

Call to Order

Chair Barry called the meeting to order at 7:02pm and initiated roll call. Through video conferencing mode, present were Chairperson John Barry-Y, Mary Ellen Logee-Y, Paul MacKay-Y, Paul Monticciolo-Y, Kevin O'Handley-Y, Ken Russo-Y, Paul Russo-Y and Yican Cao. Absent was Paula Colby-Clements. Also present were Town Manager, Andrew Flanagan, Assistant Town Manager, Patrick Lawlor, Finance Director, Donna Walsh, Town Accountant, Hayley Green, Management Analyst, Faith Mangiafico and Director of Public Works, Christopher Cronin. The meeting was recorded by Andover TV.

Pension Obligation Bond Update

Assistant Town Manager, Patrick Lawlor updated the Committee on the status of the Pension Obligation Bond. The Town received a very favorable rate of 2.367%. This will result in \$142,000,000 Million in savings. The Investment Committee and the Retirement Board met just before Christmas to discuss some investment strategies and what the next steps should be. Close to \$164,000,000 was received into the Retirement system. The Investment Committee will meet and give their recommendation to the Retirement Board on how they think the asset allocation should be for the total of the funds.

Assistant Town Manager, Patrick Lawlor introduced the Committee to the new Town Management Analyst, Faith Mangiafico

American Rescue Plan Act (ARPA) Presentation

Town Manager, Andrew Flanagan presented the Committee with the Town of Andover's American Rescue Plan Act (ARPA) Funding Framework (See attached).

This was also presented to the Select Board at their January 5, 2022, meeting. The Selectboard asked that this be presented to the Finance Committee for their endorsement. The Selectboard will endorse the funding at their next meeting.

Total of \$10,867,057 will be allocated to the Town of Andover. This includes both the town allocation and the Essex County reallocation.

The Following questions arose:

- a) If the Landfill Closure project is going to cost 10 million, why are we only allocated 2.25 million from ARPA Funds? Town has appropriated close to 10 million over several years, but the full cost has exceeded that, so we must bridge the gap.
- b) Do these funds require appropriation? No, they just require endorsement from the Andover Select Board
- c) Are these funds separate from the operating budget and CIP Requests? Yes
- d) Do we need to spend the money and then request the reimbursement? No, we do not need to request reimbursement. The town has already received 50% of the funds and will receive the remaining 50% by next September. We can begin spending immediately

- e) Do Town Building Approvements include schools? No, schools are handled through a separate bucket of money.
- f) The accounting of these funds will be processed and set up similarly to the CIP Accounts and we'll just charge to them like we would if there was an appropriation. It will be part of the Towns financial reporting.
- g) What is the expected number of individuals/families that the Rental and Home buying assistance will assist? Some metrics was provided by Andover Community Trust. Patrick Lawlor will provide further information either later this meeting or at another meeting.
- h) What types of programs will the Rental and Home buying assistance cover? Rental and utility assistance are grants and for folks that must meet income thresholds/lost wage thresholds. Home buying will likely be classes and educational materials.
- i) Has there been any discussion regarding continuing these programs past the four years? Yes, it has been discussed. The goal of these funds is to address immediate need.
- j) Why is there only 50K allocated for behavioral health this year? We are halfway through FY2022 but if we need it sooner, we can move it over from FY2023.
- k) How does the Emergency Management Capacity and Initiatives work? Is that through Public Safety? It is not just one Town Department. The Town has an Emergency Management Working Group in place that consists of representatives from Police, Fire, Health, Town Managers Office, DPW, Facilities, Schools and Library.
- l) What were some of the items that did not make this list? Anything that was ineligible was removed such as sidewalks, lead-lined service replacement.

Upon a motion duly made by Paul Russo and seconded by Paul MacKay it was voted to recommend the endorsement of ARPA Funding. John Barry-Y, Mary Ellen Logee-Y, Paul MacKay-Y, Paul Monticciolo-Y, Kevin O'Handley-Y, Ken Russo-Y, Paul Russo-Y and Yican Cao. Motion passed 8-0.

Public Works CIP Presentation/discussion

The Director of Public Works, Christopher Cronin spoke to the Committee about the Department of Public Works FY2023 Capital Improvement Plan requests (See DPW-1 through DPW-34 located in the Town Manager's Recommended Capital Improvement Program FY2023-FY2027).

The Following questions arose:

- a) What is the difference between DPW-1 and DPW-2? DPW-1 is Chapter 90 State Aid and DPW-2 is additional request where local tax dollars are used.
- b) DPW-14 Water Main Improvements for \$6 million. Are we able to get that much work done? Yes, the Town will award multiple contracts
- c) What trees would DPW-15 cover? It would cover the trees that present public safety hazards.

Town Financials Update

Town Accountant, Hayley Green updated the Committee with the Town Financials through October 31, 2021.

Liaison Updates

Mary Ellen Logee – Andover High School Facility Committee meeting last month. They will have to decide soon if they want to go for MBSA Reimbursement again or proceed as if they do not have that approval and proceed as a Town project.

There were no other Liaison updates.

Approval of Minutes – December 1, 2021

Upon motion duly made by Kevin O’Handley and seconded by Mary Ellen Logee, it was voted to approve the minutes from December 1, 2021. John Barry-Y, Mary Ellen Logee-Y, Kevin O’Handley-Y, Ken Russo-Y, Paul Russo-Y and Yican Cao. Motion passed 6-0 with Mr. Paul Monticciolo and Mr. Paul MacKay abstaining.

Adjournment

Upon motion duly made by Paul MacKay and seconded by Kevin O’Handley, it was voted to adjourn. John Barry-Y, Mary Ellen Logee-Y, Paul MacKay-Y, Paul Monticciolo-Y, Kevin O’Handley-Y, Ken Russo-Y, Paul Russo-Y and Yican Cao-Y. Motion Passed 8-0. Meeting adjourned at 8:29pm

Next Finance Committee meeting will take place on Wednesday, January 26, 2022, at 7:00pm remotely.

Respectfully submitted,

Amy Salvi

Recording Secretary