



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, Donna Walsh, Keith Taverna,
Town Website

Date: November 22, 2022

Re: ***FY 2023 Financials***

The attached reports summarize the Town's financial position through September 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 September 30, 2022.

General Fund

The total general fund receipts of all sources collected through September 30, 2022 are in line with the annual projections through the first quarter of the year. FY2023 local receipts are \$588,379 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 in line with FY 2023 projections through September 2022. Insurance premiums and the required appropriation for pension were paid in July. Encumbrances are adjusted throughout the year.

Water Enterprise Fund

The total water enterprise fund collections are in line with the annual projections through September 2022. The user charges receipts are \$435,355 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 slightly greater than FY 2023 projections through September 2022.

Sewer Enterprise Fund

The total sewer enterprise fund collections are consistent with projections through September 2022 and user charges receipts are \$287,963 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 consistent with the FY 2023 projections through September 2022.

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 September 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 \$4,007,244 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 9/30/2022 and 9/30/2021

Local Receipts	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
Motor Vehicle Excise	5,651,834	383,375	6.8%	5,595,875	421,484	7.5%	55,959	(38,109)
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	75,508	15.7%	480,000	105,702	22.0%	-	(30,194)
Fees	61,000	21,110	34.6%	61,000	48,408	79.4%	-	(27,298)
Payments in Lieu of Taxes	451,731	-	0.0%	440,713	-	0.0%	11,018	-
Other Departmental Revenues	213,000	199,091	93.5%	294,200	41,734	14.2%	(81,200)	157,357
Other Departmental Revenues - School Medicare	200,000	-	0.0%	200,000	56,107	28.1%	-	(56,107)
Non-Recurring Revenues	5,000	33,333	666.7%	5,800	1,290	22.2%	(800)	32,043
Licenses and Permits	2,377,540	576,729	24.3%	2,354,000	678,707	28.8%	23,540	(101,978)
Fines & Forfeits	132,500	42,470	32.1%	227,000	35,888	15.8%	(94,500)	6,582
Investment Income	204,000	444,729	218.0%	200,000	45,024	22.5%	4,000	399,705
Total Estimated Receipts	11,575,605	2,577,784	22.3%	11,333,588	1,989,405	17.6%	242,017	588,379

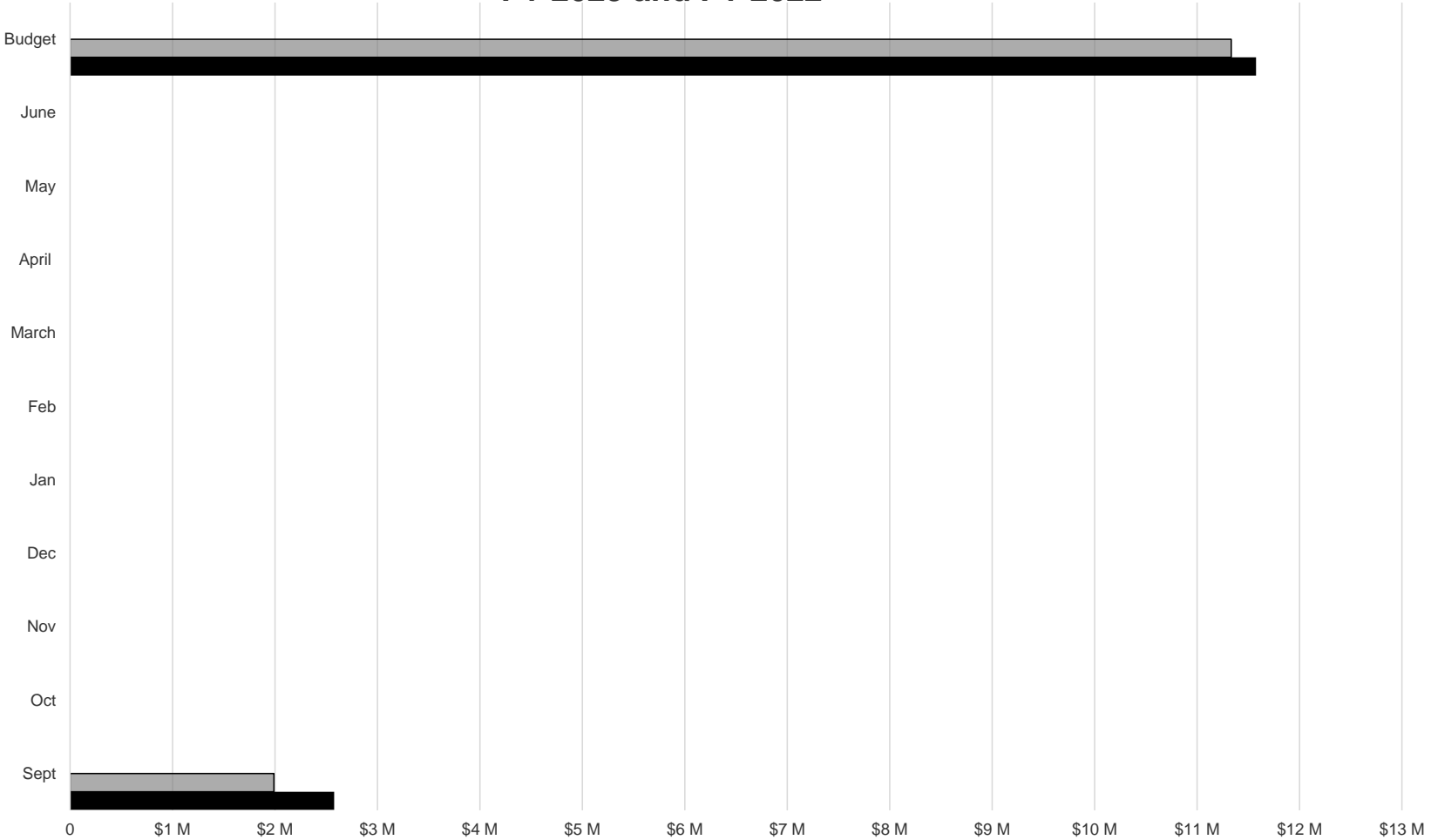
Off-Set Receipts	FY 23 Budgeted Receipts	FY 23 YTD Revenues	% Collected	FY 22 Budgeted Receipts	FY 22 YTD Revenues	% Collected	Change in Budgets	Change in YTD Receipts
Recreation	531,531	57,498	10.8%	393,510	111,840	28.4%	138,021	(54,342)
Elder Services	106,000	29,502	27.8%	106,000	23,241	21.9%	-	6,261
Public Facilities - Rental Receipts	40,000	20,820	52.0%	20,000	27,431	137.2%	20,000	(6,611)
Cemetery - Interment Fees	60,000	12,496	20.8%	60,000	10,717	17.9%	-	1,779
Public Safety - Police Detail Fees	60,000	13,101	21.8%	60,000	15,029	25.0%	-	(1,928)
Public Safety / Fire - Ambulance Receipts	1,300,000	403,777	31.1%	1,250,000	349,687	28.0%	50,000	54,090
Total Off-Set Receipts	2,097,531	537,194	25.6%	1,889,510	537,944	28.5%	208,021	(750)

Other Revenues	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
Property Taxes (inc. Tax Titles)	175,092,060	42,098,019	24.0%	165,459,877	41,599,395	25.1%	9,632,183	498,624
State Aid	14,794,019	3,674,452	24.8%	14,178,409	3,586,648	25.3%	615,610	87,804
Total Other Revenues	189,886,079	45,772,471	24.1%	179,638,286	45,186,043	25.2%	10,247,793	586,428
Total Revenues	203,559,215	48,887,448	24.0%	192,861,384	47,713,392	24.7%	10,697,831	1,174,057

Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 9/30/2022 and 9/30/2021

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	3,032,056	29.0%	9,996,766	2,596,701	26.0%	449,078	435,355
Water Connection	7,500	1,887	25.2%	41,000	1,258	3.1%	(33,500)	629
Water Testing Fees	12,000	3,920	32.7%	18,000	1,885	10.5%	(6,000)	2,035
Meter Installations	10,000	2,925	29.3%	9,000	4,050	45.0%	1,000	(1,125)
Fire Flow Test	5,000	5,000	100.0%	9,000	500	5.6%	(4,000)	4,500
Special/Final Reads	25,000	6,836	27.3%	25,000	8,036	32.1%	-	(1,200)
Backflow/Cross Connection Fees	87,500	1,625	1.9%	75,000	15,465	20.6%	12,500	(13,840)
Water Tap	-	425	N/A	1,000	300	30.0%	(1,000)	125
Liens	85,000	9,000	10.6%	80,000	8,129	10.2%	5,000	872
Fire Suppression	280,000	63,710	22.8%	220,000	72,615	33.0%	60,000	(8,905)
Interest /Misc Revenue	2,500	409	16.4%	-	900	N/A	2,500	(491)
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	3,131,859	28.6%	10,493,766	2,711,157	25.8%	474,078	420,702
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	1,174,961	22.7%	5,086,120	886,998	17.4%	87,181	287,963
Committed Interest/Income	110,000	1,789	1.6%	165,000	3,996	2.4%	(55,000)	(2,207)
Liens	55,000	4,424	8.0%	55,000	4,085	7.4%	-	339
Apport Assmnts	340,000	27,744	8.2%	410,000	31,246	7.6%	(70,000)	(3,502)
Interest /Misc Revenue	3,500	377	10.8%	-	1,045	N/A	3,500	(668)
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	1,215,943	21.4%	5,731,120	928,546	16.2%	(42,819)	287,397
Total Enterprise Revenues	16,656,145	4,347,802	26.1%	16,224,886	3,639,703	22.43%	431,259	708,099

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%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
■ FY 2023 % of Budget	22.3%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
■ FY 2022 Receipts	\$1,989,405										\$11,333,588
■ FY 2023 Receipts	\$2,577,784										\$11,575,605

Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 9/30/2022

	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	1,635,061	-	5,904,044	21.7%	21.7%
Community Services	1,879,000	-	1,879,000	576,011	-	1,302,989	30.7%	30.7%
Public Facilities	2,592,091	-	2,592,091	565,533	-	2,026,558	21.8%	21.8%
Public Safety - Fire	8,611,698	14,621	8,626,319	2,111,814	14,621	6,499,884	24.7%	24.5%
Public Safety - Police	8,116,962	-	8,116,962	1,876,482	-	6,240,480	23.1%	23.1%
Public Works	3,834,283	-	3,834,283	844,467	-	2,989,816	22.0%	22.0%
Library	2,307,538	-	2,307,538	510,293	-	1,797,245	22.1%	22.1%
School	77,899,943	-	77,899,943	8,330,460	5,905,883	63,663,600	18.3%	10.7%
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	16,450,121	5,920,503	91,272,956	19.7%	14.5%
Water Enterprise	2,343,272	-	2,343,272	550,429	-	1,792,843	23.5%	23.5%
Sewer Enterprise	357,873	1,794	359,667	55,931	-	303,736	15.6%	15.6%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	606,360	-	2,096,579	22.4%	22.4%
Other Expenses								
General Government	2,721,202	222,087	2,943,289	998,718	483,142	1,461,429	50.3%	33.9%
Community Services	610,024	65,776	675,800	85,224	171,682	418,894	38.0%	12.6%
Public Facilities	1,354,850	193,418	1,548,268	255,615	677,271	615,382	60.3%	16.5%
Public Safety - Fire	612,050	62,985	675,035	171,882	179,633	323,520	52.1%	25.5%
Public Safety - Police	1,018,318	79,609	1,097,927	233,421	402,696	461,810	57.9%	21.3%
Public Works	5,888,050	353,729	6,241,779	1,117,017	3,471,684	1,653,078	73.5%	17.9%
Library	666,437	37,072	703,509	224,162	282,486	196,861	72.0%	31.9%
School	17,226,948	1,576,330	18,803,278	3,438,599	10,954,960	4,409,719	76.5%	18.3%
Technical Schools	1,274,000	-	1,274,000	267,899	803,697	202,404	84.1%	21.0%
Debt Service	23,333,890	-	23,333,890	1,860,126	-	21,473,764	8.0%	8.0%
Insurance	1,164,000	6,313	1,170,313	1,092,665	18,849	58,799	95.0%	93.4%
Health Insurance	23,034,797	-	23,034,797	2,764,260	-	20,270,537	12.0%	12.0%
Unemployment	164,000	-	164,000	26,379	-	137,621	16.1%	16.1%
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	0.0%	0.0%
Total Other Expenses - General Fund	87,275,934	2,562,519	89,838,453	18,789,923	17,446,100	53,602,430	40.3%	20.9%
Water Enterprise	7,727,574	1,097,243	8,824,817	2,893,744	2,642,536	3,288,537	62.7%	32.8%
Sewer Enterprise	4,580,540	621,368	5,201,908	1,253,688	215,834	3,732,386	28.2%	24.1%
Total Other Expenses - Enterprise Funds	12,308,114	1,718,612	14,026,726	4,147,432	2,858,370	7,020,923	49.9%	29.6%
Total - General Fund	200,877,232	2,604,801	203,482,033	35,240,043	23,366,603	144,875,386	28.8%	17.3%
Total - Enterprise Funds	15,009,259	1,720,406	16,729,665	4,753,793	2,858,370	9,117,502	45.5%	28.4%

Town of Andover
FY 2023 Reserve Account and Compensation Fund
As of 9/30/22

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><u>\$ 165,200.00</u></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><u>\$ 848,339.00</u></u>

Town of Andover
FY 2023 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 9/30/22

	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 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 9/30/2022	5,750	1,257	18,923	426,271	77,405	24,241	26,003	1,737	2,397	3,729	6,267	0	0	1,885	0	1,695
Expenditures thru 9/30/2022	2,736	0	22,085	416,786	66,753	2,012	16,865	0	0	13,221	2,102	0	0	3,835	95	0
Balance thru 9/30/2022	27,302	19,343	10,758	1,050,647	351,991	177,831	151,125	55,382	44,253	26,841	93,568	0	681	148,116	3,184	48,198
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	133.46%	2.70%	49.80%	122.31%	36.24%	20.23%	33.57%	0.00%	0.00%	6.96%	41.37%	0.00%	0.00%	27.36%	0.00%	10.31%

**Town of Andover
Capital Projects
9/30/2022**

	<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	1,489,687	1,040,000	990,599	957,424	805,399	127,689		
Encumbered	-	5,956	-	5,321	85,570	229,997	285,184		
Total School CIP	Available	-	-	15,680	107,006	149,604	858,627	1,130,917	
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000		
Expended	192,000	555,672	402,960	757,891	802,108	21,221	1,737		
Encumbered	-	9,300	38,484	27,243	-	62,950	810		
Total General Government CIP	Available	30,000	14,046	45,555	258,963	100,000	147,453	648,847	
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	1,283,435	362,983	464,515	12,623		
Encumbered	-	-	259	11,333	19,330	229,020	14,866		
Total Facilities CIP	Available	-	18,353	3,477	8,232	85,686	1,137,511	1,739,724	
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	86,046	-		
Total Police CIP	Available	-	918	-	-	127,254	-	128,172	
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	261,090	366,154	323,147	399,026	-	-	-		
Encumbered	14,280	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	1,366,090	2,090,539	2,119,245	2,635,353	1,455,147	604,819	14,360		
Encumbered	14,280	11,244	38,743	39,457	35,275	484,960	15,676		
Total Town CIP	Available	39,631	81,449	67,088	277,287	220,686	1,454,964	2,876,326	
Budget	2,540,000	3,678,875	3,265,077	3,963,698	2,861,108	3,010,000	2,756,500		
Expended	2,486,090	3,580,226	3,159,245	3,625,953	2,412,571	1,410,218	142,050		
Encumbered	14,280	17,200	38,743	44,778	120,845	714,957	300,859		
Grand Total	Available	39,631	81,449	67,088	292,968	327,692	884,826	2,313,591	4,007,244