



**TOWN OF EXETER**  
10 FRONT STREET • EXETER, NH • 03833-3792 (603) 778-0591 • FAX 772-4709  
[www.exeternh.gov](http://www.exeternh.gov)

**TO:** SELECT BOARD & RUSSELL DEAN, TOWN MANAGER  
**FROM:** COREY STEVENS, FINANCE DIRECTOR  
**SUBJECT:** BUDGET VS ACTUAL RESULTS (UNAUDITED) AT 06/30/23, COMPARED TO 06/30/22  
**DATE:** AUGUST 7, 2023

## General Fund Budget vs. Actual Revenues and Expenses

### General Fund Revenues

For the six months ending June 30, 2023, Total General Fund Operating Revenue was \$10.3M, representing 48% of the FY2023 overall budget of \$21.3M. Total Operating Revenue at June 30, 2022, was \$8.9M representing 44% of the overall FY2022 budget.

#### **Highlights of General Fund Revenues as of 6/30/23:**

- **Property Tax Revenues**
  - Property tax invoices totaling \$28.6M were issued in May of this year (due July 3<sup>rd</sup>), with the Town's portion equaling \$6.89M, or 24%. The balance goes to the school districts and county. As of June 30<sup>th</sup>, 87% of the May billing had been collected, which was in line with results from June of 2022.
  - Other components of Property Tax Revenue totaling \$76K, compared to \$33K in 2022 include:
    - Current Use Tax \$60K, Interest & Penalties \$47K, other miscellaneous of \$4K, less Overlay (\$35K). An increase in Current Use Tax collected drove most of the change in other tax revenue.
- **Motor Vehicle Revenues:** \$1.6M collected, representing 52% of the annual budget for this line. In-line with collections at June 30, 2022.
- **Building & Permit Fees:** \$400K collected, representing 114% of the annual budget. Up \$262.5K from 2022. Lead by significant projects at Phillips Exeter Academy on High Street, and redevelopment at 131 Portsmouth Ave., building permit activity has surpassed 2022 mid-year results by over 160 permits and \$44M in estimated construction costs.
- **Other Permits and Fees:** \$79K collected, representing 56% of the annual budget. The amount collected is consistent with collections from June, 2022.
- **Meals & Rooms Tax Revenue:** No collection to date. State remittance of Meals & Rooms Tax occurs in December.
- **State Highway Block Grant:** \$123K collected, representing 41% of the annual budget. Fairly consistent with collections from June, 2022. The final two quarterly payments of 2023 should again bring total collections for the year in line with the budget projection, consistent with the prior year.
- **FEMA:** No FEMA revenue collected as of June 30<sup>th</sup> 2023.
- **Other State Grants:** \$8.5K collected from the State's Radiological Emergency Response Program (RERP), representing 11% of the Other State Grants anticipated revenue for the year.
- **Income from Departments:** \$620K booked, representing 63% of the annual budget. Mid-year results have outpaced those from June, 2022. Breakdown:
  - Income from Departments - \$291K booked, representing 135% of the annual budget. Mostly the result of accounting adjustments and insurance claim reimbursements.

- Waste & Refuse Charges - \$329K collected, representing 43% of the annual budget. Fairly consistent with 2022 mid-year results.
- **Sale of Town Property:** \$3K received from the sale of Parks & Rec. equipment, and the trade-in of DPW vehicles #3 & #65. Also includes \$675 from the sale of commemorative plates.
- **Interest Income:** \$101K collected, representing 507% of the annual budget. Interest income forecasts were scaled back again in 2023. However, the continued increase in federal interest rates has allowed the Town secure savings rates on its primary holding accounts in excess of 3% this year.
- **Rental & Miscellaneous Revenues:** \$12.7K collected, representing 58% of the annual budget. This includes \$5.9K in various Rec. Dept. permits/rentals; \$2.1K from the NH Charitable Foundation; \$2.8K in comfort dog revenue, and \$1.9K in other miscellaneous revenue.
- **Use of Fund Balance:** 50% of the projected annual amount to be used for 2023 has been recognized at June 30<sup>th</sup>. Subject to Select Board approval later in the year.
- **Property Tax Receivables:** See analysis in Financial Statement section.

### General Fund Expenditures

Total General Fund Operating Expenses as of June 30, 2023 were \$9.3M, representing 44% of the 2023 budget of \$21.3M. On a percent-of-budget basis, these results are slightly ahead of June 2022 when 42% of the General Fund budget had been spent. A discussion of the highlights and notable variances to budget is below. Generally, we would anticipate wages, tax and benefits to be 50% spent at mid-year. Non-compensation expense lines will vary based on the timing of such expenditures and circumstances within the individual departments.

#### General Government Group (BOS, TM, HR, Legal, TC, EL)

- **General Government Group** actual expenditures were \$604K through June 2023, representing 58% of the 2023 budget. For comparison, the FY2022 budget was 51% spent through June 2022.
  - **Select Board** expenses were \$9.5K, representing 46% of the budget. The Special Expenses budget of was 19% spent at June 30<sup>th</sup>.
  - **Town Manager** expenses were \$135K, representing 51% of the department budget. No notable budget variances at mid-year.
  - **Human Resources** expenses were \$80K, representing 45% of the department budget. Part-time wages for a new position to be filled after mid-year contributed to spending below 50% for the department.
  - **Liability Insurance** expenses were \$156K, representing 200% of the budget. Activity includes payout on a claim in May for which the Town was reimbursed by Primex. Reimbursement is reflected in the revenue lines above.

#### Finance Group (Finance, Tax, Assessing and IT)

- **Finance Group** actual expenditures were \$484K through June 2023, representing 47% of the 2023 budget. For comparison, the FY2022 budget was 45% spent through June 2022.
  - **Finance/Accounting** expenses were \$163K, representing 49% of the budget. Wages, tax and benefit costs were in line with expectation at mid-year. The FY2022 audit was still underway at June 30<sup>th</sup>, as a result the Audit line is unspent year-to-date. The department has been able to take advantage of continuing education workshops sponsored by NHGFOA with very reasonable pricing. Therefore, Education/Training were below budget expectations at mid-year.

- **Tax Collection** expenses were \$47K, representing 43% of the budget. The Deeded Property, Legal, and Tax Lien budget lines had not been spent as of June 2023. Activity in these lines generally occurs during the latter half of the year, if at all.
- **Information Technology** expenses were \$138K as of June 30<sup>th</sup>, representing 42% of the annual budget. Wages, tax and benefits expense were in line with budgetary expectations at mid-year. Significant non-compensation lines in the IT budget are historically spent in the second half of the year. These include computer software/ hardware lines and various subscription renewals. Contract Services is utilized on an 'as needed' basis and had not been spent as of June 30<sup>th</sup>.

#### **Planning, Building Inspection, other Boards, and Commissions**

- Actual expenditures for this group were \$260K through June, 2023, representing 45% of the 2023 budget. For comparison, the FY2022 budget was 43% spent through June 2022.
  - **Planning** – Actual spending of \$135K, representing 48% of the category budget. Wages, tax and benefits were 45% spent at mid-year, caused mainly by below budget spending on part-time wages. GIS Software costs had not been incurred as of June 30<sup>th</sup>. There had been no activity in the Grant Matching or Studies lines at mid-year either.
  - **Inspections/Code Enforcement** – Actual spending of \$123K, representing 43% of the category budget. Wages, tax and benefit expenses for active staff were in line with budget expectations at mid-year. However, the department is still seeking a part-time electrical inspector and as such, wages and benefits related to this position are unspent to date. There are no active prospects for the inspector position.
  - **Conservation Commission** – Actual spending of \$1.2K, representing 12% of the budget. Part-time Wages/ Temporary Help lines had not been spent at mid-year. There is the potential for hiring an intern in the Fall, but nothing definitive. Trail Maintenance and Mowing occurs later in the year after the growing season. Expense activity among these three budget areas is driving results at mid-year.

#### **Economic Development**

- Actual expenditures of \$75K through June 2023, representing 47% of the budget, were in line with budget expectations. The Economic Development budget is largely comprised of wages, tax and benefits. Budget lines related to education, conferences and travel were unspent at mid-year.

#### **Police Department**

- Actual department expenditures were \$1.97M through June 2023, representing 48% of the overall Police Department budget. For comparison, the FY2022 budget was 46% spent through June 2022. Notable division results are highlighted below.
  - **Administration** – Actual spending of \$477K representing 46% of the division's budget. Wage, tax and benefit budgets were in-line with mid-year expectations as the division is at full staff. Expenses related to Computer Equipment and Software Contracts are anticipated in the second half of the year and as such these line items are unspent as of June 30<sup>th</sup>. Police Vehicle Maintenance was 13% spent at mid-year.
  - **Staff Division** – Actual spending of \$312K, representing 45% of the division's budget. The division was fully staffed during the first two quarters of 2023, leading wages, tax and benefit budgets to be generally in line. Prosecutor Services were largely unspent at mid-year, as was Office Supplies and expenses related to our Comfort Dog, Maple.

- **Patrol Division** – Actual spending of \$988K, representing 50% of the division’s budget. Wages, tax and benefits for Patrol were in-line with budget expectations at mid-year despite some turnover and new hiring in the division. Fuel costs at June 30<sup>th</sup> were 43% of the annual budget. In addition, there had been no activity in the Investigations line at mid-year.
- **Communications/Dispatch Division** – Actual spending of \$193K, representing 44% of the division’s budget. An open dispatch position for the first half of 2023 resulted in actual wages, tax and benefits below budget expectations. Equipment Maintenance and Repair lines were less than 25% spent at mid-year.

### **Fire Department**

- Actual department expenditures were \$1.96M through June 2023, representing 46% of the Fire Department budget. These results are generally in-line with mid-year results from FY2022. Notable division results are highlighted below.
  - **Administration** – Actual spending of \$360K was in line with budget expectations at 48%. Administration has been fully staffed through the first half of 2023. Education and Conference lines were unspent at mid-year.
  - **Suppression** – Actual spending of \$1.5M, representing 46% of the division’s budget. Two open positions in the division were filled in May of this year leading to wages, tax, and benefits spending of 48% at mid-year. Non-compensation lines (maintenance/repairs, supplies, contracts) were generally spent within budget expectation as of June 30<sup>th</sup>. Any variation is likely due to the timing of such expenditures during the year.
  - **Health** – Actual spending of \$58K, representing 38% of the Health budget for 2023. Wage, tax and benefits spending were in line with budget expectation at June 30<sup>th</sup>. Results were largely driven by the Mosquito Control line which was 13% spent at mid-year due to the timing of payments for services. Mosquito Control had risen to 42% spent by the end of July.

### **Public Works Department**

- Actual Public Works spending of \$2.19M as of June 30<sup>th</sup>, representing 37% of the 2023 annual budget. These results are consistent with June 30<sup>th</sup> of 2022. Public Works continues to have vacant positions throughout the department including the DPW Director which has been vacant all year. In addition, several large budgetary lines are historically spent in the second half of the year. Specific division results are highlighted below.
  - **Administration** – Actual spending of \$74K, representing 15% of the 2023 budget. Administration has had several key positions open throughout the first 6-months of 2023 including Director, Engineering Technician and GIS Technician. In addition, the Assistant Engineer position has been less than full-time for most of the first 6-months. As a result, several related expense lines (Conferences, Education/Training, Office Supplies) also had spending below budget expectations at mid-year.
  - **Highways and Streets** – Actual spending of \$581K, representing 27% of the division budget. The division was down one heavy equipment operator during the first 6-months of 2023 leading to wage, tax and benefits spending equal to 44% of budget expectation at June 30<sup>th</sup>. In addition, non-payroll budget lines representing 36% of the overall Highway budget were unspent as of mid-year. This includes the Paving budget of \$700K. The past two years have resulted in much of the Highway budget being spent in the second half of the budget year.
  - **Snow Removal** – The annual budget of \$313K has been exceeded by \$40K as of mid-year, with Wage, Tax and Benefit lines 86% spent at June 30<sup>th</sup>. While the Town did not experience large snow events in

early 2023, above average wet snow & ice events required more treatment and more plowing. As a result, Plowing was over budget \$52K at mid-year. The Salt budget was overspent \$45K as DPW keeps its storage bays full on an ongoing basis. The Town removed no snow from the downtown area this past winter, as a result the Contracted Snow Removal line remains unspent (\$45K).

- **Solid Waste Disposal** – Actual spending of \$577K, representing 41% of the 2023 budget for this category. Wages (part-time), tax and benefits were 40% of budget expectation at mid-year due in part to actual Overtime costs at 14% of budget. Solid Waste Disposal/Recycling was also lower than budget at mid-year (38%) due the timing of contract payments. Additionally, three significant lines, Brush Grinding/ Landfill Monitoring, and Household Hazardous Waste, are historically spent in the latter part of each year.
- **General Maintenance** – Actual spending of \$284K, representing 41% of the budget for this category. Maintenance continued to have one open technician/HVAC position during the first half of 2023 resulting in wage, tax and benefits spending at 40% of the annual budget for those lines. Contract Services, primarily the cost of the Town’s cleaning contractor, was 91% spent at mid-year. This budget line should be reviewed and potentially adjusted for 2024. Demands for cleaning in the Town’s buildings continues to increase resulting in overages in this line over the past two years. The Maintenance Projects budget of \$100K was 32% spent at mid-year. The department intends to spend down this budget line in the second half of 2023, most likely on roof repairs.
- **Building Maintenance** – Public Works is responsible for maintenance and utilities of the various buildings owned by the Town. At mid-year the combined Maintenance budgets for these buildings was 50% spent, compared to 78% at mid-year 2022. Notable maintenance projects in the first half of 2023 included upgrades to the Fire Department’s kitchen; plumbing repairs at the pool house; addressing issues raised in various buildings as part of a Department of Labor’s audit. Utility costs for Town buildings (electricity, natural gas, water/sewer) were 51% of budget at mid-year.
- **Mechanics Garage** – Actual spending of \$91K, representing 32% of the annual Garage budget. Wage, tax, and benefits spending were significantly under budget due to an open Mechanics position throughout the first six months of the year. As a result, overtime wages were nearly spent at 86% of annual budget.

### **Welfare**

- Actual expenses of \$89K, representing 106% of the 2023 budget. At mid-year 2022, the Town had spent \$37K, or 49% of the FY2022 budget. Welfare had revenue offsets of \$13K as of June 30<sup>th</sup>. Due in part to the expiration of Federal programs, the Town continues to see great demand for housing assistance in the form of rent, hotel stays and utilities. In the first half of 2023, the town funded housing assistance for multiple families, leading to the budgetary results at mid-year. Beginning in July this responsibility had ceased, and the hope is that expense pressures in the Welfare budget will be less for the final six months of 2023.

### **Human Services**

- Actual expenses of \$32K, representing 33% of the FY2023 budget. Spending at mid-year is slightly behind that of 2022 (38%), however, the Human Services budget has historically been spent by year-end. Therefore, the lag in spending this year would appear to be a matter of timing.

### **Parks & Recreation**

- Actual expenses of \$297K representing 49% of the 2023 budget. Overall spending results are slightly behind FY2022 when 45% of the budget was spent at mid-year.

- **Recreation** expenses of \$182K were 48% of budget for this department. Wage and benefit spending were in line with budgetary expectations at June 30<sup>th</sup>.
- **Parks** expenses of \$115K were 52% of budget for this department at June 30<sup>th</sup>. The department had one open laborer position for 3 months leading to wage spending at 44% of budget through June 30<sup>th</sup>. Similar to the past two years, the Parks department continues to rely on contracted services to supplement for staffing. As a result, the Contracted Services budget was 65% spent at mid-year with another \$17K (30%) encumbered. The bulk of the department’s use of outsourced services occurs in Q2 and Q3 each year.

### **Public Library**

- Actual expenses of \$590K at June 30<sup>th</sup>, representing 50% of the annual Library budget. Full-time wages were in line with budget expectations at mid-year, while part-time wages were 27% of budget. Public Services expenditures were 80% requested by Library Administration as of June 30<sup>th</sup>.

### **Debt Service**

- General Fund Debt Service expense was \$188K, representing 13% of the 2023 budget of \$1.5M. Spending includes 50% of the annual interest payments due and paid through June 30<sup>th</sup>. Principal payments, and the balance of interest for the year are due in July amounting to \$1.3M.

### **Capital Outlay/Leases**

- Actual spending of \$207K, representing 88% of the annual 2023 budget for Capital Outlay. Scheduled lease payments on two fire trucks, SCBA fire equipment, and Police motorcycle were made, in line with expectations.

### **Warrant Article Appropriations**

- Two warrant articles totaling \$335K were approved by voters in March 2023. Of that amount, \$105K was spent as of June 30<sup>th</sup> representing the first-year lease payment on Sidewalk Tractor #57, and \$67K for Linden Street Bridge Rehabilitation.

### **Amounts Voted from Fund Balance**

- Various articles on the 2023 Town Warrant provided for the use Fund Balance to cover the expenditures listed below. These amounts are shown separately as a note below General Fund Expenditures because they have no impact on net income for the year.
  - Park Improvements \$100K
  - Sick Leave Trust Fund \$100K
  - Highway Truck Replacement \$53.5K
  - Public Works Garage \$25K
  - Downtown Parking \$50K
  - Conservation Fund \$50K
  - Snow & Ice Deficit Fund \$50K
  - Fire Inspector Vehicle \$49K
  - ADA CRF & Study \$25K
  - Town Hall Rev. Fund \$5K
  - Swasey Parkway Trust Fund \$3.9K

Park Improvements, Sick Leave, Snow/Ice, ADA CRF, and Swasey Parkway funds are held and invested by the Trustees of Trust Funds.

## **Water Fund Budget vs. Actual Revenue and Expenditures**

### **Water Fund Revenue**

- For the six months ending June 30, 2023, Total Water Fund Operating Revenue was \$1.9M, representing 43% of the FY2023 overall budget of \$4.55M. Total Revenue at June 30, 2022, was also \$1.9M and represented 45% of the overall FY2022 budget. Notable revenue activity is highlighted below:
  - Water Consumption Charges – \$1.57M collected, representing 42% of the FY2023 budget for this category. Results are similar to those at mid-year 2022.
  - Water Service Charges – \$324K collected, representing 44% of the FY2023 budget. The amount collected is consistent with prior year results.

### **Water Fund Expenses**

- Water Fund Enterprise Operating Expenses were \$2.1M as of June 30<sup>th</sup>, representing 46% of the 2023 budget. This spending rate is higher than mid-year 2022 by 9%, primarily due to early Capital Outlay spending on water clarifiers/ filter renovations this year. The Water Department continues to operate with a shortage of staff. Notable budget highlights and variances to actual are discussed below.
  - Water Administration – Actual spending of \$250K representing 48% of the annual Administration budget. Wage, tax and benefits were 45% spent at mid-year due to the departure of the Water/Sewer Superintendent in January. The Water Department had pipe freezes in early Winter leading to roughly \$9K in insurance expense, \$8K of which was reimbursed by Primex. Consulting Services and Legal lines had no spending activity as of mid-year, similar to the previous year.
  - Water Distribution – Actual spending of \$400K, representing 40% of the 2023 budget. Encumbrances totaling \$62K were in place at June 30<sup>th</sup>, bringing spending to 46% of budget when factored in. Distribution has had two open positions (shared with Sewer Collection) since the beginning of 2023. As a result, wages, tax and benefits were 31% of budget at mid-year. Tank Maintenance, which is under contract, was 55% spent at mid-year with the remainder of the budget encumbered. Other non-compensation lines were spent in line with expectation at mid-year based on normal spending cycles.
  - Water Treatment – Actual spending of \$437K, representing 47% of the 2023 budget. Treatment also had encumbrances totaling \$88K in place at June 30<sup>th</sup>, bringing spending to 57% of budget when factored in. The department was fully staffed during the first six months of 2023. Overtime wages were 138% of budget at mid-year. Additional hours spent by Town staff on the water clarifier/filter renovation project lead to excess overtime as the department worked to maintain water quality during the project. Building Maintenance was 84% spent at mid-year resulting from costs associated with the Department of Labor audit. Equipment Maintenance was 78% spent due in part to expenses related to a pump failure during the first half of 2023.
  - Water Fund Debt Service – The majority of the Debt Service budget is spent in the second half of the year when principal payments on outstanding debt become due. \$785K of the \$1.1M Principal budget was unspent as of June 30<sup>th</sup>.
  - Water Fund Capital Outlay – The 2023 budget for Capital Outlay was 91% expended at mid-year with \$29.5K of encumbrances in place. As noted above, expenditures related to the clarifier and water filters renovation project. In 2022, Capital Outlay activity did not commence until the second half of the year.

### **Water Fund Net Income**

- The Water Fund ran a net operating deficit of \$165.6K for the first six months of 2023, compared to operating income of \$339.6K in 2022. The timing of capital projects in 2023 is a significant factor contributing to higher spending at mid-year compared to 2022. Removing the \$432K spent on capital projects thus far in FY2023 results in a year over year spending increase of \$92K from 2022 to 2023.

## **Sewer Fund Budget vs. Actual Revenues and Expenditures**

### **Sewer Fund Revenue**

- For the six months ending June 30, 2023, Total Sewer Fund Operating Revenue was \$3.4M, representing 46% of the overall FY2023 budget of \$7.4M. By comparison, Total Revenue at June 30, 2022, was \$3.6M representing 49% of the overall FY2022 budget. The decrease in revenue year over year is largely attributable to two factors: first is a decline of \$59K in Usage Charges; second is the temporary suspension of the Town's septage collection program, resulting in revenue decline of \$128K from 2022. Other notable results from Sewer Fund operations are discussed below:
  - Sewer Usage Charges – \$3.1M collected, representing 54% of the FY2023 budget. As noted, this was a decrease of \$59K over FY2022 at mid-year.
  - Sewer Septage Fees – Due to suspension of the program, no collections as of June 30, 2023. The department is currently making operational changes in order to restart the septage collection program. The Town collected \$271K in Septage Fees in 2022. Collection of septage fees began in FY2020 when the Town established a septage receiving station at the wastewater treatment facility.
  - Sewer Service Charges – \$299K collected, representing 89% of the annual budget. Revenue from this center was expected to be roughly half that of 2022 so the budget was adjusted down for 2023. Mid-year results are trending better than anticipated.
  - State Aid Grant (SAG) – The Town anticipates receiving SAG funds again this year in the amount of \$1.088M. This will be a decrease of \$308K from 2022.

### **Sewer Fund Expenses**

- Sewer Fund Enterprise Operating Expenses were \$1.36M as of June 30<sup>th</sup>, representing 18% of the 2023 annual budget. Notable variances to budget are discussed below.
  - Sewer Administration – Actual spending of \$277K representing 53% of the annual Administration budget. Wage, tax and benefits were 45% spent at mid-year due to the departure of the Water/Sewer Superintendent in January. Consulting Services were largely spent or encumbered at mid-year due primarily to outsourcing ground water sampling and reporting. No other significant budget to actual expense variances were noted.
  - Sewer Collection – Actual spending of \$244K, representing 30% of the budget for this category. Collection has had two open positions (shared with Water Distribution) since the beginning of 2023. As a result, wages, tax and benefits were 30% of budget at mid-year. Non-compensation budget lines in Collection were 31% spent at mid-year. Encumbrances totaling \$34K were in place at June 30<sup>th</sup> related to Collection.
  - Sewer Treatment – Actual spending of \$637K, representing 39% of the budget at June 30<sup>th</sup>. The division was short one senior plant operator the first six months of 2023, leading to wage, tax and benefits spending at 40% at mid-year. Several non-compensation budget lines were spent below expectation at mid-year, as a result of timing for these expenditures. A new NPDES permit in 2023 will lead to increased testing during Q2 and Q3 of this year. As a result, the Lab Testing budget was 85% spent at mid-year. Encumbrances totaling \$47K were in place at June 30<sup>th</sup> related to Treatment.
  - Sewer Fund Debt Service – The majority of the Debt Service budget is spent in the second half of the year when principal payments on outstanding debt become due, including the sewer treatment facility. \$3.16M of Sewer Principal budget was unspent as of June 30<sup>th</sup>.
  - Sewer Fund Capital Outlay – The 2023 budget for Capital Outlay was largely unspent as of June 30<sup>th</sup>. Total budget is \$65K for the year.



**Sewer Fund Net Income**

- Sewer Fund net income was \$2.08M for the first six months of 2023, compared to \$2.34M in 2022. The timing of debt service payments during the year is a significant factor contributing to the low spending results in the Sewer Enterprise Fund. The continued struggle to fill open staff positions and the timing of various departmental expenditures also contribute to the Fund's net income position at mid-year.

**Water/ Sewer Fund Accounts Receivable**

- Accounts Receivable in categories over 30 days continues to trend downward as a percentage of overall receivables outstanding. The Water & Sewer Collections Office continues to pursue delinquent accounts, using payment plans and shut-off notices to encourage payment when appropriate. As a result, Current outstanding accounts represent 82% of all receivables at mid-year, compared to 70% at the end of 2022.

## **Revolving Funds - Budget vs. Actual Revenues and Expenses**

### **Cable Television Revolving Fund (“CATV”)**

- In March, residents voted to give the Select Board and Town Manager flexibility over how much cable franchise revenue should be allocated to CATV each year. The present model where 50% of the revenue is allocated each to CATV and General Fund can now be adjusted to meet the expense needs of the cable revolving fund.
- Total CATV Revenue was \$36K as of June 30, 2023, was in line with collections at mid-year 2022. This represents 17% of the overall anticipated need for CATV in FY2023. CATV revenue is derived primarily from cable franchise fees.
- CATV Wages, Tax and Benefits – Actual expenses of \$67K, representing 46% of the annual compensation budget. Continues challenges with availability of part-time help have led to more hours on the part of full-time staff including overtime hours in some instances. Overall, Wages, Tax & Benefits are up \$9.7K over 2022.
- CATV General Expenses – Actual expenses of \$6.4K, representing 15% of the 2023 General Expenses budget and a decrease of \$20.7K from 2022. In 2023 the Fund no longer has an assessment from the schools, resulting in savings of \$16K. In addition, expenditures for capital equipment had not been made as of mid-year, a difference of \$5K from 2022. General Expenses include costs to run channels 13, 22 and 98, contracted and legal services, capital outlay, internet services, software and equipment maintenance.
- As of mid-year 2023, CATV was running an operating deficit of \$38K compared to a deficit of \$47K at mid-year 2022. Finance, in collaboration with CATV, will make a recommendation in the latter part of 2023 on a reallocation of franchise fees to fill this spending gap.

### **Recreation Revolving Fund**

- Total Recreation Revolving Fund Revenue was \$433.7K at June 30, 2023, an increase of \$45K over mid-year 2022. Revenue at June 30 was 68% of budget expectation this year versus 83% in 2022. Recreation revenue is broadly broken into three categories, Activities, Sponsorship, and Impact Fees. Revenue from Activities was \$393K at mid-year 2023, representing 63% of associated budgets. Strong participation in the Town’s summer camp and sports offerings resulted in Program Revenue of \$317K, or 81% of budget for this revenue center. The Town’s Swimming Program also turned in robust results at mid-year with \$29K in revenue representing 121% of budget. However, attendance at the pool did drop off in late June and July as a result of the weather. Sponsorship revenue continues to grow with \$23.5K collected at mid-year compared to \$12K in 2022. Results are attributed to the efforts of a Spring intern hired by the Town who’s focus was to generate sponsorship revenue. Revenue from Impact Fees was \$17K at June 30, 2023, versus \$12.8K in 2022.
- Recreation Revolving Fund Expenses are broken into two categories: Wages, Taxes and Benefits, and General Expenses.
  - Wages, taxes and benefits were \$28K at mid-year, representing 11% of the 2023 budget. These results are generally consistent with mid-year 2022 (14%), and suggest a return to more normal operations, post-COVID. The Recreation Director noted that the department was very successful in its efforts to hire seasonal help this year, as compared to the hiring challenges it faced in 2022.
  - General Expenses were \$148.8K, representing 45% of the budget for this category as compared to 50% at mid-year 2022. General expenses support Recreation programing and events and include pool supplies/maintenance, utilities, marketing, and costs to run the various programs mentioned

above. Budgets for Pool, Programs and Special Events were increased considerably in 2023 in anticipation of greater demand for these offerings. Results in these budget lines will become clearer after the Summer recreation season.

- Capital Outlay spending is broken into two categories. Capital outlays from the *Recreation Revolving Fund* had no activity as of June 30, 2023. Spending in this category is primarily on sporting and recreation equipment. Capital spending from *Recreation Impact Fees* was minimal with only 13% of the \$15K budget spent at mid-year.

**Net Income:** At mid-year the Recreation Revolving Fund had net income of \$255K, compared to \$251K at mid-year 2022. Results suggest a healthy start to the year for the Fund's operations, consistent with 2022. As noted above, a full understanding of the Fund's performance will come later in the year once Summer programs have concluded and events such as the Powder Keg Festival have taken place.

### **EMS Revolving Fund**

- EMS Revolving Fund Revenue was \$360K at June 30<sup>th</sup> 2023, representing 62% of annual revenue expectations and a \$90K increase over mid-year 2022. Calls for service continue to rise and are up approximately 150 year-to-date over 2022. This has translated into roughly \$290K more in EMS billings over the prior year.
- EMS Revolving Fund Expenses were \$210K at June 30, 2023, representing 53% of budgeted expenses. The 2023 expense budget is an increase of \$20K over 2022. First year lease payment of \$62K in 2023 on a new ambulance is offset by expense reductions in Wage/Benefits (\$12K) and other General Expenses (\$30K) compared to 2022.
  - Wages, Tax and Benefits were \$103K, representing 51% of the budget for the category. Results generally aligned with budget expectations at mid-year.
  - General Expenses were \$107K at mid-year, representing 55% of the 2023 budget for the category. Expense lines were generally in line with budget expectations at mid-year. As noted, the 2023 budget includes the first of five annual lease payments on a new ambulance. In 2023 the budget also includes a line item for Physicals (\$14K). Capital Outlay was reduced to \$15K in the 2023 budget (\$68K in 2022), however at mid-year the line remained unspent.
- EMS Revolving Fund Net Income at mid-year 2023 was \$149.5K, versus \$143K in 2022.

**Town of Exeter**  
**General Fund Operating Revenue (unaudited)**  
**As of June 30, 2023 and 2022**

Source	Current Year 2023 Budget vs Actual				Prior Year 2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual Revenue 06/30/23	\$ Budget Variance Over /(Under)	Actual as a % of Budget	2022 Budget	Actual Revenue 06/30/22	\$ Budget Variance Over /(Under)	Actual as a % of Budget	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
Property Tax Revenue	\$ 13,782,172	\$ 6,952,269	\$ (6,829,903)	50%	\$ 12,857,962	\$ 6,014,141	\$ (6,843,821)	47%	\$ 938,128	16%
Motor Vehicle Permit Fees	3,150,000	1,622,897	(1,527,103)	52%	3,080,000	1,606,884	(1,473,116)	52%	\$ 16,013	1%
Building Permits & Fees	350,000	400,047	50,047	114%	400,000	137,495	(262,505)	34%	\$ 262,552	191%
Other Permits and Fees	141,050	78,755	(62,295)	56%	210,000	78,921	(131,079)	38%	\$ (166)	0%
State Revenue Sharing	-	-	-	0%	-	-	-	-	\$ -	100%
Meals & Rooms Tax Revenue	1,400,000	-	(1,400,000)		1,125,948	-	(1,125,948)	0%	\$ -	
State Highway Block Grant	300,000	123,227	(176,773)	41%	296,552	117,082	(179,470)	39%	\$ 6,145	5%
FEMA	50,000	-	(50,000)		50,000	-	(50,000)	0%	\$ -	
Other State Grants/Reimbursements	74,825	8,560	(66,265)	11%	66,390	8,500	(57,890)	13%	\$ 60	1%
Income from Departments	980,900	620,365	(360,535)	63%	1,061,500	434,262	(627,238)	41%	\$ 186,103	43%
Sale of Town Property	-	3,475	3,475	#DIV/0!	-	-	-		3,475	#DIV/0!
Interest Income	20,000	101,333	81,333	507%	10,000	4,894	(5,106)	49%	96,439	1971%
Rental & Misc Revenues	22,000	12,736	(9,264)	58%	16,000	9,451	(6,549)	59%	3,285	35%
Revenue Transfers In/Out	216,750	-	(216,750)		212,650	-	(212,650)		-	
Use of Fund Balance	800,000	400,000	(400,000)	50%	1,000,000	500,000	(500,000)	50%	\$ (100,000)	-20%
<b>Total General Fund Operating Revenue</b>	<b>\$ 21,287,697</b>	<b>\$ 10,323,664</b>	<b>\$ (10,964,033)</b>	<b>48%</b>	<b>\$ 20,387,002</b>	<b>\$ 8,911,630</b>	<b>\$ (11,475,372)</b>	<b>44%</b>	<b>\$ 1,412,034</b>	<b>16%</b>

Town of Exeter										
General Fund Operating Expenses (unaudited)										
As of June 30, 2023 and 2022										
Current Year 2023 Budget vs Actual					Prior Year 2022 Budget vs Actual				Comparison of Actuals	
Department	2023	Actual	\$ Budget	% Spent	2022 Budget	Actual	\$ Budget	% Spent	2023	2023 vs
	Budget	Expenses	Variance			Expenses	Variance Under		vs 2022	2022 %
		06/30/23	Under			06/30/22	/(Over)		\$ Variance	Variance
Total General Government	\$ 1,041,523	\$ 604,408	\$ 437,115	58%	\$ 1,007,367	\$ 514,273	\$ 493,094	51%	90,135	18%
Total Finance	1,028,349	483,874	544,475	47%	1,017,033	459,482	557,551	45%	24,392	5%
Total Planning & Building	584,863	260,389	324,474	45%	568,675	244,550	324,125	43%	15,839	6%
Total Economic Development	159,558	75,458	84,100	47%	153,114	73,035	80,079	48%	2,423	3%
Total Police	4,135,177	1,971,458	2,163,719	48%	3,919,292	1,797,253	2,122,039	46%	174,205	10%
Total Fire	4,233,630	1,961,722	2,271,908	46%	3,978,350	1,782,188	2,196,162	45%	179,534	10%
Total Public Works	5,873,386	2,190,729	3,682,657	37%	5,718,882	2,111,477	3,607,405	37%	79,252	4%
Total Welfare	84,806	89,889	(5,083)	106%	75,825	37,285	38,540	49%	52,604	141%
Total Human Services	98,610	32,153	66,457	33%	105,105	40,148	64,957	38%	(7,995)	-20%
Total Parks & Recreation	602,375	297,214	305,161	49%	639,072	287,851	351,221	45%	9,363	3%
Total Other Culture/Recreation	34,000	16,779	17,221	49%	34,000	6,877	27,123	20%	9,902	144%
Total Library	1,172,320	589,852	582,468	50%	1,124,643	628,754	495,889	56%	(38,902)	-6%
Total Debt Service	1,497,588	188,370	1,309,218	13%	1,385,502	179,547	1,205,955	13%	8,823	5%
Total Capital Outlay & Leases	236,175	207,045	29,130	88%	253,658	80,049	173,609	32%	126,996	159%
Payroll Benefits & Taxes	505,337	372,194	133,143	74%	406,484	388,408	18,076	96%	(16,214)	-4%
<b>Total General Fund Operating Expenses</b>	<b>\$ 21,287,697</b>	<b>\$ 9,341,534</b>	<b>\$ 11,946,163</b>	<b>44%</b>	<b>\$ 20,387,002</b>	<b>\$ 8,631,177</b>	<b>\$ 11,755,825</b>	<b>42%</b>	<b>\$ 710,357</b>	<b>8%</b>

Town of Exeter  
 Analysis of Property Tax/Liens Receivable  
 As of June 30, 2023 and 2022

<u>Type</u>	<u>Bill Year</u>	<u>Balance Outstanding as of 06/30/23</u>	<u>Balance Outstanding as of 06/30/22</u>	<u>\$ Change</u>	<u>2023 % Change</u>	<u>2022 % Change</u>
Lien	2015 & prior	25,763	37,384	(11,621)	(31)%	(35)%
Lien	2016	17,632	19,462	(1,830)	(9)%	(34)%
Lien	2017	19,172	26,078	(6,906)	(26)%	(31)%
Lien	2018	21,614	38,032	(16,418)	(43)%	(31)%
Lien	2019	25,226	85,601	(60,375)	(71)%	(49)%
Lien	2020	66,496	198,068	(131,572)	(66)%	(24)%
Lien	2021	203,786	366,835	(163,049)	(44)%	(76)%
Lien	2022	347,677	3,724,426	(3,376,749)	(91)%	n/a
	<b>Subtotal</b>	<b>\$ 727,366</b>	<b>\$ 4,495,886</b>	<b>\$ (3,768,520)</b>	<b>(84)%</b>	
<b>Tax</b>	<b>2023</b>	<b>\$ 3,812,215</b>	<b>\$ -</b>	<b>\$ 3,812,215</b>	<b>N/A</b>	
<b>Grand Total</b>		<b>\$ 4,539,581</b>	<b>\$ 4,495,886</b>	<b>\$ 43,695</b>	<b>1%</b>	

2023 property taxes were 87% collected as of 6/30/2023, consistent with collections at 6/30/2022. Collection of older, outstanding receivables has slowed. In 2022, the category **2015 & Prior** decrease by 35%; in 2023 the decrease was 31%, suggesting perhaps that older balances are becoming harder to collect. The change in collections for more recent years continues to be generally positive.

Town of Exeter

Water Fund Revenues & Expenses (unaudited)

As of June 30, 2023 and 2022

	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual Revenue 06/30/23	\$ Budget Variance Over /(Under)	% Collected	2022 Budget	Actual Revenue 06/30/22	\$ Budget Variance Over /(Under)	% Collected	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>Water Fund Revenues</b>										
<b>Total Water Fund Operating Revenues</b>	\$ 4,549,370	\$ 1,944,839	\$ (2,604,531)	43%	\$ 4,249,390	\$ 1,925,741	\$ (2,323,649)	45%	\$ 19,098	1%
	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual Expenses 06/30/23	\$ Budget Variance Under /(Over)	% Spent	2022 Budget	Actual Expenses 06/30/22	\$ Budget Variance Under /(Over)	% Spent	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>Water Fund Expenditures</b>										
Water Administration	\$ 515,961	\$ 249,611	\$ 266,350	48%	\$ 445,520	\$ 240,969	\$ 204,551	54%	\$ 8,642	4%
Water Billing	\$ 194,578	\$ 87,673	\$ 106,905	45%	\$ 191,534	\$ 87,614	\$ 103,920	46%	\$ 59	0%
Water Distribution	\$ 1,003,750	\$ 399,935	\$ 603,815	40%	\$ 889,333	\$ 397,186	\$ 492,147	45%	\$ 2,749	1%
Water Treatment	\$ 928,713	\$ 437,319	\$ 491,394	47%	\$ 846,432	\$ 368,731	\$ 477,701	44%	\$ 68,588	19%
Water Fund Debt Service	\$ 1,431,038	\$ 504,087	\$ 926,951	35%	\$ 1,323,021	\$ 491,594	\$ 831,427	37%	\$ 12,493	3%
Water Fund Capital Outlay	\$ 475,330	\$ 431,797	\$ 43,533	91%	\$ 553,550	\$ -	\$ 553,550	0%	\$ 431,797	#DIV/0!
<b>Total Water Fund Operating Expenses</b>	\$ 4,549,370	\$ 2,110,422	\$ 2,438,948	46%	\$ 4,249,390	\$ 1,586,094	\$ 2,663,296	37%	\$ 524,328	33%
<b>Net Operating Income/(Deficit)</b>	\$ -	\$ (165,583)	\$ (165,583)		\$ -	\$ 339,647	\$ 339,647		(505,230)	-149%

Town of Exeter

Sewer Fund Revenues & Expenses (unaudited)

As of June 30, 2023 and 2022

	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual Revenue 06/30/23	\$ Budget Variance Over /(Under)	% Collected	2022 Budget	Actual Revenue 06/30/22	\$ Budget Variance Over /(Under)	% Collected	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>Sewer Fund Revenues</b>										
State Grant Revenue	\$ 1,078,909	\$ -	\$ (1,078,909)		\$ 10,000	\$ -	\$ (10,000)		\$ -	
Sewer Fund Revenues	\$ 6,353,392	\$ 3,434,118	\$ (2,919,274)	54%	\$ 7,375,953	\$ 3,616,476	\$ (3,759,477)	49%	\$ (182,358)	-5%
Total Sewer Fund Operating Revenues	\$ 7,432,301	\$ 3,434,118	\$ (3,998,183)	46%	\$ 7,385,953	\$ 3,616,476	\$ (3,769,477)	49%	\$ (182,358)	-5%
	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual Expenses 06/30/23	\$ Budget Variance Under /(Over)	% Spent	2022 Budget	Actual Expenses 06/30/22	\$ Budget Variance Under /(Over)	% Spent	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>Sewer Fund Expenditures</b>										
Sewer Administration Expense	\$ 525,196	\$ 276,510	\$ 248,686	53%	\$ 477,909	\$ 266,581	\$ 211,328	56%	\$ 9,929	4%
Sewer Billing Expense	\$ 191,001	\$ 85,102	\$ 105,899	45%	\$ 188,309	\$ 84,253	\$ 104,056	45%	\$ 849	1%
Sewer Collection Expense	\$ 806,498	\$ 243,508	\$ 562,990	30%	\$ 742,007	\$ 257,618	\$ 484,389	35%	\$ (14,110)	-5%
Sewer Treatment Expense	\$ 1,634,617	\$ 636,675	\$ 997,942	39%	\$ 1,431,279	\$ 541,226	\$ 890,053	38%	\$ 95,449	18%
Sewer Fund Debt Service Expense	\$ 4,209,659	\$ 113,847	\$ 4,095,812	3%	\$ 4,305,495	\$ 128,739	\$ 4,176,756	3%	\$ (14,892)	-12%
Sewer Fund Capital Outlay Expense	\$ 65,330	\$ 1,840	\$ 63,490	3%	\$ 240,954	\$ -	\$ 240,954	0%	\$ 1,840	#DIV/0!
Total Sewer Fund Operating Expenses	\$ 7,432,301	\$ 1,357,482	\$ 6,074,819	18%	\$ 7,385,953	\$ 1,278,417	\$ 6,107,536	17%	\$ 79,065	6%
Net Operating Income/(Deficit)	\$ -	\$ 2,076,636	\$ 2,076,636		\$ -	\$ 2,338,059	\$ 2,338,059		\$ (261,423)	-11%



**Town of Exeter**  
**Accounts Receivable Aging Analysis - Water & Sewer**  
**Mid-Year 2023 Compared To End-Of Year 2022**

	<u>Current</u>	<u>31-60 Days</u>	<u>61-90 Days</u>	<u>Over 90 Days</u>	<u>Total</u>
As of 07/03/23	\$ 864,093	\$ 114,255	\$ 18,854	\$ 62,990	\$ 1,060,192
Percent Outstanding	82%	11%	2%	6%	100%
As of 01/04/23	\$ 858,191	\$ 232,280	\$ 36,667	\$ 90,859	\$ 1,217,997
Percent Outstanding	70%	19%	3%	7%	100%
Increase/(Decrease)	\$ 5,902	\$ (118,025)	\$ (17,813)	\$ (27,869)	\$ (157,805)
% Increase/(Decrease)	1%	-51%	-49%	-31%	-13%

*The above analysis shows relatively consistent results between the two billing cycles with a modest improvement in collections among the older receivable categories.*

**Town of Exeter**

**CATV Revolving Fund - Revenue & Expenses (unaudited)**

**As of June 30, 2023 and 2022**

	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual 06/30/23	\$ Variance	% Variance	2022 Budget	Actual 06/30/22	\$ Variance	% Variance	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>CATV Revenues</b>										
Cable Franchise Fees	\$ 210,000	\$ 35,805	\$ (174,195)	17%	\$ 130,000	\$ 37,780	\$ (92,220)	29%	\$ (1,975)	-5%
<b>Total CATV Revenues</b>	<b>\$ 210,000</b>	<b>\$ 35,805</b>	<b>\$ (174,195)</b>	<b>17%</b>	<b>\$ 130,000</b>	<b>\$ 37,980</b>	<b>\$ (92,020)</b>	<b>29%</b>	<b>\$ (2,175)</b>	<b>-6%</b>
<b>CATV Expenses</b>										
Wages, Taxes & Benefits	\$ 147,668	\$ 67,323	\$ 80,344	46%	\$ 112,139	\$ 57,577	\$ 54,562	51%	\$ 9,746	17%
General Expenses	\$ 43,373	\$ 6,380	\$ 36,993	15%	\$ 55,022	\$ 27,162	\$ 27,860	49%	\$ (20,782)	-77%
<b>Total CATV Expenses</b>	<b>\$ 191,041</b>	<b>\$ 73,704</b>	<b>\$ 117,337</b>	<b>39%</b>	<b>\$ 167,161</b>	<b>\$ 84,739</b>	<b>\$ 82,422</b>	<b>51%</b>	<b>\$ (11,036)</b>	<b>-13%</b>
<b>Net Income/(Deficit)</b>	<b>\$ 18,959</b>	<b>\$ (37,899)</b>	<b>\$ (56,858)</b>	<b>-200%</b>	<b>\$ (37,161)</b>	<b>\$ (46,759)</b>	<b>\$ (9,598)</b>	<b>126%</b>	<b>\$ 8,861</b>	<b>-19%</b>

**Town of Exeter**  
**Recreation Revolving Fund Revenues & Expenses (unaudited)**  
**As of June 30, 2023 and 2022**

	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual 06/30/23	\$ Variance	% Variance	2022 Budget	Actuals 06/30/22	\$ Variance	% Variance	2023 vs 2022 \$ Variance	2023 vs 2022 % Variance
<b>Total Rec. Revolving Revenue</b>	\$ 637,000	\$ 433,731	\$ (203,269)	68%	\$ 466,000	\$ 388,257	\$ (77,743)	83%	\$ 45,474	12%
<b>Wages, Taxes &amp; Benefits</b>	\$ 254,129	\$ 27,991	\$ 226,138	11%	\$ 179,051	\$ 25,520	\$ 153,530	14%	\$ 2,471	10%
<b>General Expenses</b>	\$ 332,350	\$ 148,823	\$ 183,527	45%	\$ 199,450	\$ 99,704	\$ 99,746	50%	\$ 49,119	49%
<b>Capital Outlay</b>	\$ 15,000	\$ 1,919	\$ 13,081	13%	\$ 23,000	\$ 11,816	\$ 11,184	51%	\$ (9,897)	-84%
<b>Total Rec. Revolving Expenses</b>	\$ 601,479	\$ 178,734	\$ 422,745	30%	\$ 401,501	\$ 137,041	\$ 264,460	34%	\$ 41,693	30%
<b>Net Income/(Deficit)</b>	\$ 35,521	\$ 254,997	\$ 219,476	718%	\$ 64,500	\$ 251,217	\$ 186,717	389%	\$ 3,781	2%

**Town of Exeter  
Ambulance Revolving Fund - Revenues & Expenses (unaudited)  
As of June 30, 2023 and 2022**

	2023 Budget vs Actual				2022 Budget vs Actual				Comparison of Actuals	
	2023 Budget	Actual 06/30/23	\$ Variance	% Variance	2022 Budget	Actual 06/30/22	\$ Variance	% Variance	\$ Variance	% Variance
Total EMS Revolving Revenues	\$ 580,816	\$ 359,743	\$ (221,073)	62%	\$ 540,000	\$ 269,516	\$ (270,484)	50%	\$ 90,227	33%
Wages, Taxes & Benefits	\$ 201,373	\$ 102,878	\$ 98,494	51%	\$ 213,131	\$ 91,712	\$ 121,419	43%	\$ 11,166	12%
General Expenses	\$ 194,276	\$ 107,329	\$ 86,948	55%	\$ 162,727	\$ 34,724	\$ 128,002	21%	\$ 72,525	209%
Total EMS Revolving Expenses	\$ 395,649	\$ 210,207	\$ 185,442	53%	\$ 375,858	\$ 126,436	\$ 249,422	34%	\$ 83,692	66%
Net Income/(Deficit)	\$ 185,167	\$ 149,536	\$ (35,631)		\$ 164,142	\$ 143,080	\$ (21,062)		\$ 6,535	5%