



TOWN OF ANDOVER *Finance & Budget*

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Andrew P. Flanagan
Town Manager

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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 3, 2022

Re: ***FY 2023 Financials***

The attached reports summarize the Town's financial position through October 31, 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 October 31, 2022.

General Fund

The total general fund receipts of all sources collected through October 31, 2022 are exceeding the annual projections through the first four months of the year. FY2023 local receipts are \$1,050,453 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 and other expenditures are in line with FY 2023 projections through October 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 October 2022. The user charges receipts are \$663,141 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 October 2022.

Sewer Enterprise Fund

The total sewer enterprise fund collections are lower than projections through October 2022 and user charges receipts are \$387,740 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 October 2022. Other expenses are greater than projections through the first four 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 October 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 \$3,835,155 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 10/31/2022 and 10/31/2021

	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	557,539	9.9%	5,595,875	547,879	9.8%	55,959	9,660
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	145,910	30.4%	480,000	145,960	30.4%	-	(50)
Fees	61,000	23,175	38.0%	61,000	77,757	127.5%	-	(54,582)
Payments in Lieu of Taxes	451,731	-	0.0%	440,713	-	0.0%	11,018	-
Other Departmental Revenues	213,000	206,911	97.1%	294,200	54,986	18.7%	(81,200)	151,925
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	817,933	34.4%	2,354,000	902,486	38.3%	23,540	(84,553)
Fines & Forfeits	132,500	52,573	39.7%	227,000	47,718	21.0%	(94,500)	4,855
Investment Income	204,000	702,294	344.3%	200,000	54,823	27.4%	4,000	647,471
Total Estimated Receipts	11,575,605	3,494,520	30.2%	11,333,588	2,444,067	21.6%	242,017	1,050,453
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	61,979	11.7%	393,510	125,516	31.9%	138,021	(63,537)
Elder Services	106,000	39,522	37.3%	106,000	37,838	35.7%	-	1,684
Public Facilities - Rental Receipts	40,000	30,670	76.7%	20,000	31,654	158.3%	20,000	(984)
Cemetery - Interment Fees	60,000	23,454	39.1%	60,000	23,387	39.0%	-	67
Public Safety - Police Detail Fees	60,000	19,503	32.5%	60,000	22,326	37.2%	-	(2,823)
Public Safety / Fire - Ambulance Receipts	1,300,000	543,002	41.8%	1,250,000	457,430	36.6%	50,000	85,572
Total Off-Set Receipts	2,097,531	718,129	34.2%	1,889,510	698,151	36.9%	208,021	19,978
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	78,697,886	45.0%	165,459,877	73,500,298	44.4%	9,318,377	5,197,588
State Aid	14,794,019	4,902,730	33.1%	14,178,409	4,833,485	34.1%	615,610	69,245
Total Other Revenues	189,572,273	83,600,616	44.1%	179,638,286	78,333,783	43.6%	9,933,987	5,266,833
Total Revenues	203,245,409	87,813,266	43.2%	192,861,384	81,476,001	42.2%	10,384,025	6,337,265

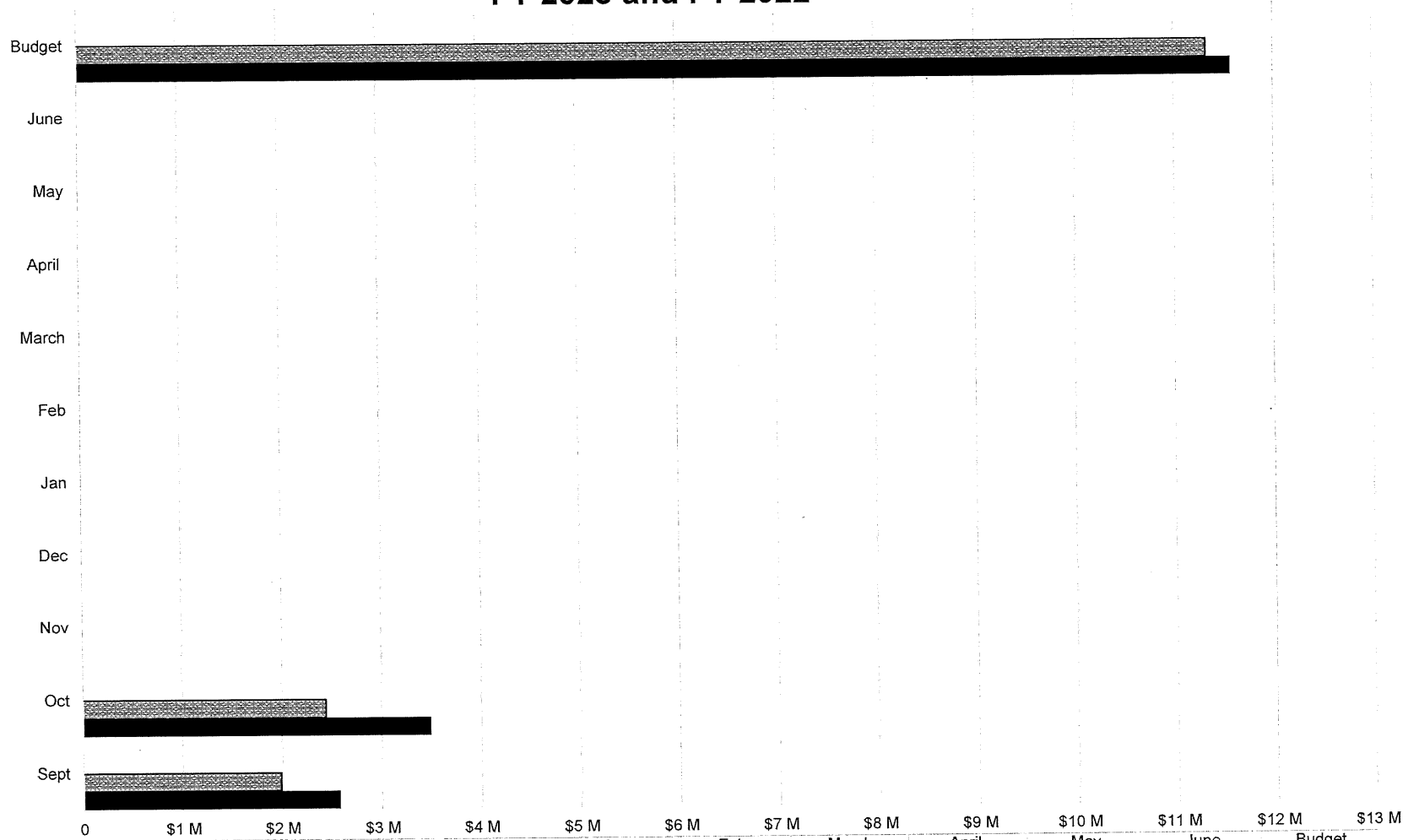
Town of Andover
FY 2023 Enterprise Funds Year-To-Date Revenue Report
Budgeted vs. Actuals 10/31/2022 and 10/31/2021

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	4,199,265	40.2%	9,996,766	3,536,124	35.4%	449,078	663,141
Water Connection	7,500	2,516	33.5%	41,000	1,258	3.1%	(33,500)	1,258
Water Testing Fees	12,000	3,920	32.7%	18,000	1,885	10.5%	(6,000)	2,035
Meter Installations	10,000	3,150	31.5%	9,000	4,050	45.0%	1,000	(900)
Fire Flow Test	5,000	6,500	130.0%	9,000	2,800	31.1%	(4,000)	3,700
Special/Final Reads	25,000	8,536	34.1%	25,000	9,336	37.3%	-	(800)
Backflow/Cross Connection Fees	87,500	24,529	28.0%	75,000	32,697	43.6%	12,500	(8,168)
Water Tap	-	425	N/A	1,000	300	30.0%	(1,000)	125
Liens	85,000	11,509	13.5%	80,000	9,501	11.9%	5,000	2,008
Fire Suppression	280,000	74,686	26.7%	220,000	93,662	42.6%	60,000	(18,976)
Interest /Misc Revenue	2,500	530	21.2%	-	1,014	N/A	2,500	(484)
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	4,339,631	39.6%	10,493,766	3,693,944	35.2%	474,078	645,687

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	1,568,209	30.3%	5,086,120	1,180,469	23.2%	87,181	387,740
Committed Interest/Income	110,000	2,173	2.0%	165,000	4,889	3.0%	(55,000)	(2,715)
Liens	55,000	6,323	11.5%	55,000	4,726	8.6%	-	1,597
Apport Assmnts	340,000	35,373	10.4%	410,000	42,933	10.5%	(70,000)	(7,560)
Interest /Misc Revenue	3,500	474	13.5%	-	1,280	N/A	3,500	(806)
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	1,619,201	28.5%	5,731,120	1,235,472	21.6%	(42,819)	383,729

Total Enterprise Revenues	16,656,145	5,958,832	35.8%	16,224,886	4,929,415	30.38%	431,259	1,029,416
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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%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	100.0%
■ FY 2023 % of Budget	22.3%	30.2%	0.0%	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									\$11,333,588
■ FY 2023 Receipts	\$2,577,784	\$3,494,520									\$11,575,605

Town of Andover
FY 2023 Year-To-Date Budget Report
Personal Services and Other Expenditures thru 10/31/2022

	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	2,189,080	-	5,350,025	29.0%	29.0%
Community Services	1,879,000	-	1,879,000	698,214	-	1,180,786	37.2%	37.2%
Public Facilities	2,592,091	-	2,592,091	757,210	-	1,834,881	29.2%	29.2%
Public Safety - Fire	8,611,698	14,621	8,626,319	2,760,925	14,621	5,850,773	32.2%	32.0%
Public Safety - Police	8,116,962	-	8,116,962	2,493,446	-	5,623,516	30.7%	30.7%
Public Works	3,834,283	-	3,834,283	1,132,171	-	2,702,112	29.5%	29.5%
Library	2,307,538	-	2,307,538	682,195	-	1,625,343	29.6%	29.6%
School	77,899,943	-	77,899,943	14,387,250	60,164,271	3,348,422	95.7%	18.5%
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	25,100,489	60,178,892	28,364,198	75.0%	22.1%
Water Enterprise	2,343,272	-	2,343,272	726,123	-	1,617,149	31.0%	31.0%
Sewer Enterprise	357,873	1,794	359,667	70,874	-	288,793	19.7%	19.7%
Total Personal Services - Enterprise Funds	2,701,145	1,794	2,702,939	796,997	-	1,905,942	29.5%	29.5%
Other Expenses								
General Government	2,721,202	222,087	2,943,289	1,195,718	436,813	1,310,758	55.5%	40.6%
Community Services	610,024	65,776	675,800	104,830	163,579	407,391	39.7%	15.5%
Public Facilities	1,354,850	193,418	1,548,268	328,320	670,387	549,560	64.5%	21.2%
Public Safety - Fire	612,050	62,985	675,035	200,393	169,473	305,169	54.8%	29.7%
Public Safety - Police	1,018,318	79,609	1,097,927	281,748	381,526	434,653	60.4%	25.7%
Public Works	5,888,050	353,729	6,241,779	1,362,845	3,555,567	1,323,368	78.8%	21.8%
Library	666,437	37,072	703,509	302,051	244,574	156,884	77.7%	42.9%
School	17,226,948	1,576,330	18,803,278	4,506,122	10,989,599	3,307,558	82.4%	24.0%
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	12,553,752	-	10,780,138	53.8%	53.8%
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	3,951,191	-	19,083,606	17.2%	17.2%
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	32,430,569	17,434,063	39,973,821	55.5%	36.1%
Water Enterprise	7,727,574	1,097,243	8,824,817	3,675,755	2,576,399	2,572,664	70.8%	41.7%
Sewer Enterprise	4,580,540	621,368	5,201,908	2,781,929	211,917	2,208,063	57.6%	53.5%
Total Other Expenses - Enterprise Funds	12,308,114	1,718,612	14,026,726	6,457,683	2,788,316	4,780,726	65.9%	46.0%
Total - General Fund	200,877,232	2,604,801	203,482,033	57,531,058	77,612,955	68,338,019	66.4%	28.3%
Total - Enterprise Funds	15,009,259	1,720,406	16,729,665	7,254,681	2,788,316	6,686,668	60.0%	43.4%

Town of Andover
FY 2023 Reserve Account and Compensation Fund
As of 10/31/22

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	\$ 165,200.00

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	\$ 848,339.00

Town of Andover
FY 2023 Revolving Accounts
(M.G.L. CH. 44, § 53 E1/2)
As of 10/31/22

	CD & P Legal Notices	Library Lost/Damaged Materials	CD & P Health Services Clinics	Recreation Special Services	Youth Services	Facilities Field Maintenance	Elder Services	Police Antenna Uses	School Photocopy Fees	Facilities Compost Program	DPW Solid Waste Fees	CD & P Stormwater Managemen	Fire Emergency Billing	Health Services Inspections	School Professional Development	Student Technology Rental
	Acct 5550	Acct 5631	Acct 5557	Acct 5552	Acct 5553	Acct 5622	Acct 5554	Acct 5653	Acct 4510	Acct 5666	Acct 5667	Acct 5668	Acct 5669	Acct 5670	Acct 4500	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 10/31/2022	10,725	1,468	27,752	671,476	79,618	43,456	29,470	1,737	2,397	4,250	6,570	0	0	2,210	0	1,695
Expenditures thru 10/31/2022	5,188	0	32,023	467,749	79,494	10,055	25,145	0	0	15,499	2,302	0	0	6,275	95	9,000
Balance thru 10/31/2022	29,825	19,554	9,649	1,244,890	341,463	189,003	146,312	55,382	44,253	25,084	93,671	0	681	146,001	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	25.94%	0.00%	53.37%	46.77%	19.87%	6.70%	11.18%	0.00%	0.00%	25.83%	5.75%	0.00%	0.00%	6.28%	0.19%	4.50%

**Town of Andover
Capital Projects
10/31/2022**

	<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	967,489	859,669	227,242		
Encumbered	-	5,956	-	8,752	76,524	185,328	267,251		
Total School CIP	Available	-	-	-	12,249	105,987	140,003	777,007	1,035,246
Budget	222,000	579,018	487,000	1,044,098	902,108	137,000	150,000		
Expended	192,000	555,672	402,960	764,188	802,108	22,997	2,404		
Encumbered	-	9,300	38,484	21,259	-	61,174	8,310		
Total General Government CIP	Available	30,000	14,046	45,555	258,651	100,000	52,830	139,286	640,368
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	363,640	513,804	13,348		
Encumbered	-	18,348	259	11,751	18,674	186,694	15,982		
Total Facilities CIP	Available	-	5	3,477	7,814	85,686	479,502	1,135,670	1,712,153
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	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	2,641,650	1,455,804	655,884	15,752		
Encumbered	14,280	29,592	38,743	33,891	34,618	481,225	24,292		
Total Town CIP	Available	39,631	63,100	67,088	276,557	220,686	687,891	1,444,956	2,799,909
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	3,632,249	2,423,293	1,515,553	242,994		
Encumbered	14,280	35,549	38,743	42,643	111,142	666,553	291,543		
Grand Total	Available	39,631	63,100	67,088	288,806	326,673	827,894	2,221,963	3,835,155