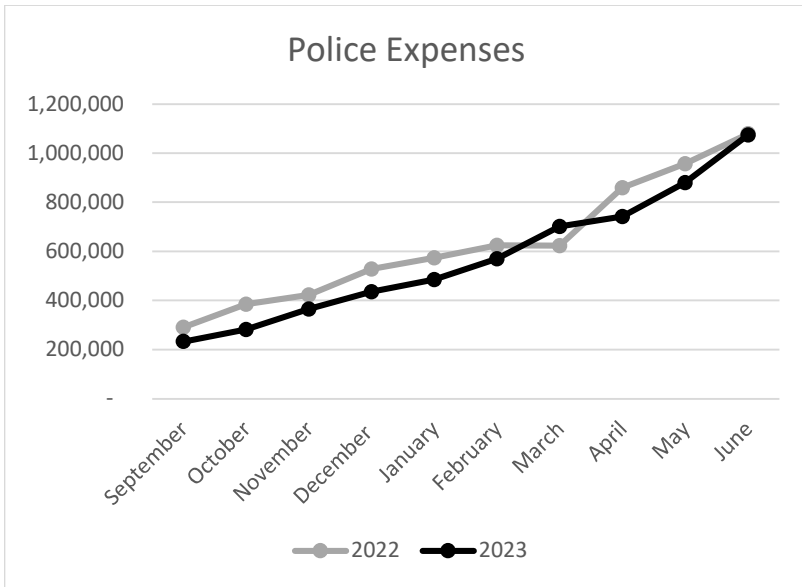
	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June	Budget
FY 2022 % of Budget	17.6%	21.6%	26.6%	35.3%	41.4%	57.4%	86.8%	99.7%	108.8%	121.3%	100.0%
FY 2023 % of Budget	22.3%	30.2%	36.0%	53.9%	60.3%	73.6%	114.3%	125.9%	139.5%	165.8%	100.0%
FY 2022 Receipts	\$1,989,405	\$2,444,067	\$3,015,542	\$4,004,836	\$4,695,288	\$6,508,233	\$9,835,835	\$11,294,322	\$12,333,958	\$13,746,947	\$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	\$19,191,127	\$11,575,605

Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 6/30/2023

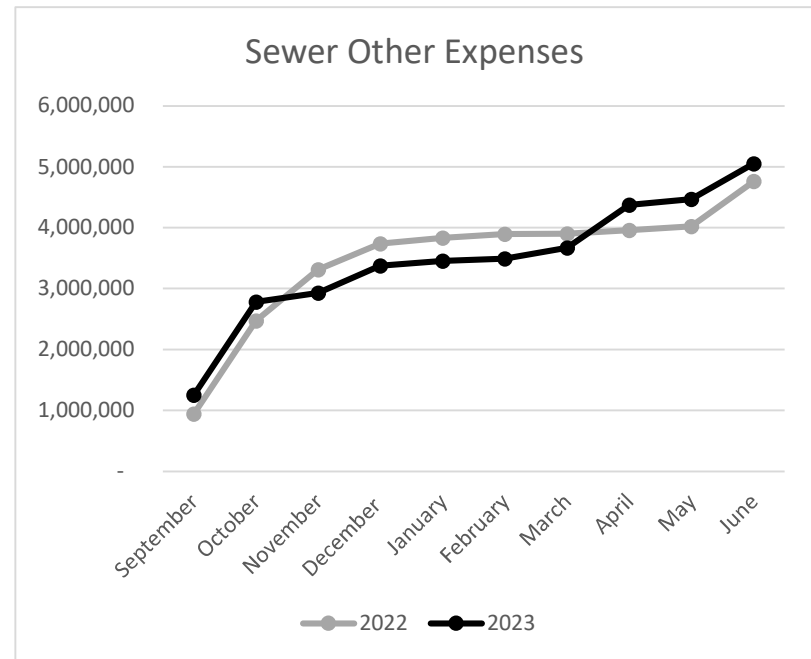
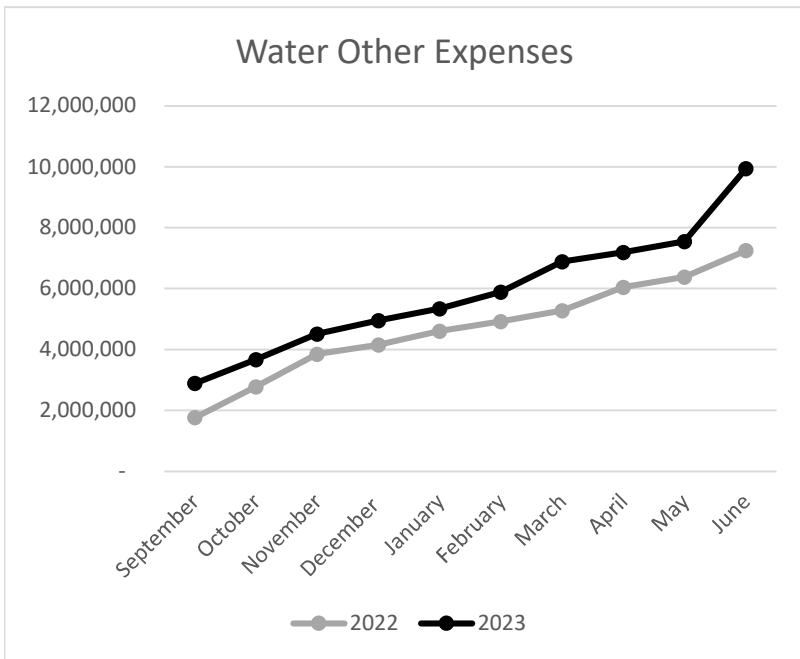
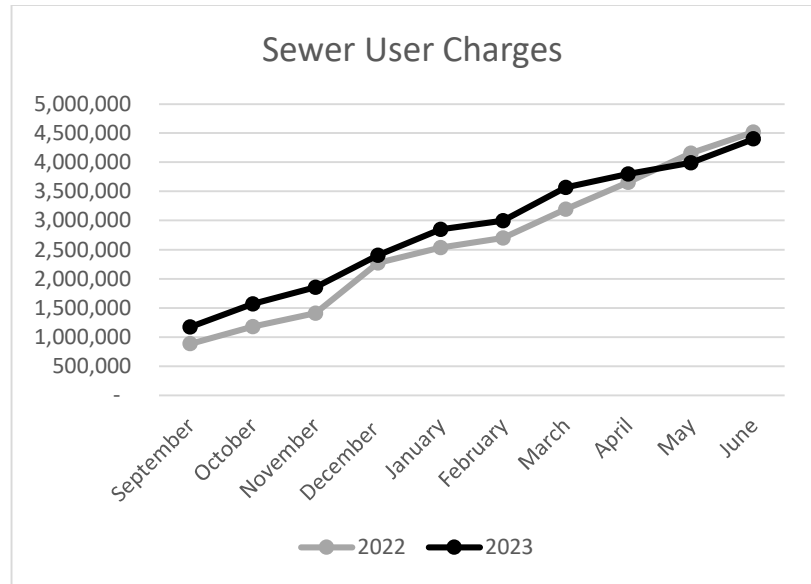
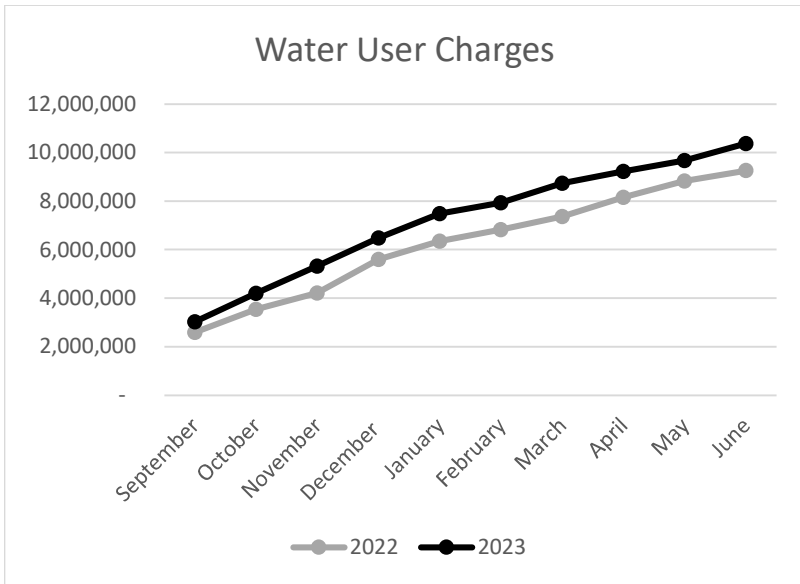
	Original Appropriation	Transfers/ Adjustments	Revised Budget	YTD Expended	Encumbrances	Available Balance	% Expended & Encumbered	% Expended
Personal Services								
General Government	7,511,444	27,661	7,539,105	7,200,249	-	338,856	95.5%	95.5%
Community Services	1,879,000	-	1,879,000	1,684,189	-	194,811	89.6%	89.6%
Public Facilities	2,592,091	-	2,592,091	2,523,350	-	68,741	97.3%	97.3%
Public Safety - Fire	8,611,698	319,621	8,931,319	8,920,578	-	10,741	99.9%	99.9%
Public Safety - Police	8,116,962	215,000	8,331,962	8,339,923	-	(7,961)	100.1%	100.1%
Public Works	3,834,283	159,069	3,993,352	3,886,415	-	106,938	97.3%	97.3%
Library	2,307,538	(26,000)	2,281,538	2,259,133	-	22,405	99.0%	99.0%
School	77,899,943	(1,597,956)	76,301,987	76,301,987	-	-	100.0%	100.0%
Compensation Fund	848,339	(550,000)	298,339	-	-	298,339	0.0%	0.0%
Total Personal Services - General Fund	113,601,298	(1,452,605)	112,148,693	111,115,822	-	1,032,870	99.1%	99.1%
Water Enterprise	2,343,272	-	2,343,272	2,336,876	-	6,396	99.7%	99.7%
Sewer Enterprise	357,873	1,794	359,667	322,112	-	37,555	89.6%	89.6%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	2,658,988	-	43,951	98.4%	98.4%
Other Expenses								
General Government	2,721,202	307,131	3,028,333	2,993,404	154,923	(119,993)	104.0%	98.8%
Community Services	610,024	65,776	675,800	503,892	44,787	127,121	81.2%	74.6%
Public Facilities	1,354,850	193,418	1,548,268	1,305,066	112,124	131,078	91.5%	84.3%
Public Safety - Fire	612,050	112,985	725,035	686,843	46,696	(8,503)	101.2%	94.7%
Public Safety - Police	1,018,318	129,609	1,147,927	1,074,265	55,998	17,664	98.5%	93.6%
Public Works	5,888,050	1,159,660	7,047,710	6,416,052	619,297	12,360	99.8%	91.0%
Library	666,437	37,072	703,509	621,835	2,207	79,467	88.7%	88.4%
School	17,226,948	3,174,287	20,401,235	18,474,108	1,927,127	0	100.0%	90.6%
Technical Schools	1,274,000	(74,000)	1,200,000	1,199,085	-	915	99.9%	99.9%
Debt Service	23,333,890	-	23,333,890	23,258,296	-	75,594	99.7%	99.7%
Insurance	1,164,000	6,313	1,170,313	1,170,313	-	-	100.0%	100.0%
Health Insurance	23,034,797	-	23,034,797	23,034,797	-	-	100.0%	100.0%
Unemployment	164,000	-	164,000	134,969	29,031	-	100.0%	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	5,077,450	92,353,384	88,880,294	2,992,190	480,901	99.5%	96.2%
Water Enterprise	9,236,118	1,097,243	10,333,361	9,942,109	724,434	(333,181)	103.2%	96.2%
Sewer Enterprise	5,034,820	621,368	5,656,188	5,051,949	271,202	333,037	94.1%	89.3%
Total Other Expenses - Enterprise Funds	14,270,938	1,718,612	15,989,550	14,994,058	995,636	(144)	100.0%	93.8%
Total - General Fund	200,877,232	3,624,845	204,502,077	199,996,116	2,992,190	1,513,771	99.3%	97.8%
Total - Enterprise Funds	16,972,083	1,720,406	18,692,489	17,653,045	995,636	43,807	99.8%	94.4%



*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 6/30/23

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	(550,000.00)
Available Balance	<u>\$ 298,339.00</u>

Town of Andover
FY 2023 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 6/30/23

	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 6/30/2023	30,230	3,965	73,295	1,935,462	293,757	96,210	123,989	5,247	8,743	29,956	34,215	0	0	63,540	0	34,975
Expenditures thru 6/30/2023	20,000	3,163	34,139	1,546,422	200,020	27,601	86,427	0	0	32,093	40,000	0	0	37,130	95	29,624
Balance thru 6/30/2023	34,517	18,888	53,076	1,430,203	435,076	224,211	179,548	58,892	50,598	34,197	83,617	0	681	176,477	3,184	51,854

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	100.00%	15.82%	56.90%	88.37%	50.00%	18.40%	38.41%	0.00%	0.00%	53.49%	100.00%	0.00%	0.00%	37.13%	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
6/30/2023**

	<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	995,887	1,063,670	1,052,380	751,484	
Encumbered	-	-	-	5,729	14,047	61,189	63,379	
Total School CIP	Available	-	-	9,984	72,283	71,431	456,637	610,335
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000	
Expended	192,000	555,672	406,836	822,347	802,108	124,630	17,362	
Encumbered	-	9,300	34,429	15,254	-	6,754	37,070	
Total General Government CIP	Available	30,000	14,046	45,736	206,497	100,000	95,568	497,463
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	371,233	780,788	266,334	
Encumbered	-	18,348	-	-	44,295	140,745	80,458	
Total Facilities CIP	Available	-	5	3,477	4,235	52,472	258,468	1,136,864
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	195,000.00	213,185	-	
Encumbered	-	-	-	-	-	38,208	-	
Total Police CIP	Available	-	-	-	-	3,607	-	3,607
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	275,800	366,924	328,000	399,118	-	20,277	-	
Encumbered	-	1,944	-	881	-	106,944	-	
Total DPW CIP	Available	9,200	46,132	-	0	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	1,380,800	2,091,309	2,132,718	2,725,230	1,479,341	1,216,263	283,697	
Encumbered	-	29,592	34,429	16,135	44,295	292,650	117,528	
Total Town CIP	Available	39,200	62,330	57,931	210,733	187,472	1,083,776	1,957,528
Budget	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000	2,756,500	
Expended	2,500,800	3,586,952	3,172,718	3,721,117	2,543,011	2,268,643	1,035,181	
Encumbered	-	29,592	34,429	21,864	58,342	353,839	180,906	
Grand Total	Available	39,200	62,330	57,931	220,717	259,754	1,540,413	2,567,863