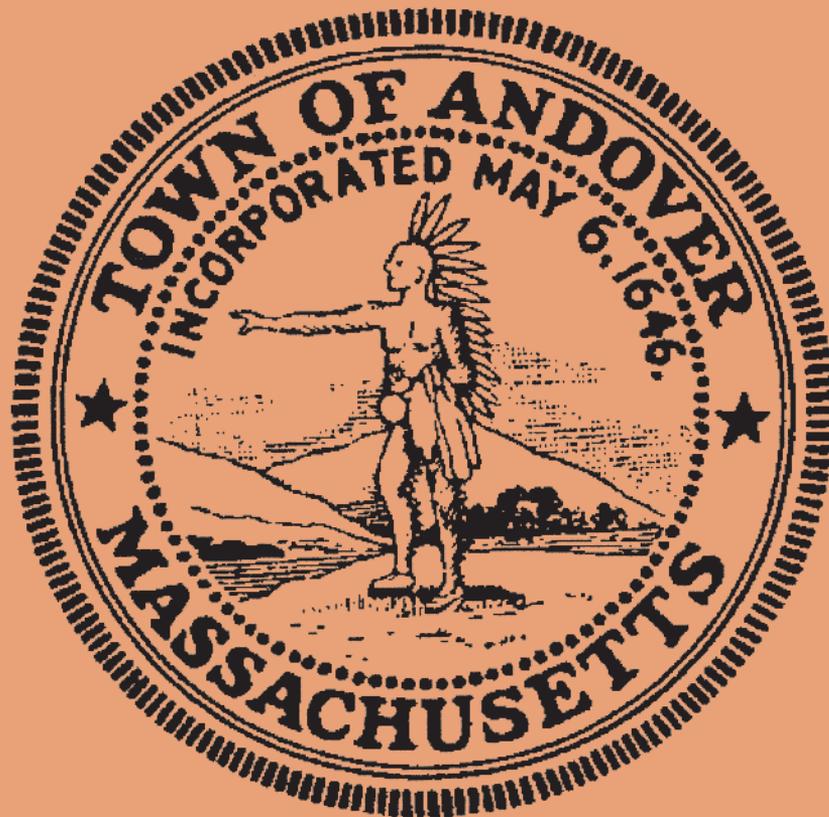


# FINANCE COMMITTEE REPORT



2017  
ANNUAL TOWN MEETING

# ANNUAL TOWN MEETING

## PLAN TO ARRIVE EARLY

All Town Meeting attendees must be checked into the meeting in the lobby of the Collins Center for the Performing Arts each night. Voters must check in at their precinct table. Visit the Town website at [www.andoverma.gov](http://www.andoverma.gov) and click on "Town Clerk's Office" under the "Departments" tab and click on "Elections" to search for your precinct under the "Precinct Search" tab. To avoid delays at check in, please check your precinct prior to Town Meeting.

**Voters:** Only voters who registered by the deadline (April 11<sup>th</sup>) will be allowed to vote at this Town Meeting. Voters will receive a sticker that must be worn in a visible location on their person to vote.

**Non-Voters:** Non-voters may attend Town Meeting and will be seated in a special section. Non-voters must check in at the Town Clerk's table in the lobby to register before being seated. Please be aware that non-voters will not be seated until after 7:00 P.M. when they are voted admittance by Town Meeting.

**Overflow Seating:** If meeting attendance exceeds the capacity of the Collins Center, voters and non-voters may be directed to sit in the High School cafeteria. The cafeteria is linked by video and audio feed to the Collins Center. Participants in both areas will be able to speak to the meeting and vote.

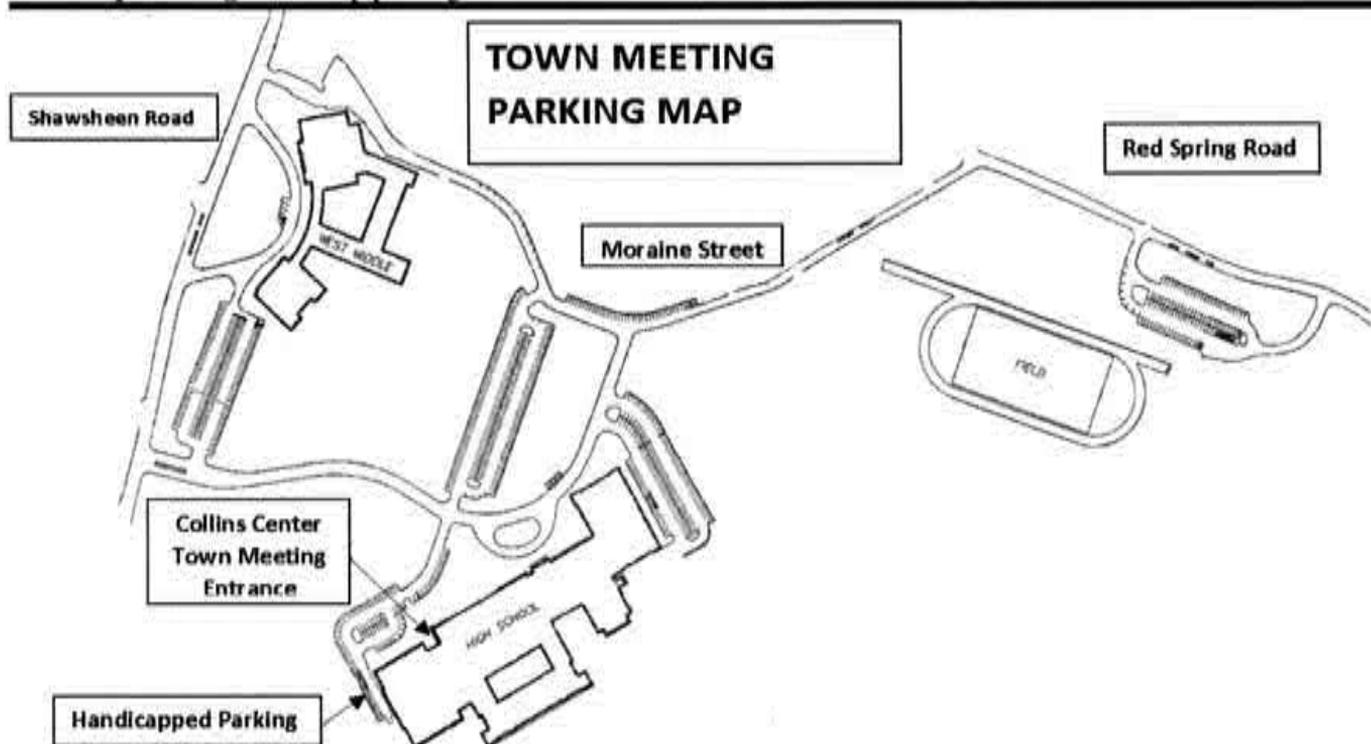
**Children:** Children may enter the meeting as non-voters. *See above.* Parents must attend small children during the meeting and sit with them in the designated non-voter section. Voters (with visible stickers) may vote from the non-voter section. Please notify the section counter if you are a voting member. No children or non-voters may sit in the registered voter sections.

**Parking:** There are four parking lots available:

1. Collins Center Lot
2. Main Lot at the High School
3. West Middle School Lot
4. Lot beside the Field House
5. Red Spring Road

**Transportation:** A shuttle bus will run from the parking lot on Red Spring Road and will make a loop through the West Middle School parking lot on nights one and two. Shuttle service will start at 6:15 P.M.

**Handicap Parking:** Handicap parking is available on the side of the Collins Center.





# TOWN OF ANDOVER

36 Bartlet Street  
Andover, MA 01810  
(978) 623-8200  
www.andoverma.gov

April 13, 2017

To the Citizens of Andover:

Andover's Town Charter requires the Finance Committee to advise voters of the financial impacts that will result from their decisions at Town Meeting.

We have a responsibility to all residents to recommend actions that sustain the long-term financial stability of Andover. We are not elected, we are an appointed committee; we are rigorous in our financial scrutiny and objective in our financial analysis.

Herein are our recommendations to you, the voters. As always, the final decisions are yours.

## **Just the facts: Is Andover financially healthy, and how much will my taxes go up?**

Total revenue from taxation and other funding sources available for the FY2018 budget is \$181,802,548. After subtracting fixed costs, the amount available for Town and School operating budgets is \$118,775,274, a 3.7% increase over FY2017. New growth is expected to be a healthy \$2,039,798. Andover is financially sound, for now, but there are significant financial challenges facing us. Moving forward, we must tighten our fiscal belt or prepare for higher taxes.

As we go to press there is \$300,000 in excess levy capacity. Unless this changes, the average residential property tax bill will be \$9,586, a 4.5% increase. If residents are taxed to the levy limit, the average residential property tax bill will increase by 4.8% to \$9,607.

## **Significant positive changes since our last report to you**

Last year, we identified the need to improve our long-term planning, and we are pleased to report that we now have a true five-year financial model serving as an important planning tool. The Finance Committee would like to commend the work of our Town Manager, Andrew Flanagan, and our Finance Director, Donna Walsh, who developed the model. The research and analysis that went into the plan preparation was extensive, and we believe the financial estimates are sound. We support this model and expect it will evolve as a guide going forward.

The new plan provides a funding mechanism for certain capital projects, without the need for an override to exclude the debt from the limits of Proposition 2 ½. The Town Manager's plan targets 5.7% of the budget to fund significant capital needs in a two-step process. In year one, allocated funds would pay for design and development of the project. In year two, borrowing for construction of the project would be authorized.

The Town Manager's plan to build capital capacity requires the use of excess levy capacity and Free Cash as resources to leverage. Andover's Free Cash available for FY2018 is estimated at \$4,000,000. From this, \$300,000 is proposed to fund the Ballardvale Fire Station Design, and \$200,000 is proposed for the High Plain/Wood Hill accessibility project. There will also be a significant supplemental appropriation to cover snow and ice removal. There is no proposed use of Free Cash to support operating budgets.

Increased capital capacity will allow Andover to address necessary municipal projects. Please note that this financing plan will not apply to the construction of new schools; new schools will still require debt exclusion overrides. However, for FY2018 there is no new proposed exempt debt.

At last year's Town Meeting, voters overwhelmingly passed an article allowing the purchase of 5 Campanelli Drive as the site for the new Municipal Services Facility. This year, approval of Article 33 would authorize borrowing to complete construction of the \$17,500,000 facility, all within the limits of Proposition 2½. Also on the warrant this year is Article 53, authorizing \$300,000 for the design phase of the Ballardvale Fire Station, which is also expected to be fully funded within Proposition 2½. The Finance Committee recommends approval of both Articles.

Andover recently took proactive steps to address our two large unfunded liabilities. As a result, OPEB (other post-employment benefits/retiree health insurance) and our retirement pension plan now have payment schedules in place.

The Town Manager is recommending the reorganization of our Information Technology Department. In just five years, the number of School and Town devices supported by the IT Department has grown from fewer than 1,000 to more than 15,000 (estimated for FY2018). We support this reorganization, but note that we must wisely manage future cost increases in this rapidly growing department.

The Community Services Department has also been reorganized. We look forward to operational efficiencies and long term savings as a result of these changes.

Sometimes it is necessary to spend resources to spur cost saving innovation. Our past years' investments in energy savings initiatives have realized savings, and more are expected. You will find further detail in our report on page 88.

**Significant challenge #1: Obligations (fixed costs) are growing faster than our revenues**

Addressing the rise in fixed costs is Andover's most critical financial challenge. Fixed costs are legally or contractually mandated costs that the Town is obligated to pay each year. When fixed costs increase faster than revenues, the amount remaining for departmental operating budgets decreases.

Below is a snapshot of Andover's more important fixed cost categories:

*Retiree Pensions (non-teacher):* Andover's annual appropriation for FY2018 is \$9,428,488, an increase of 10%. It is based on a funding schedule, adopted by the Retirement Board, which will fully amortize our \$133,525,444 unfunded pension liability by 2032.

*Health Insurance:* The payment for FY2018 will be \$19,257,000, a net 7.55% increase. This is what it costs to provide annual health insurance for current Town and School employees and retirees. Our annual health insurance costs now comprise 10.6% of the total operating budget.

*OPEB:* The total FY2018 contribution to the OPEB Trust Fund will be \$1,648,721. Funds accrue in the Trust to pay for future Town and School retiree health insurance. Our unfunded liability as of 6/30/15 was \$184,000,000. Using our current payment schedule, this liability will be fully funded by 2047.

To address the continuing rise of fixed costs, we can increase revenues with economic development, or with an override to Proposition 2½. We can decrease expenses by laying off employees, or by negotiating less costly collective bargaining agreements. We can reduce the growth of total compensation by hiring fewer new employees, or by changing the cost of the benefits current employees receive. We can provide fewer services. Our departmental budgets are already constrained. If we choose to do nothing, they will grow even more slowly, then, not at all.

The Town Manager's five-year "Long Range Projection FY2018-2022" shows that Andover will face a deficit in FY2019. There is more detail about this important problem on pages 22 and 23 in this report.

**Significant challenge #2: Total compensation is growing faster than our revenue**

Total compensation for all our valued employees is our single largest expense, comprising 74% of departmental operating budgets. Compensation is negotiated every three years when our collective bargaining agreements are renegotiated. The School Department has eight collective bargaining agreements and the Town has seven.

Total compensation is spelled out in each contract in a variety of different categories. In our current contracts, annual salaries increase each year; all 15 collective bargaining contracts typically contain provisions for annual cost of living adjustments (COLA) of 1-2%. In addition to COLA, all contracts contain some form of 'step', an annual increase for a specified number of years. All of them have some form of 'longevity pay', a lump sum given to employees at the top of the pay scale as compensation for their long-term service. Several have 'track' increases, which increase salary for individual professional improvement or achievement. Combined, these compensation categories often provide annual salary increases of 5% or more.

An ever-growing share of Town and School annual operating budgets is being consumed by salaries for new hires, as well as generous annual salary increases for current employees.

Salaries, however, are only one part of total compensation. Eligible Town and School employees enjoy other benefits, such as health insurance, now and in retirement, as part of their total compensation. In total, there are eighteen categories of total compensation described in our various collective bargaining agreements.

Because the School Department is the Town of Andover's largest employer, with 982 Full Time Equivalent (FTE) employees, it has the largest impact on our salary expense as well as the largest impact on the rise in our fixed costs.

Twelve of our fifteen agreements are, or soon will be, under negotiation this year. As this year's contracts are renegotiated, we ask both Town and School stakeholders to be mindful that salary increases will decrease amounts available for their operating budgets. And new hires increase our health insurance and OPEB fixed costs.

**Significant challenge #3: Deferring infrastructure maintenance only costs more in the long run**

A recent assessment of Town and School building facilities comprehensively prioritized the needs of our buildings. Underground we have problems as well. In FY2016, there were 27 water main breaks. Most of the main lines in our 250 mile-long water system are over 50 years old. Over 100 miles of these are cast iron, which have a higher likelihood of failing. The total cost to replace Andover's cast iron water mains will be over \$100,000,000.

FY2018 funding for water main replacement in Article 27 is proposed for \$3,000,000. With this level of annual appropriation, it will take 33 years to replace our functionally obsolete water mains. In the meantime, water main breaks will continue to occur and repairs will be made in an expensive, piecemeal manner.

**Significant challenge #4: The School Department's budget increases need to slow down**

Our community has a collective responsibility to educate the next generation and our school system deserves our financial support. But the school system shouldn't grow to the exclusion of all other departments.

The Town Manager's FY2018 budget acknowledged the School Department's need for a greater share of available revenue by allocating a more generous percentage increase for the School operating budget than in prior years. He proposed a 4% increase (\$3,043,968) for a total School appropriation in Article 4 of \$79,143,171. A 3.11% increase was recommended for the remaining Town Departments (\$1,194,704) for a total Town appropriation of \$39,632,103.

The total cost of operating the Andover School District is greater than what is appropriated in Article 4 because the Town provides and pays for many additional services to the schools. Those additional costs total at least \$28,000,000 which brings the total cost of operating the district to approximately \$107,000,000. For example, our rapidly growing IT department is not part of the School budget, even though 80% of the services IT provides are school related. In total, 64% of our general fund revenues are spent on the schools.

The largest item in the *Fiscal Year 2018 APS Preliminary Budget* is the total of all the salary lines. Total School salaries are budgeted at \$64,447,734, an increase of 3.8%. Within this, teacher salaries are budgeted at \$49,199,971, an increase of 4.2%.

As this report goes to print, the Finance Committee was unable to obtain detailed itemization of the \$49,199,971 teacher salary line. To help residents understand the components that comprise salary, the Chairman of the Finance Committee prepared an analysis based on certain assumptions. If half of our teachers qualify for 'step' increases in addition to COLA, the \$49,199,971 FY2018 salary line in the School Department budget could support a 5% salary increase for all those teachers.

The School Committee did not accept the Town Manager's recommendation for a 4% operating budget increase. The School Committee voted to recommend a budget totaling \$79,717,098 (a 4.75% increase) including \$379,500 for textbooks. They also voted to recommend an alternative budget of \$79,337,598 (a 4.25% increase) with the \$379,500 for textbooks moved to the Capital Projects Fund in Article 5. The 4.25% increase is contingent upon a Board of Selectmen vote to increase the School operating budget by an additional \$194,000. Absent that, the School Committee vote for a 4.75% increase will stand. As we go to print, the Board of Selectmen has not voted.

The Finance Committee is recommending approval of the Town Manager's School Department operating budget number, a 4% increase. We are reluctant to recommend approval of a budget without sufficient detail for the single largest line item, \$49,199,971 for teaching salaries, but at least we know that what we are recommending is consistent with the Town Manager's revenue projections in his five-year financial plan. We will not consider recommending approval of a larger number without identifying how it would be funded and making sure that we are not relying on one-time revenues to fund ongoing expenditures.

Negotiations to close the gap are underway. Final budget votes have yet to be taken and we hope that a fiscally responsible balanced budget will be in place in time for Town Meeting. But the School Department needs to understand the Town's budget constraints and lower their financial expectations accordingly.

### **Additional recommendations from the Finance Committee**

The Finance Committee suggests the following ways to improve the budget development process:

1. *The Town Manager's Recommended Fiscal 2018 Budget & Financial Plan* should be accepted as the basis for both Town and School operating budgets. His fiscal plan will create a stable financial platform which is predictable and sustainable. If all the revenues available under Proposition 2 ½ are insufficient to truly meet Andover's needs, an override would be the fiscally responsible approach to meet those needs.
2. Free Cash should never be used for operating budgets. And if other one-time funds are used, the impact on the following year's starting budget must be clearly articulated prior to Town Meeting.
3. Each departmental capital improvement request should have a specific dollar amount assigned to it.

4. Operating budget line items should not be embedded in capital improvement articles. This decreases transparency and makes it hard to get an accurate picture of the total cost of operating our school district. Textbooks are an example of this. Moving them to the CIP pits textbooks against building maintenance, to the detriment of both.
5. Town boards and committees should make their decision within the time frame established at the beginning of the budget process in time for publication in the Finance Committee Report. Over the past several years, final budget votes by the School Department and the Board of Selectmen have been pushed off, forcing last minute votes before Town Meeting begins. This is an unfortunate trend, one which doesn't allow voters adequate time to follow or participate in the process.

### **Late Breaking Information**

Many of the numbers used in preparing this report are still changing in response to new financial information. Final board and committee recommendations will be posted online on the Town website [www.andoverma.gov](http://www.andoverma.gov) as well as announced at Town Meeting.

As our report goes to print, the Finance Committee hopes that fiscally responsible compromises will be reached to achieve a balanced budget. At May's Town Meeting, we appeal to all voters to keep in mind that a financially stable future is in everyone's best interest, as is a great education for Andover's children.

Please join us at Town Meeting beginning on May 1<sup>st</sup>, at 7:00 P.M. and continuing May 2<sup>nd</sup>, at 7:00 P.M. in the J. Everett Collins Center Auditorium at the Andover High School. Town Meeting will continue May 8<sup>th</sup> and May 9<sup>th</sup> if necessary. Your participation is important!

The Finance Committee

S. Jon Stumpf, Chairman

Joanne F. Marden

Eugenie M. Moffitt

Margaret N. Kruse

John J. Barry, Jr.

Linn N. Anderson

Bonita J. Zahorik

Gregory A. Serrao

Blackwell O. J. Taylor

**FINANCE COMMITTEE RECOMMENDATIONS  
2018 ANNUAL TOWN MEETING FINANCIAL ARTICLES**

| ARTICLE / TITLE   | ARTICLE AMOUNT | TAX LEVY/ GEN. FUND | FREE CASH/ STAB. FUND | BONDING      | OTHER       | FINANCE COMMITTEE RECOMMENDATIONS | NOTES |
|---|----------------|---------------------|-----------------------|--------------|-------------|-----------------------------------|-------|
| 4 FY-2018 Budget  | \$174,691,780  | \$171,991,114       |                       |              | \$2,700,666 | Approved                          |       |
| 5 FY-2018 Capital Projects Fund Appropriation                           | \$3,743,875    | \$3,743,875         |                       |              |             | Approved                          |       |
| 6 Budget Transfers  | TBD            |                     |                       |              |             | TBD                               |       |
| 7 Supplemental Budget Appropriations                                    | TBD            |                     |                       |              |             | TBD                               |       |
| 8 Stabilization Fund  | \$0            |                     |                       |              |             | W/D                               |       |
| 9 Free Cash   | \$0            |                     |                       |              |             | W/D                               |       |
| 10 Unexpended Appropriations  | \$0            |                     |                       |              |             | W/D                               |       |
| 15 Jerry Silverman Fireworks  | \$14,000       | \$14,000            |                       |              |             | Approved                          |       |
| 20 Elderly/Disabled Transportation Program                              | \$12,000       | \$12,000            |                       |              |             | Approved                          |       |
| 21 Support for Civic Events   | \$5,000        | \$5,000             |                       |              |             | Approved                          |       |
| 22 Spring Grove Cemetery Maintenance                                    | \$6,000        |                     |                       |              | \$6,000     | Approved                          |       |
| 25 Stabilization Fund Bond Premium                                      | \$100,000      |                     |                       |              | \$100,000   | Approved                          |       |
| 26 Water and Sewer Vehicles   | \$100,000      |                     |                       |              | \$100,000   | Approved                          |       |
| 27 Water Main Replacement Projects                                      | \$3,000,000    |                     |                       | \$3,000,000  |             | Approved                          |       |
| 28 Hydrant Replacement Program  | \$100,000      |                     |                       |              | \$100,000   | Approved                          |       |
| 29 Enmore Street Reconstruction (Re-Purpose \$525,000 Sewer Borrowing   | \$1,230,000    |                     |                       | \$655,000    | \$575,000   | Approved                          |       |
| 30 Water Treatment Plant Electrical Substation Replacement              | \$500,000      |                     |                       | \$500,000    |             | Approved                          |       |
| 31 Bancroft High Lift Pumps   | \$750,000      |                     |                       | \$750,000    |             | Approved                          |       |
| 32 Minor Sanitary Sewer Collection System Improvements                  | \$50,000       |                     |                       |              | \$50,000    | Approved                          |       |
| 33 Municipal Services Facility  | \$17,500,000   |                     |                       | \$17,500,000 |             | Approved                          |       |
| 37 Sewer Inflow and Infiltration Reduction Project (Re-Purpose)         | \$500,000      |                     |                       |              | \$500,000   | Approved                          |       |
| 38 Water Treatment Plant New Heating System                             | \$300,000      |                     |                       | \$300,000    |             | Approved                          |       |
| 39 Purchase of Conservation Land 83 Lowell Junction & Grant Application |                |                     |                       |              |             | Approved                          |       |
| 41 Public Works Vehicles - Large  | \$450,000      |                     |                       |              | \$450,000   | Approved                          |       |
| 42 Fire Apparatus Replacement - Ambulance 2                             | \$270,000      |                     |                       |              | \$270,000   | Approved                          |       |
| 43 Major Town Building Projects   | \$320,000      |                     |                       |              | \$320,000   | Approved                          |       |
| 44 Town and School Energy Initiatives                                   | \$420,000      |                     |                       |              | \$420,000   | Approved                          |       |
| 45 High Plain/Wood Hill Air Conditioning Upgrade                        | \$775,000      |                     |                       | \$775,000    |             | Approved                          |       |
| 46 Safety and Communications Upgrade Phase II                           | \$300,000      |                     |                       | \$300,000    |             | Approved                          |       |
| 47 Major School Projects  | \$770,000      |                     |                       | \$770,000    |             | Approved                          |       |
| 48 Parking Study Implementation   | \$123,000      |                     |                       |              | \$123,000   | Approved                          |       |
| 49 Rec/Park Ponds Security Monitoring                                   | \$65,000       |                     |                       |              | \$65,000    | Approved                          |       |
| 51 Redundant Fiber  | \$300,000      |                     |                       |              | \$300,000   | Approved                          |       |
| 52 Selectmen and School Committee Rooms Upgrade                         | \$50,000       |                     |                       |              | \$50,000    | Approved                          |       |
| 53 Ballardvale Fire Station Design                                      | \$300,000      |                     | \$300,000             |              |             | Approved                          |       |
| 54 Wood Hill High Plain Accessibility Project                           | \$200,000      |                     | \$200,000             |              |             | Approved                          |       |
| 63 Water Treatment Plant Maintenance                                    | \$300,000      |                     |                       |              | \$300,000   | Approved                          |       |
| 55 Preserving the History of Andover                                    | \$50,000       |                     | \$50,000              |              |             | Disapproved                       |       |
| 74 Streamgage Station on the Shawsheen River                            | \$75,000       |                     |                       |              | ???         | Disapproved                       |       |
| 81 Town Yard Fence  | 4,000          |                     |                       |              | ???         | Disapproved                       |       |

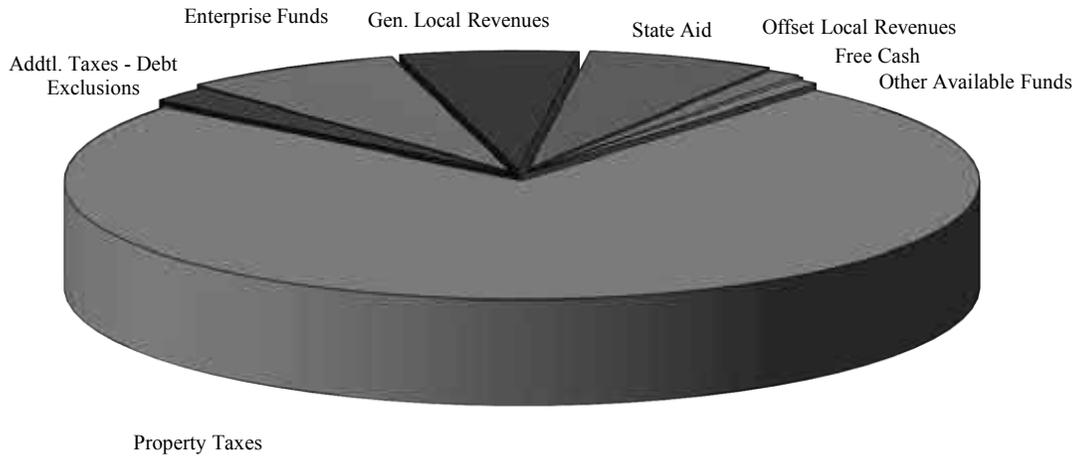
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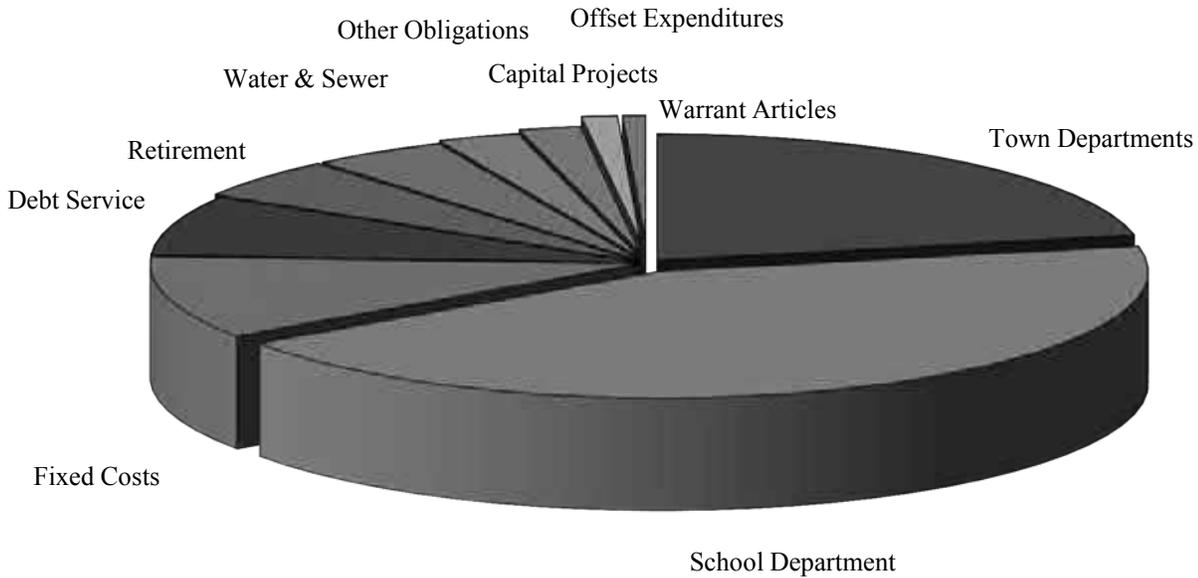
SOURCES OF FUNDS - FY2018



**FY18 REVENUES - 4/5/17**

|                                |                    |        |
|--------------------------------|--------------------|--------|
| Property Taxes                 | \$135,716,903      | 74.7%  |
| Addtl. Taxes - Debt Exclusions | \$4,040,852        | 2.2%   |
| Enterprise Funds               | \$14,258,789       | 7.8%   |
| Gen. Local Revenues            | \$11,492,300       | 6.3%   |
| State Aid                      | \$12,149,038       | 6.7%   |
| Offset Local Revenues          | \$2,148,530        | 1.2%   |
| Free Cash                      | \$500,000          | 0.3%   |
| Other Available Funds          | <u>\$1,496,136</u> | 0.7%   |
|                                | \$181,802,548      | 100.0% |

USES OF FUNDS - FY2018



**FY18 EXPENSES - 4/5/17**

|                     |                    |        |
|---------------------|--------------------|--------|
| Town Departments    | \$39,632,103       | 21.80% |
| School Department   | \$79,143,171       | 43.53% |
| Health Insurance    | \$19,257,000       | 10.59% |
| Debt Service        | \$14,048,907       | 7.73%  |
| Retirement          | \$9,428,488        | 5.19%  |
| Water & Sewer       | \$8,167,538        | 4.49%  |
| Other Obligations   | \$4,922,936        | 2.71%  |
| Capital Projects    | \$3,678,875        | 2.02%  |
| Offset Expenditures | \$2,148,530        | 1.18%  |
| Warrant Articles    | <u>\$1,375,000</u> | 0.76%  |
|                     | \$181,802,548      | 100.0% |

## TAX BILL HISTORY AND PROJECTION

| AVERAGE SINGLE FAMILY ASSESSED VALUE AND TAX BILL |                 |   |                                       |                        |                       |                               |                                   |
|---|-----------------|---|---------------------------------------|------------------------|-----------------------|-------------------------------|-----------------------------------|
| <u>Fiscal Year</u>                                | <u>Tax Rate</u> | <u>Average Single Family Assessed Value</u> | <u>Average Single Family Tax Bill</u> | <u>Dollar Increase</u> | <u>Tax % Increase</u> | <u>Tax Within 2 1/2 Limit</u> | <u>Tax Due To Debt Exclusions</u> |
| FY2017  | 15.18           | 604,053                                     | 9,170                                 | 225                    | 2.5%                  | 8,922                         | 248                               |
| FY2016  | 14.82           | 603,550                                     | 8,945                                 | 297                    | 3.4%                  | 8,643                         | 302                               |
| FY2015  | 14.97           | 577,689                                     | 8,648                                 | 305                    | 3.5%                  | 8,334                         | 314                               |
| FY2014  | 15.18           | 549,622                                     | 8,343                                 | 376                    | 4.7%                  | 8,111                         | 232                               |
| FY2013  | 14.51           | 549,070                                     | 7,967                                 | 181                    | 2.3%                  | 7,800                         | 167                               |
| FY2012  | 14.15           | 550,129                                     | 7,786                                 | 306                    | 4.1%                  | 7,575                         | 211                               |
| FY2011  | 14.12           | 529,775                                     | 7,480                                 | 241                    | 3.3%                  | 7,276                         | 204                               |
| FY2010  | 13.19           | 548,860                                     | 7,239                                 | 185                    | 2.6%                  | 7,022                         | 217                               |
| FY2009  | 12.16           | 580,087                                     | 7,054                                 | 255                    | 3.8%                  | 6,825                         | 229                               |
| FY2008  | 11.69           | 581,568                                     | 6,799                                 | 141                    | 2.1%                  | 6,589                         | 210                               |
| FY2007  | 11.25           | 591,800                                     | 6,658                                 | 258                    | 4.0%                  | 6,429                         | 229                               |
| FY2006  | 11.40           | 561,360                                     | 6,400                                 | 392                    | 6.5%                  | 6,173                         | 227                               |
| FY2005  | 11.51           | 522,000                                     | 6,008                                 | 298                    | 5.2%                  | 5,763                         | 245                               |
| FY2004  | 11.47           | 497,800                                     | 5,710                                 | 220                    | 4.5%                  | 5,428                         | 282                               |
| FY2003  | 11.63           | 470,000                                     | 5,466                                 | 480                    | 9.6%                  | 5,211                         | 255                               |
| FY2002  | 14.13           | 352,852                                     | 4,986                                 | 266                    | 5.6%                  | 4,784                         | 202                               |
| FY2001  | 14.92           | 316,370                                     | 4,720                                 | 123                    | 2.7%                  | 4,579                         | 141                               |
| FY2000  | 14.65           | 313,800                                     | 4,597                                 | 277                    | 6.4%                  | 4,471                         | 126                               |

| <u>Fiscal Year</u> | <u>At Levy Limit Projected Tax Within 2 1/2</u> | <u>Tax Due to Debt Exclusions</u> | <u>At Levy Limit Projected Average Single Family Tax Bill</u> | <u>% Increase</u> | <u>At \$300,000 Below Limit Projected Average Single Family Tax Bill</u> | <u>% Increase</u> |
|--------------------|---|-----------------------------------|---|-------------------|--|-------------------|
| FY2018             | 9,328   | 279                               | 9,607   | 4.8%              | 9,586  | 4.5%              |
| FY2019             | 9,655   | 269                               | 9,924   | 3.3%              | 9,904  | 3.3%              |
| FY2020             | 9,993   | 261                               | 10,254  | 3.3%              | 10,233   | 3.3%              |

There are many variables affecting property tax rates and residential property tax bills. This table shows what happens if the average residential property tax bill required to fund Town and School budgets within Proposition 2 ½ escalates at 3 ½% per year – a reasonable estimate based on historical trends. Including the additional taxes to pay for approved debt exclusions and going up to the levy limit after a year with \$1.3 million in excess levy capacity, a **4.8% increase** would be projected, if the budgets and warrant articles to be voted by this year’s Town Meeting require taxing to Andover’s Proposition 2 ½ levy limit.

The Town Manager has recommended a budget that maintains \$300,000 in excess levy capacity resulting in a projected 4.5% increase for the average single family property tax bill. The table also shows the impact of maintaining a \$300,000 excess levy capacity for FY2019 and FY2020. If new growth is more than what is currently projected, and this results in additional excess levy capacity, the average residential property tax bill increases could lower.

## TAX BILL HISTORY AND PROJECTION

To give taxpayers reasonable estimates of how the decisions on the budgets and warrant articles will affect their tax bills, several critical variables are held constant, basically calculating the impact on future years' tax bills by using the real numbers from FY2017. We have no reliable way of predicting the impact of any shift in the tax burden due to either the revaluation of property or the Board of Selectmen's annual vote on tax classification.

Because the work of the Board of Assessors establishing property values is not complete until Fall, because new growth cannot be certified until valuations are complete, and because the Board of Selectmen does not vote on tax classification until November, it is not possible to calculate the impact of Town Meeting decisions on individual tax bills prior to Town Meeting. Projecting a percentage increase gives voters the ability to estimate the impact on their individual property tax bills by simply multiplying the projected percentage increase by their current year's (FY2017) property tax bill. For example:

**If your property has an assessed value of \$500,000**

**Your FY2017 property tax bill is \$7,590 (500 X \$15.18 per thousand tax rate).**

**Multiply by .045 to estimate your FY2018 tax increase of \$342 if Andover stays \$300,000 below its levy limit.**

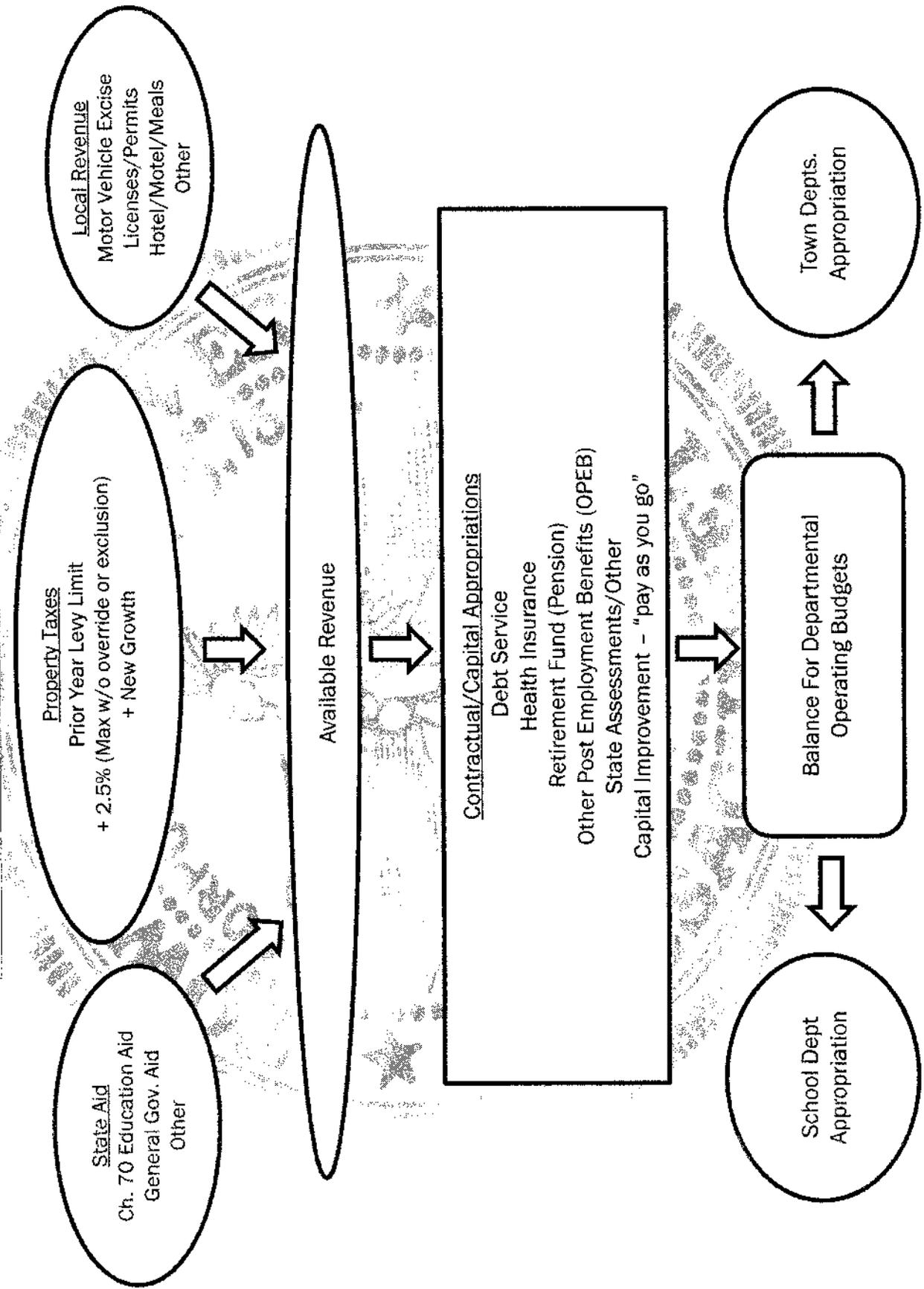
### Projecting the Property Tax Bill Impact of Warrant Articles Funded with General Fund Borrowing from Taxation

Most financial articles have Financial Impact boxes explaining the proposed financing of the expenditure. For the articles funded with general fund borrowing, the current plans for managing the debt are summarized. **The projects listed below to be voted at this year's Town Meeting will be funded within the revenues available to the Town of Andover within Proposition 2 ½. There is no increase in the total amount that can be taxed if any or all of these articles pass. They do not increase future tax bills. They do become fixed costs in future budgets.**

The calculation of the cost to the owner of the average valued residential property is included to provide some sense of the size of the proposed expenditure in relation to current budgets and tax bills. The actual FY2017 property tax levy and actual FY2017 average residential property tax bill were used to calculate the cost of each article to the taxpayer, basically showing the amount within the average tax bill that would have been needed to pay for the debt service this year, if the project had been approved by a prior Town Meeting. This table summarizes the information in the Financial Impact boxes.

| <u>Article No.</u> | <u>Project</u>                        | <u>Total Authorized</u> | <u>Length of Bond Issue</u> | <u>Annual Debt Service</u> | <u>Tax \$ Needed</u> |
|--------------------|---------------------------------------|-------------------------|-----------------------------|----------------------------|----------------------|
| 43                 | Public Works Vehicles                 | 450,000                 | 10 years                    | 60,750                     | \$4                  |
| 44                 | Ambulance                             | 270,000                 | 5 years                     | 63,450                     | \$4                  |
| 45                 | Major Town Projects                   | 320,000                 | 10 years                    | 43,200                     | \$3                  |
| 46                 | Town and School Energy Initiatives    | 420,000                 | 10 years                    | 56,700                     | \$4                  |
| 36                 | Municipal Services Facility           | 17,500,000              | 30 years                    | 951,499                    | \$66                 |
| 48                 | Safety and Communications Upgrade     | 300,000                 | 5 years                     | 70,750                     | \$5                  |
| 29                 | Enmore Street Reconstruction          | 655,000                 | 15 years                    | 66,592                     | \$5                  |
| 49                 | Major School Projects                 | 770,000                 | 10 years                    | 103,950                    | \$7                  |
| 47                 | High Plain/Wood Hill Air Conditioning | 775,000                 | 20 years                    | 65,875                     | \$5                  |
|                    | <b>Total</b>                          | <b>\$21,460,000</b>     |                             | <b>\$1,482,766</b>         | <b>\$103</b>         |

**Town of Andover Budget Model  
(Excluding Water/Sewer/Offset Local Receipts)**



**If the Recommended FY2018 Budgets are approved,  
Each \$1,000 of Your Property Tax Dollars will buy:**

|   |                              |
|---|------------------------------|
| <b>School Department Operating Budget</b>   | <b>484</b>                   |
| <b>Health Insurance</b>   | <b>116</b>                   |
| Current Town and School employees and retirees  |                              |
| <b>Public Safety</b>  | <b>89</b>                    |
| Police and Fire   |                              |
| <b>Municipal Services</b>   | <b>69</b>                    |
| Highway, Snow Removal, Solid Waste, Street Lighting,<br>Town and School Building and Grounds Maintenance, Cemetery,<br>Vehicle Maintenance, Capital Project Management, Engineering, etc. |                              |
| <b>Retirement Fund</b>  | <b>55</b>                    |
| <b>General Government</b>   | <b>54</b>                    |
| Town Administration, Town Clerk, Town and School Information<br>Technology, Community Development and Planning,<br>Veterans Services, etc. Compensation and Reserve Funds                 |                              |
| <b>Non-Exempt Debt Service</b>  | <b>31</b>                    |
| Principal and Interest for previously approved projects<br>funded within the Proposition 2 ½ levy limit   |                              |
| <b>Other</b>  | <b>27</b>                    |
| OPEB, State Assessments, Overlay, Vocational School Assessment,<br>Insurance, Unemployment, and Warrant Articles funded<br>from Taxation  |                              |
| <b>Exempt Debt</b>  | <b>25</b>                    |
| Bancroft, Public Safety Center, other school building projects<br>funded outside the Proposition 2 ½ Levy Limit   |                              |
| <b>CIP Articles 5</b>   | <b>23</b>                    |
| <b>Library</b>  | <b>16</b>                    |
| <b>Community/Youth/Elder Services</b>   | <b>10</b>                    |
| <b>Total</b>  | <b><u>10</u><br/>\$1,000</b> |

## PROPOSITION 2½ AND ANDOVER

### WHAT IS PROPOSITION 2½?

The **Property Tax Levy** is the total amount a community raises in real and personal property taxes. The levy is calculated by taking the total amount that the town is authorized to spend during the fiscal year (the sum of all appropriation votes of Town Meeting plus any state or county assessments or other bills the town must pay not requiring Town Meeting approval) and subtracting anticipated state and local revenues.

The **Levy Limit** is a restriction placed on the Tax Levy by a state law known as **Proposition 2½**. The town's Levy Limit is automatically increased 2½% each year. In addition, a community is allowed to increase its levy limit to reflect growth of its tax base due to development.

Proposition 2½ limits the total a town is allowed to raise from property taxes. It is important to understand that the **Levy Limit** gets the 2½% increase. The Town's total revenues, the budgets, the tax rate, and the individual's property tax bill can all increase by different percentages in the same fiscal year and still be within Proposition 2½.

**A community does not have to tax up to its levy limit, but it cannot exceed its levy limit unless voters approve an override or exclusion.** Andover has been in full compliance with Proposition 2½ since its enactment. For many years, Andover did not tax up to its levy limit. The budgets adopted by Town Meeting required property tax levies which were lower than the maximum allowed under the law. In recent years Andover's property tax levy has been very close to its levy limit.

If Town Meeting votes to spend more than the Town can expect to collect in revenues, Proposition 2½ provides local options for increasing the Levy Limit by passing, by majority vote in an election, an override, capital outlay exclusion, or debt exclusion. **The Levy Limit can be increased only by popular vote in a referendum, not by Town Meeting.** The State enforces Proposition 2½ by not allowing a Town to set its tax rate until it can prove that it has a balanced budget.

By passing an **Override** a community can assess a specific amount of property taxes in addition to its Levy Limit. The ballot question can specify the use of these additional revenues for the first year. An override results in a permanent increase in the Levy Limit. It is intended for funding ongoing programs.

By passing a **Debt Exclusion** a community can assess additional taxes to pay the debt service (principal and interest costs) for a specific capital project. The additional amount is added to the Levy Limit for the life of the debt only. Each year that a payment must be made for that project, the Levy Limit is first calculated as usual and then the extra amount from the debt exclusion is added. Unlike overrides, exclusions do not become part of the base used to calculate future years' levy limits.

By passing a **Capital Outlay Expenditure Exclusion** a community can assess additional taxes to pay for a specific project or major equipment purchase. The additional amount to pay for the project is added to the Levy Limit only for the year in which the project is undertaken. The amounts excluded for these one-time expenditures do not become part of the base. Capital outlay exclusions can only be used for expenditures which could be bonded.

### THE OVERRIDE PROCESS

Increasing taxes to pay for additional services, projects, or purchases is a two-step process. A referendum is necessary to increase the Levy Limit so that the Town can collect the additional taxes. Town Meeting must vote to authorize the spending of any Town funds. A 4/5 vote of the Board of Selectmen is required to place an override or exclusion question on the ballot. When scheduling an election, time must be allowed for legal notice requirements, printing of ballots, voter registration and absentee voting. State law establishes specific requirements regarding the wording of ballot questions.

## NEW GROWTH AND ANDOVER'S PROPERTY TAX LEVY CALCULATION

|                                | <u>FY2013</u>           | <u>FY2014</u>           | <u>FY2015</u>           | <u>FY2016</u>           | <u>FY2017</u>           | <u>FY2018</u>           |
|--------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| Prior Year Levy Limit          | 106,128,017             | 110,260,239             | 114,580,485             | 119,797,140             | 124,996,152             | 130,709,372             |
| +2 1/2% Increase               | 2,653,200               | 2,756,506               | 2,864,512               | 2,994,929               | 3,124,904               | 3,267,734               |
| <b>+New Growth</b>             | <b><u>1,479,022</u></b> | <b><u>1,563,740</u></b> | <b><u>2,352,143</u></b> | <b><u>2,204,083</u></b> | <b><u>2,588,316</u></b> | <b><u>2,039,798</u></b> |
| Andover's Levy Limit           | 110,260,239             | 114,580,485             | 119,797,140             | 124,996,152             | 130,709,372             | 136,016,904             |
| +Exempt Debl Service           | <u>2,349,085</u>        | <u>3,278,583</u>        | <u>4,438,406</u>        | <u>4,304,490</u>        | <u>3,597,424</u>        | <u>4,040,852</u>        |
| Total Allowed by Prop 2<br>1/2 | 112,609,324             | 117,859,068             | 124,235,546             | 129,300,642             | 134,306,796             | 140,057,756             |
| -Excess Levy Capacity          | <u>715,812</u>          | <u>352,637</u>          | <u>2,001,786</u>        | <u>1,603,771</u>        | <u>1,323,436</u>        | <u>300,000</u>          |
| Actual Property Tax<br>Levy    | 111,893,512             | 117,506,431             | 122,233,760             | 127,696,871             | 132,983,360             | 139,757,756             |

### TAX GROWTH FROM NEW CONSTRUCTION ACTIVITIES

| <u>FISCAL YEAR</u> | <u>RESIDENTIAL/<br/>OPEN SPACE</u> | <u>COMMERCIAL/<br/>INDUSTRIAL</u> | <u>PERSONAL<br/>PROPERTY</u> | <u>NEW GROWTH<br/>FINAL</u> |
|--------------------|------------------------------------|-----------------------------------|------------------------------|-----------------------------|
| 2017               | 682,379                            | 59,777                            | 1,846,160                    | 2,588,316                   |
| 2016               | 852,206                            | 353,649                           | 998,228                      | 2,204,083                   |
| 2015               | 692,776                            | 122,768                           | 1,536,599                    | 2,352,143                   |
| 2014               | 593,070                            | 107,515                           | 863,155                      | 1,563,740                   |
| 2013               | 714,513                            | 14,767                            | 749,742                      | 1,479,022                   |
| 2012               | 470,623                            | 71,686                            | 1,170,123                    | 1,712,432                   |
| 2011               | 305,829                            | 57,071                            | 734,640                      | 1,097,539                   |
| 2010               | 271,613                            | 109,918                           | 722,005                      | 1,103,536                   |
| 2009               | 404,757                            | 21,446                            | 930,883                      | 1,357,086                   |
| 2008               | 772,937                            | 328,929                           | 730,764                      | 1,832,630                   |
| 2007               | 1,217,388                          | 610,248                           | 329,005                      | 2,156,641                   |
| 2006               | 1,575,860                          | 259,077                           | 200,589                      | 2,035,526                   |
| 2005               | 885,407                            | 587,679                           | 341,097                      | 1,814,183                   |
| 2004               | 735,038                            | 59,129                            | 363,718                      | 1,157,885                   |

## EMPLOYEE RETIREMENT BENEFITS

Andover, like all Massachusetts municipalities, is required to provide pension and retiree health insurance benefits to its employees. **In fact, to understand the true full cost of compensation for any employee, one must include the cost of these future benefits.** For many years, these benefits were budgeted only on a “pay as you go” basis, meaning that Andover budgeted only the amount necessary to cover costs for current retirees in a given year but did not put aside the amount needed to cover the future retirement benefits of current employees. These unfunded future costs are referred to as an “unfunded liability” for the Town. Government regulations and accounting rules have changed over time, impacting the way these liabilities are reported and funded today.

### Pensions

Andover’s Contributory Retirement System provides pension, disability and death benefits to plan members and beneficiaries. Substantially all employees are members of the plan, with the notable exception of public school teachers and certain school administrators. Members are required to contribute a fixed percentage of their annual covered compensation to the system.

State law mandates that the Town pay its share of the pension costs based on an actuarially based funding schedule adopted by the Andover Retirement Board and approved by PERAC, a state agency. This year, the Retirement Board voted to reduce the discount rate while maintaining a target year of 2032 for fully funding our unfunded pension liability. (The state requires that pension liability be fully funded by 2040.) The rate change was in response to expert opinion, based on economic trends, that municipalities were using unrealistic rates that underestimated their liability. This rate adjustment requires an increase in the amount the Town needs to pay into the Retirement Fund. Under the new funding schedule adopted by the Retirement Board, Town contributions need to increase by 10% in FY2018 and each subsequent year (versus an 8% increase in previous years.)

The funding schedule can be found in the pages following Article 4 of this book and the full actuarial report is available on the town website [www.andoverma.gov](http://www.andoverma.gov). **The resulting FY2018 Retirement Fund appropriation (Article 4, Operating Budget, line 22) is \$9,428,488.**

### Other Post Employment Benefits (OPEB)

Other Post Employment Benefits (OPEB) refers to benefits that retirees receive in addition to their pensions, primarily health insurance. Major factors that impact the future cost of this benefit for the Town are the number of eligible employees, rising health insurance costs and the portion of the premium that is paid by the Town. Andover’s most recent OPEB actuarial valuation determined an unfunded liability of \$184 million as of June 30, 2015. A summary is provided following Article 4 in this book and the full actuarial report is available on the Town’s website. Although there is currently no state requirement that a municipality fully fund its future OPEB liability within a specified timeframe, it is crucial for Andover’s long-term financial health that we responsibly address this liability.

The OPEB Advisory Committee report issued last year is available on the town website and a summary of their recommendations is provided below. Following a public hearing on the report, the Town Manager amended his plan for addressing the unfunded OPEB liability. The guiding principles of the new plan include: (1) phasing in an increase in retiree premium contributions to 50%, mitigating potential impacts to current retirees; (2) maintaining a quality benefit plan for retirees; and (3) redirecting all savings from changes to retiree premium contributions to the OPEB Trust Fund to reduce Andover's long-term unfunded liability rather than applying that savings to current operating budgets. Based on these changes, together with the Town Manager's original plan for an annual deposit of 0.4% of adjusted gross revenues, actuaries estimate that the Town would fully fund its current unfunded OPEB liability in approximately 30 years.

**The FY2018 OPEB appropriation is \$1,648,721** including the following:

- \$1,264,338 in Article 4, Line 24 of the Operating Budget made up of \$631,400 which is 0.4% of the adjusted General Fund budget \$632,938 from health insurance savings
- \$384,383 from Water and Sewer Enterprise Funds

**Town Meeting's role:** Town Meeting voters approve all Town budgets, including all appropriations into the OPEB Trust Fund. Voters should understand that increased OPEB funding early on significantly reduces the overall future liability, which lessens the burden on future taxpayers but takes money away that could provide services right now. When voting budgets at Town Meeting, voters should carefully consider what it means to fund the OPEB liability in a responsible manner.

**There are significant differences in the OPEB and pension obligations.**

- Cities and Towns are required to have an actuarially based funding schedule for their pension plans which must be approved by the local Retirement Board and PERAC. State law mandates Town funding of the amount approved by the Retirement Board. There is currently no requirement to prefund OPEB.
- Employees contribute significantly to the funding of their pensions, but they do not pay anything toward the OPEB obligation. However, they do pay a portion of the health insurance premiums when they receive health benefits in retirement.
- Pension costs are directly related to salary costs. OPEB costs are directly related to the cost of employee health insurance.

The following page has a summary of the status of the OPEB Advisory Committee's 21 recommendations. Per the summary, Andover's leaders are taking action on items they can control and will continue to pursue more comprehensive OPEB reform that could help reduce the pressure these costs place on future operating budgets and tax bills.

|    | <u>OPEB Advisory Committee Recommendation</u>   | <u>Status</u>                      |
|----|---|------------------------------------|
| 1  | Develop a funding policy with the intention of fully funding OPEB   | Updated plan implemented.          |
| 2  | Systematically increase the retirees' premium contribution rate to 50%  | In process, action taken.          |
| 3  | Systematically move current employees' premium contribution rate to 50% through collective bargaining   | In process, collective bargaining. |
| 4  | Increase eligibility standards for participation in the Town's Retirement Plan from 20 hours to 30 hours for new employees                          | State legislative action needed.   |
| 5  | Eliminate the ability to "buy back time" or receive pro-rated credits for hours worked below the eligibility level                                  | Retirement Board action needed.    |
| 6  | Limit cost of living increases (COLA) for retirees until the Retirement Plan is fully funded  | Retirement Board action needed.    |
| 7  | Consider reimbursement from other towns when an employee retires from the Town and had previous employment with one or more other government units. | Investigated, not enforceable.     |
| 8  | Evaluate buying out employees' vested benefits in OPEB  | State legislative action needed.   |
| 9  | Consider transitioning to defined contribution style plans  | State legislative action needed.   |
| 10 | Require that an employee retire from the Town or have 25 years of vested service in order to qualify for OPEB                                       | State legislative action needed.   |
| 11 | Work with the Retirement Board to consider eligibility reforms.   | Retirement Board action needed.    |
| 12 | #12 Implement a Pre-funding plan for new hires, where expenses are accounted for as they are earned   | New process collective bargaining  |
| 13 | #13 Implement a unified approach to collective bargaining   | In process.                        |
| 14 | #14 Establish a permanent OPEB Committee  | Town Manager or BOS action.        |
| 15 | #15 Establish control policies regarding OPEB participation and reporting   | Completed.                         |
| 16 | #16 Adopt a comprehensive compensation model that reflects the true employee/candidate cost   | In process, long term planning.    |
| 17 | #17 Create a Compensation Advisory Committee  | Town Manager or BOS action.        |
| 18 | #18 Implement a meaningful Wellness Program   | Evaluating enhancements.           |
| 19 | #19 Implement a Citizen's Dashboard concept.  | In process.                        |
| 20 | #20 Ensure cost savings are dedicated to OPEB   | In process.                        |
| 21 | #21 Coalesce with other Triple A rated towns to organize legislative delegations.   | In process.                        |

## TOTAL COMPENSATION

The table below shows the costs of compensating active Andover employees in the FY18 budget and the annual amount accruing to future liabilities. As with other public and private employees, there are many elements in addition to salaries that are associated with personnel costs. Again, some of these costs are funded in the current year, while others become a future obligation.

**FY2018 Town of Andover - Total Personnel Compensation Expense**

| Compensation Cost Item                     | Town                 | Water/Sewer         | School               | Total                 | % of TOTAL    | Change from FY2017  |             |
|--|----------------------|---------------------|----------------------|-----------------------|---------------|---------------------|-------------|
|  |                      |                     |                      |                       |               | \$                  | %           |
| Salaries                                   | \$ 36,523,693        | \$ 2,282,814        | \$ 64,360,570        | \$ 97,166,353         | 79.3%         | \$ 3,198,706        | 3.4%        |
| Health Insurance                           | 3,466,538            | 281,006             | 8,387,547            | 13,049,892            | 10.4%         | 1,229,223           | 10.4%       |
| OPEB - Normal Cost                         | 2,945,409            | 200,859             | 5,364,894            | 8,508,192             | 6.9%          | 405,152             | 5.0%        |
| Retirement Fund - Employer Normal Cost     | 1,274,357            | 17,335              | 616,389              | 1,908,081             | 1.6%          | 81,454              | 4.5%        |
| Employee Benefits - primarily Medicare tax | 438,354              | 32,785              | 916,229              | 1,387,368             | 1.1%          | 55,807              | 2.5%        |
| General Insurance - Workers Comp           | 129,796              | 9,707               | 273,686              | 413,189               | 0.3%          | 53,894              | 15.0%       |
| Unemployment Compensation                  | 50,261               | 3,759               | 165,980              | 169,000               | 0.1%          | -                   | 0.0%        |
| <b>TOTAL</b>                               | <b>\$ 38,821,719</b> | <b>\$ 2,828,295</b> | <b>\$ 86,942,262</b> | <b>\$ 122,592,275</b> | <b>100.0%</b> | <b>\$ 3,002,238</b> | <b>4.3%</b> |

It is important to note that the non-salary costs can increase at a faster rate than salaries. Salary expenses are captured in each department's operating budget and comprise 79% of compensation costs. Compared to the FY2017 budget, the salaries increased by 3.4%, while the remaining 21% of the compensation costs increased by 7.6% for an overall increase of 4.3%.

As these numbers indicate, total compensation costs should be considered when departments add employees, when the Town negotiates labor contracts, and when Town Meeting appropriates funds to departments.

TOWN OF ANDOVER  
Long Range Projection FY2018-FY2022

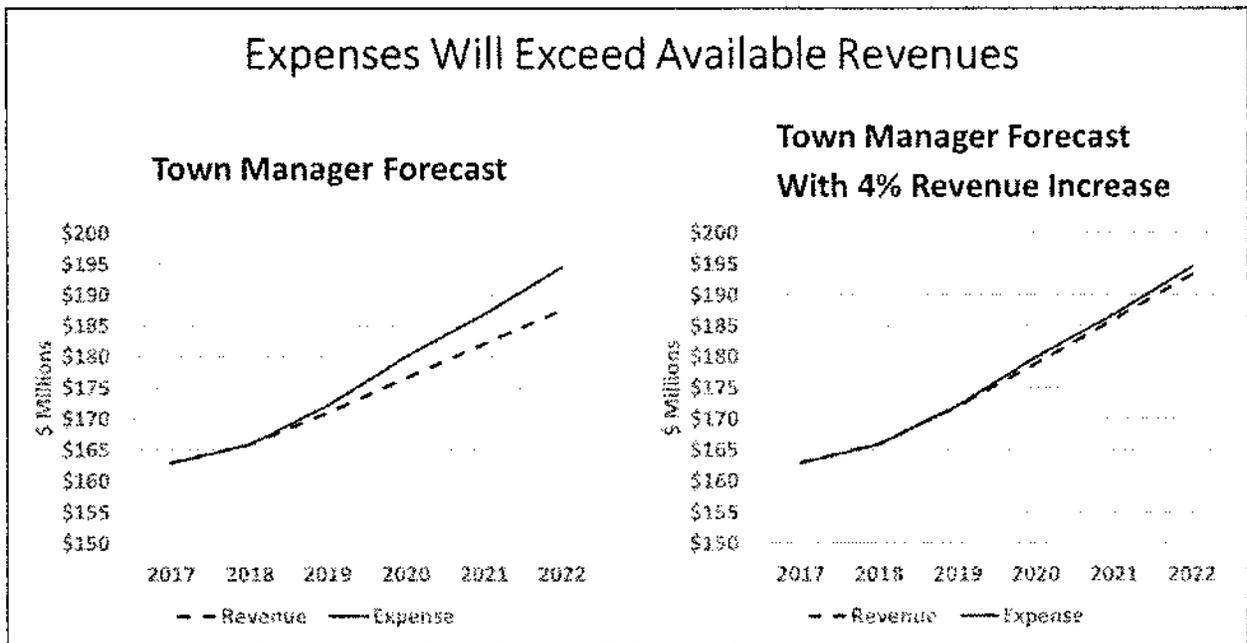
|   | FY 2017 RECAP      | FY 2018            | Dollar Change      | Percent Change | FY 2019            | Dollar Change      | FY 2020            | Dollar Change      | FY 2021            | Dollar Change      | FY 2022            | Dollar Change      |
|---|--------------------|--------------------|--------------------|----------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>I. REVENUE</b>   |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| A. Property Taxes   |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| Prior Year Levy   | 124,996,152        | 130,709,371        | 5,713,220          | 4.57%          | 136,016,903        | 5,307,532          | 141,457,123        | 5,440,220          | 147,033,349        | 5,576,226          | 152,740,960        | 5,715,631          |
| 2.1/2% Increase   | 3,124,804          | 3,267,734          | 142,930            | 4.57%          | 3,400,423          | 132,686            | 3,536,428          | 136,005            | 3,671,834          | 138,406            | 3,818,725          | 142,891            |
| New Growth  | 2,668,318          | 2,038,798          | (648,518)          | -21.99%        | 2,038,798          | 0                  | 0                  | 0                  | 2,038,798          | 0                  | 2,038,798          | 0                  |
| Unused Excess Levy Capacity                               | (1,323,436)        | (900,000)          | 423,436            | -77.33%        | (900,000)          | 0                  | (900,000)          | 0                  | (900,000)          | 0                  | (900,000)          | 0                  |
| Exempt Debt Service                                       | 3,597,424          | 4,040,852          | 443,428            | 12.33%         | 3,906,286          | (174,566)          | 3,786,129          | (120,157)          | 3,593,050          | (233,129)          | 3,009,957          | (623,443)          |
| Total Property Taxes                                      | 132,963,359        | 139,757,765        | 6,794,406          | 5.09%          | 145,053,409        | 5,205,654          | 150,519,478        | 5,466,069          | 155,981,980        | 5,462,902          | 161,317,058        | 5,325,079          |
| B. State Aid  | 13,008,841         | 12,148,058         | (860,783)          | -6.62%         | 12,269,342         | (120,594)          | 12,388,376         | 119,034            | 12,508,601         | 120,224            | 12,630,027         | 121,427            |
| C. Local Receipts   | 10,957,428         | 11,492,300         | 534,872            | 4.90%          | 11,441,300         | (45,000)           | 0                  | 0                  | 0                  | 0                  | 11,447,300         | 0                  |
| D. Free Cash for CIP & Activities                         | 3,795,000          | 500,000            | (3,295,000)        | -86.82%        | (500,000)          | (500,000)          | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| E. Other Revenues - Indirects, Cable, Bond Prem           | 2,131,824          | 2,853,436          | 721,612            | 33.86%         | 2,121,855          | (89,581)           | 2,205,985          | 84,130             | 2,205,985          | 0                  | 2,187,506          | (12,479)           |
| <b>TOTAL REVENUES</b>                                     | <b>162,915,652</b> | <b>165,952,579</b> | <b>3,037,027</b>   | <b>1.88%</b>   | <b>170,301,908</b> | <b>4,349,370</b>   | <b>176,569,749</b> | <b>6,268,834</b>   | <b>182,147,842</b> | <b>5,599,853</b>   | <b>187,591,893</b> | <b>5,444,951</b>   |
| <b>II. APPROPRIATIONS - Debts/Obligations/Capital</b>     |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| A. Capital & Debt Service                                 |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| Non-Exempt Debt Service                                   | 6,653,925          | 5,463,961          | (1,189,964)        | -17.89%        | 6,267,305          | (196,660)          | 6,972,637          | 715,332            | 7,459,131          | 486,494            | 7,624,765          | 165,634            |
| Exempt Debt Service                                       | 4,828,400          | 4,125,343          | (703,057)          | -14.56%        | 3,984,400          | (844,943)          | 3,862,260          | (122,140)          | 3,604,339          | (257,871)          | 3,074,520          | (528,819)          |
| Cash Capital Outlay                                       | 3,440,000          | 3,678,875          | 238,875            | 6.94%          | 3,095,243          | (583,632)          | 3,237,029          | 141,786            | 3,007,815          | (229,419)          | 3,210,508          | 202,693            |
| Total General Fund Capital                                | <b>13,922,325</b>  | <b>13,268,179</b>  | <b>(654,146)</b>   | <b>-4.70%</b>  | <b>13,328,548</b>  | <b>(60,959)</b>    | <b>14,071,916</b>  | <b>743,368</b>     | <b>14,071,889</b>  | <b>(927)</b>       | <b>14,009,533</b>  | <b>(61,238)</b>    |
| B. Obligations - Fixed Costs                              |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| Retirement  | 8,360,864          | 9,428,488          | 1,067,624          | 12.77%         | 10,464,565         | 1,036,077          | 11,511,021         | 1,046,456          | 12,662,123         | 1,151,102          | 13,928,335         | 1,266,212          |
| Insurance/Workers Comp                                    | 783,831            | 901,405            | 117,574            | 15.00%         | 964,563            | 63,158             | 1,032,019          | 67,455             | 1,104,260          | 72,241             | 1,181,558          | 77,298             |
| Unemployment Compensation                                 | 160,000            | 160,000            | 0                  | 0.00%          | 165,200            | 5,200              | 166,464            | 3,264              | 169,783            | 3,329              | 172,189            | 3,396              |
| Health Insurance  | 18,416,609         | 19,889,938         | 1,473,329          | 7.99%          | 21,481,133         | 2,594,464          | 23,188,623         | 1,707,490          | 25,055,993         | 1,867,370          | 27,050,041         | 1,964,048          |
| Less: Retiree Savings To OFEB                             | (511,572)          | (632,938)          | (121,366)          | -23.72%        | (768,703)          | (136,735)          | (906,194)          | (147,491)          | (978,680)          | (72,486)           | (1,056,965)        | (78,285)           |
| Total Health Insurance                                    | 17,905,037         | 19,257,000         | 1,351,963          | 7.55%          | 20,711,430         | 1,454,430          | 22,283,429         | 1,562,000          | 24,076,903         | 1,783,474          | 26,003,066         | 1,926,452          |
| OFEB  | 1,127,572          | 1,264,338          | 136,766            | 12.15%         | 1,416,888          | 152,550            | 1,569,559          | 152,671            | 1,659,639          | 90,081             | 1,753,932          | 84,293             |
| OFEB Original   | 876,000            | 637,400            | (238,600)          | -27.23%        | 647,185            | (228,815)          | 683,365            | (163,820)          | 679,949            | (6,866)            | 686,947            | (76,899)           |
| OFEB Additional Refiree Savings                           | 511,572            | 626,938            | 115,366            | 22.75%         | 769,703            | 136,766            | 886,194            | 116,645            | 979,690            | 110,825            | 1,066,985          | 87,394             |
| Total General Fund Obligations                            | <b>42,259,749</b>  | <b>44,279,410</b>  | <b>2,019,661</b>   | <b>4.78%</b>   | <b>47,046,134</b>  | <b>4,789,724</b>   | <b>50,544,408</b>  | <b>3,505,273</b>   | <b>53,742,807</b>  | <b>3,099,227</b>   | <b>57,049,923</b>  | <b>3,308,352</b>   |
| C. State Assessments                                      | 613,417            | 634,168            | 20,751             | 3.39%          | 650,043            | 15,855             | 666,298            | 16,255             | 682,951            | 16,657             | 700,025            | 17,074             |
| D. Offset Aid - Assistance to Libraries                   | 44,864             | 45,830             | 966                | 2.15%          | 45,830             | 0                  | 45,830             | 0                  | 45,830             | 0                  | 45,830             | 0                  |
| E. Technical School Assessment                            | 610,000            | 610,000            | 0                  | 0.00%          | 628,300            | 18,300             | 647,149            | 18,849             | 666,563            | 19,414             | 686,560            | 19,997             |
| F. Overlay Reserve  | 907,823            | 900,000            | (7,823)            | -0.86%         | 900,000            | (7,823)            | 1,200,000          | 300,000            | 900,000            | (300,000)          | 900,000            | 0                  |
| G. Warrant Articles - From Free Cash                      | 150,000            | 31,000             | (119,000)          | -79.33%        | 31,000             | (300,000)          | 0                  | 0                  | 31,000             | 0                  | 31,000             | 0                  |
| H. Warrant Articles - From Free Cash                      | 3,795,000          | 500,000            | (3,295,000)        | -86.82%        | 0                  | (3,000,000)        | 0                  | 0                  | 0                  | 0                  | 0                  | 0                  |
| I. Other - Court Judgments & Penalties                    | 0                  | 178,977            | 178,977            | 0.00%          | 150,000            | (28,977)           | 150,000            | 0                  | 150,000            | 0                  | 150,000            | 0                  |
| <b>Total Debts/Obligations/Capital</b>                    | <b>48,378,950</b>  | <b>47,177,905</b>  | <b>(1,201,045)</b> | <b>-2.48%</b>  | <b>49,454,307</b>  | <b>2,277,022</b>   | <b>53,384,660</b>  | <b>3,830,374</b>   | <b>56,219,152</b>  | <b>2,839,298</b>   | <b>59,563,359</b>  | <b>3,405,423</b>   |
| <b>III. APPROPRIATIONS - Town &amp; School Operations</b> |                    |                    |                    |                |                    |                    |                    |                    |                    |                    |                    |                    |
| Town  | 36,437,389         | 39,632,103         | 3,194,714          | 8.77%          | 40,721,986         | 1,089,883          | 41,841,841         | 1,119,855          | 42,982,481         | 1,160,640          | 44,174,755         | 1,192,294          |
| School  | 76,099,203         | 79,145,171         | 3,045,968          | 4.00%          | 81,913,162         | 2,770,011          | 84,790,143         | 2,876,981          | 87,747,448         | 2,957,267          | 90,818,009         | 3,071,161          |
| <b>Total Appropriations for Operations</b>                | <b>114,536,592</b> | <b>118,777,274</b> | <b>4,240,882</b>   | <b>3.70%</b>   | <b>122,635,148</b> | <b>3,859,894</b>   | <b>126,632,984</b> | <b>4,046,836</b>   | <b>130,729,929</b> | <b>4,117,907</b>   | <b>134,992,764</b> | <b>4,263,455</b>   |
| <b>TOTAL APPROPRIATIONS</b>                               | <b>162,915,652</b> | <b>165,952,579</b> | <b>3,037,027</b>   | <b>1.88%</b>   | <b>170,301,908</b> | <b>4,349,370</b>   | <b>176,569,749</b> | <b>6,268,834</b>   | <b>182,147,842</b> | <b>5,599,853</b>   | <b>187,591,893</b> | <b>5,444,951</b>   |
| <b>BALANCE</b>  | <b>0</b>           | <b>0</b>           | <b>0</b>           | <b>0.00%</b>   | <b>(1,187,568)</b> |

## FIXED COSTS: A LOOMING CRISIS

The Finance Committee has spoken and written about our concern that certain Town costs, namely debt service, retirement expenses, and health care costs are increasing at rates faster than revenue increases. There is no existing mechanism to rein in the large annual increases in these costs. As these costs continue to rise, they consume more and more of the Town's available funds. The result is that there will be less and less available funds for the operating budgets of the Town's departments.

The adjacent page contains the Town Manager's revenue and expense forecast that clearly shows that we face a looming crisis. Per this forecast, by FY 2019 the available funds for Town departments will be insufficient to fund the expected operating costs. In other words, we will have an operating deficit. As the Town Manager's forecast shows, the deficits grow in FY2020 through FY2022. However, since the Town must have a balanced budget, we will need to offset the deficits with layoffs, reductions in services, or higher taxes via a Proposition 2 ½ override.

Below are two graphs. One is a graph of the exact numbers presented in the Town Manager's forecast. The other graph reflects a higher revenue growth rate (4%) for certain revenue items. While we have no reason to believe revenue will grow faster than forecasted by the Town Manager, the Finance Committee wanted to perform a simple sensitivity analysis. Unfortunately, even with higher revenue growth, expenses outpace revenue in FY 2019.



## EXPENDITURES BY TOWN FOR SCHOOL DEPARTMENT

Andover Funds some items that the State Department of Education considers to be school expenditures in non-school departmental budgets. Shown here are additional DOE defined school expenses that are not included in the school budget line in Article 4.

| <u>Categories</u>   | <u>EXPENDED<br/>FY2014</u> | <u>EXPENDED<br/>FY2015</u> | <u>EXPENDED<br/>FY2016</u> | <u>BUDGET<br/>FY2017</u> |
|---|----------------------------|----------------------------|----------------------------|--------------------------|
| Finance and Administrative Services                                   | 181,819                    | 174,857                    | 202,309                    | 205,344                  |
| Human Resources and Benefits  | 51,632                     | 54,279                     | 55,609                     | 56,443                   |
| Other Instructional Materials   | -                          | -                          | -                          | -                        |
| School Security   | 4,588                      | 4,588                      | 4,588                      | 4,000                    |
| Heating of School Buildings (school offices)                          | 25,548                     | 17,227                     | 18,726                     | 23,310                   |
| School Utility Services (electricity, water, sewer, trash, recycling) | 256,261                    | 277,560                    | 272,203                    | 298,275                  |
| Maintenance of School Grounds (grounds, fields, snow, sweeping)       | 179,643                    | 218,165                    | 99,902                     | 229,857                  |
| Maintenance of School Buildings (Plant and Facilities)                | 742,965                    | 710,176                    | 776,958                    | 788,966                  |
| Maintenance of School Equipment (Plant and Facilities, Public Safety) | 103,018                    | 107,182                    | 105,329                    | 108,427                  |
| Extraordinary Maintenance (Plant and Facilities)                      | 1,550,410                  | 1,588,179                  | 1,964,967                  | 2,259,712                |
| Networking & Telecommunications                                       | 154,898                    | 132,808                    | 234,213                    | 266,231                  |
| Technology Maintenance  | 876,061                    | 928,609                    | 1,087,248                  | 1,103,557                |
| Employer Retirement Contributions                                     | 1,674,441                  | 1,895,993                  | 2,328,833                  | 1,887,913                |
| Insurance for Active Employees  | 9,425,039                  | 10,448,889                 | 9,058,300                  | 9,445,969                |
| Insurance for Retired School Employees (1)                            | 2,235,835                  | 214,134                    | 2,710,559                  | 2,818,981                |
| Other Non-Emp Insurance- Prop and Casualty                            | 417,488                    | 434,003                    | 383,368                    | 428,574                  |
| Short Term Interest   | 33,000                     | -                          | 6,464                      | 40,782                   |
| Purchase of Land & Buildings  | 6,009,868                  | 1,945,364                  |                            |                          |
| Capital Technology  | 389,259                    | 952,005                    | 1,287,788                  | 1,120,000                |
| Long Term Debt Retirement/School Construction                         | 3,085,000                  | 5,339,667                  | 5,479,733                  | 4,542,133                |
| Long Term Debt Service/School Construction                            | 863,116                    | 2,163,609                  | 2,068,692                  | 1,884,306                |
| Long Term Debt Retirement/Education and Other                         | 1,596,230                  | -                          | -                          | -                        |
| School Choice Tuition   | -                          | -                          | -                          | -                        |
| Tuition To Charter Schools  | -                          | -                          | -                          | -                        |
| Regional School Assessment  | <u>330,974</u>             | <u>456,521</u>             | <u>569,335</u>             | <u>610,000</u>           |
| TOTAL   | 30,187,093                 | 28,063,815                 | 28,715,125                 | 28,122,782               |

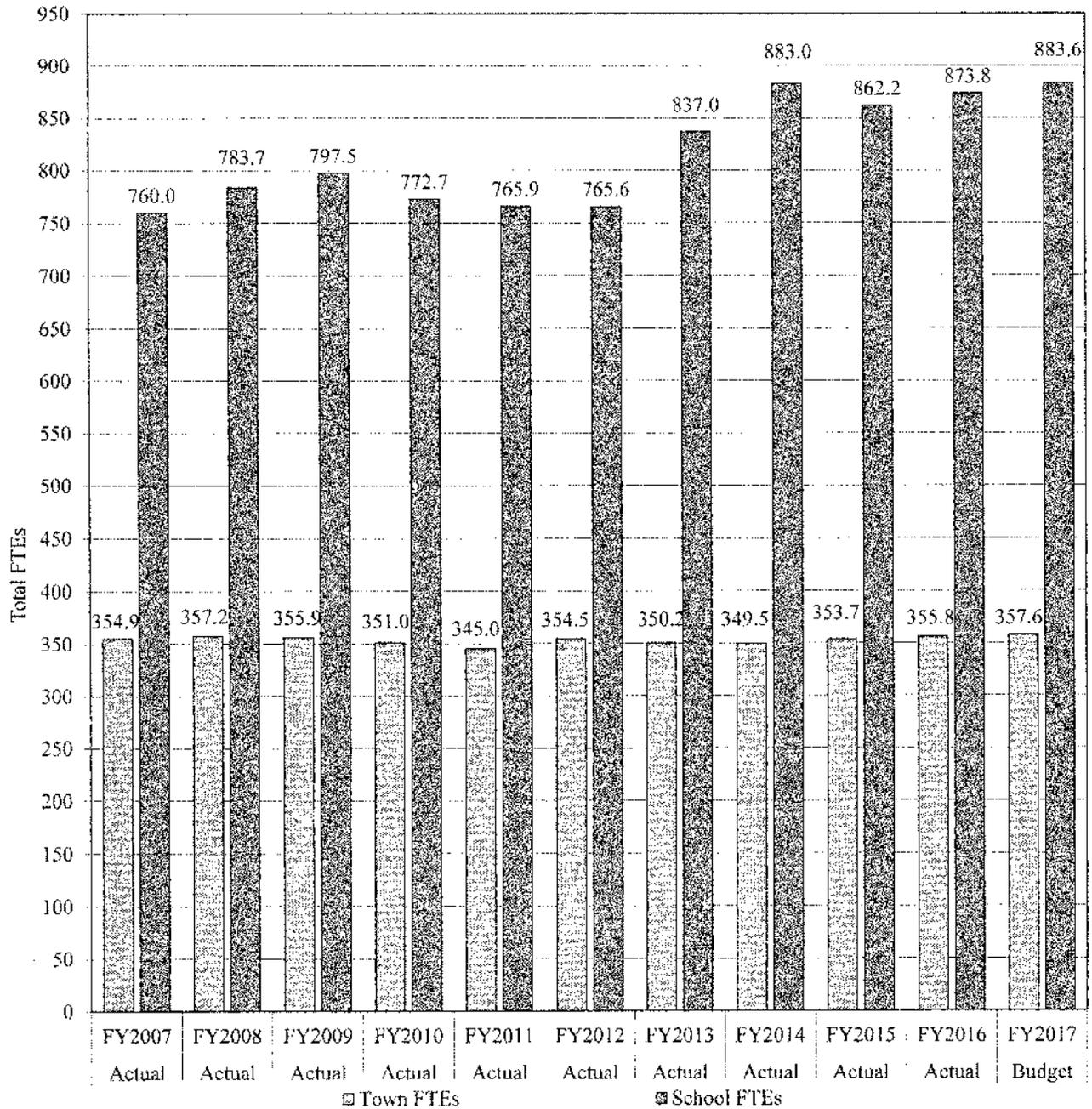
### NOTES

The above report is submitted at year end as a part of the School department End of Year Financial Report. This section reports expenditures for the School Department that are not included in the School Department budget. Categories and some allocations are determined by DOE regulations and/or joint agreement for services to School department.

FROM: MASSACHUSETTS DEPARTMENT OF EDUCATION  
END OF YEAR PUPIL AND FINANCIAL REPORT

(1) Retired Teachers were brought back into the Town from the GIC in FY15

### Town & School Employees (FTEs) FY2007 - FY2017

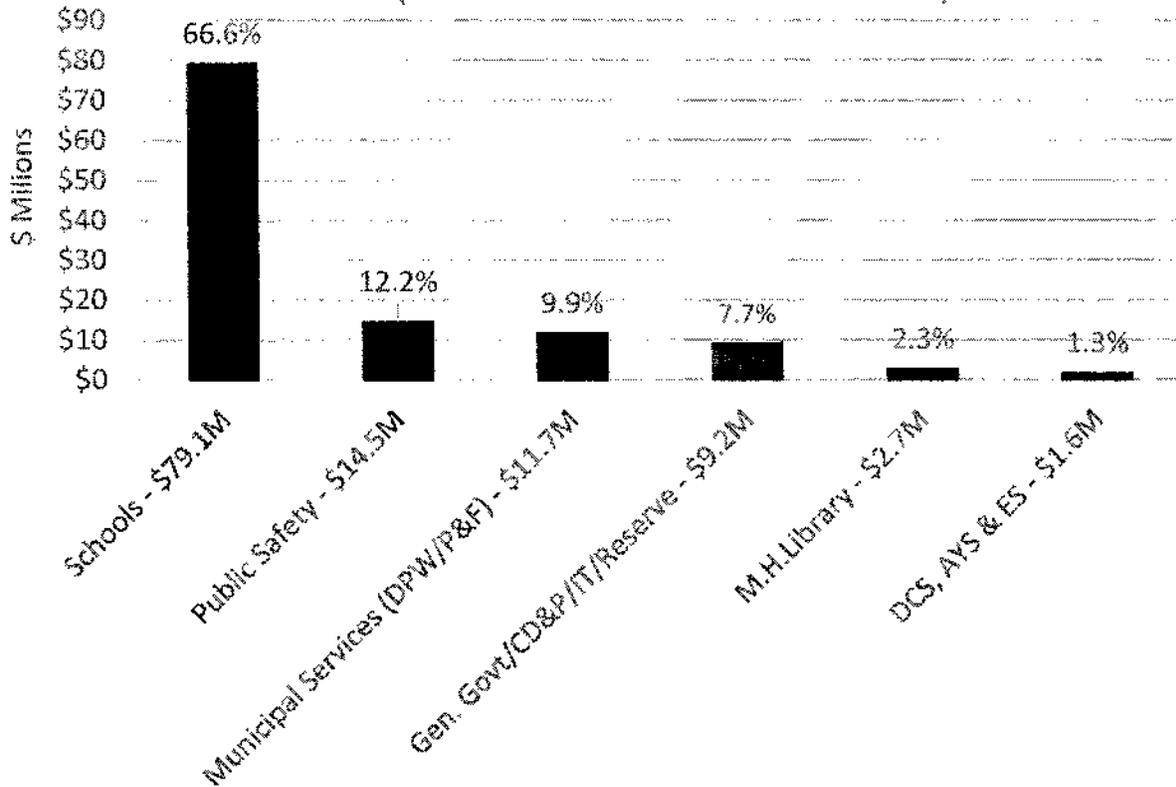


|                   | Actual FY2007  | Actual FY2008  | Actual FY2009  | Actual FY2010  | Actual FY2011  | Actual FY2012  | Actual FY2013  | Actual FY2014  | Actual FY2015  | Actual FY2016  | Budget FY2017  | Budget FY2018  | Actual 10-YR FTE Change |
|-------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|-------------------------|
| Town FTEs         | 354.9          | 357.2          | 355.9          | 351.0          | 345.0          | 354.5          | 350.2          | 349.5          | 353.7          | 355.8          | 357.6          | 359.5          | 4.6                     |
| School FTEs       | 760.0          | 783.7          | 797.5          | 772.7          | 765.9          | 765.6          | 837.0          | 883.0          | 862.2          | 873.8          | 883.6          | 894.3          | 134.3                   |
| <b>Total FTEs</b> | <b>1,114.9</b> | <b>1,140.9</b> | <b>1,153.4</b> | <b>1,123.7</b> | <b>1,110.8</b> | <b>1,120.1</b> | <b>1,187.2</b> | <b>1,232.5</b> | <b>1,215.9</b> | <b>1,229.6</b> | <b>1,241.2</b> | <b>1,253.8</b> | <b>138.9</b>            |

## FY18 Departmental Budgets - \$119 Million

Net of Offset Revenues

(Finance Committee Recommended)



## Town and School Shares of Funds Available for Annual Operating Budgets

|               | Total Operating Budgets | School Operating Budget | School % of Total | Town Operating Budget | Town % of Total |
|---------------|-------------------------|-------------------------|-------------------|-----------------------|-----------------|
| <b>FY2010</b> | \$90,741,855            | \$59,728,158            | 65.82%            | \$31,013,697          | 34.18%          |
| <b>FY2011</b> | \$93,633,291            | \$61,888,421            | 66.10%            | \$31,744,870          | 33.90%          |
| <b>FY2012</b> | \$96,555,761            | \$62,784,577            | 65.02%            | \$33,771,184          | 34.98%          |
| <b>FY2013</b> | \$100,016,728           | \$65,864,399            | 65.85%            | \$34,152,329          | 34.15%          |
| <b>FY2014</b> | \$104,237,932           | \$68,927,593            | 66.13%            | \$35,310,339          | 33.87%          |
| <b>FY2015</b> | \$107,232,998           | \$70,904,452            | 66.12%            | \$36,328,546          | 33.88%          |
| <b>FY2016</b> | \$110,621,891           | \$73,296,591            | 66.26%            | \$37,325,300          | 33.74%          |
| <b>FY2017</b> | \$114,536,592           | \$76,099,203            | 66.44%            | \$38,437,389          | 33.56%          |
| <b>FY2018</b> | \$118,775,274           | \$79,143,171            | 66.63%            | \$39,632,103          | 33.37%          |

**2017 ANNUAL TOWN MEETING**

**Monday, May 1, 2017**

**J. EVERETT COLLINS CENTER AUDITORIUM**

**ANDOVER HIGH SCHOOL**

**CALL TO ORDER 7:00 P.M.**

**OPENING PRAYER**

**PLEDGE OF ALLEGIANCE TO THE FLAG**

**ADMITTANCE OF NON-VOTERS**

**MOTION TO DISPENSE WITH READING OF WARRANT AND RETURN OF SERVICE BY TOWN COUNSEL**

**MOTION TO PERMIT MODERATOR TO REFER TO WARRANT ARTICLES BY NUMBER AND BY SUBJECT MATTER**

|                 |
|-----------------|
| <b>ELECTION</b> |
|-----------------|

**ARTICLE 1.** Annual Town Election: Moderator for one year, one Selectman for three years, one School Committee member for three years and two Punchard Free School Trustees for three years.

All of the above candidates are to be voted on one ballot. The polls will be open from seven o'clock A.M. to eight o'clock P.M.

After the final action on the preceding Article One, the said meeting shall stand adjourned by virtue of Chapter 39, Section 20 of the Massachusetts General Laws, to Monday, May 1, 2017 at seven o'clock P.M. in the J. Everett Collins Center Auditorium, Andover High School, Shawsheen Road, in said Andover, then and there to begin acting upon articles that follow in this warrant.

**ELECTION NOT REQUIRED BY BALLOT**

**ARTICLE 2.** To elect all other officers not required by law to be elected by ballot, or take any other action related thereto.

~~~~~

The John Cornell Fuel Assistance Fund was established by Article 17 of the 1893 Annual Town Meeting. Five thousand dollars was left to the Town to be used for the needy and poor to purchase wood or coal. In 1995 the Trust documents were modified by the Probate Court of Massachusetts to permit the use of these funds for all types of fuel for heating, cooking or electrical purposes. Three trustees administer the funds. They are chosen on a staggered basis by vote at the Annual Town Meeting.

~~~~~

YES \_\_\_\_\_  
NO \_\_\_\_\_

On request of the Town Clerk

**SALARIES OF ELECTED OFFICIALS**

**ARTICLE 3.** To establish the salaries of the elected officers for the ensuing year, or take any other action related thereto.

~~~~~

The 1998 Annual Town Meeting voted to establish the following salaries for elected officials effective July 1, 1999: \$1,500 for each member of the Board of Selectmen and the School Committee, and \$1,800 for each chairman. The Moderator is paid \$250 for the Annual Town Meeting and \$60 for each Special Town Meeting. These salaries are not specified by Town Bylaw, and therefore must be voted each year by Town Meeting.

~~~~~

**The FINANCE COMMITTEE voted 7-0 to recommend approval.** YES \_\_\_\_\_  
NO \_\_\_\_\_

On request of the Town Clerk

|                   |
|-------------------|
| <b>THE BUDGET</b> |
|-------------------|

**ARTICLE 4.** To see if the Town will vote to determine what sums of money the Town will raise and appropriate, including appropriations from available funds, to defray charges and expenses of the Town, including debt and interest, and to provide for a reserve fund for the Fiscal Year beginning July 1, 2017 and ending June 30, 2018, or take any other action related thereto.

\*\*\*\*\*

**There will be 11 motions on the Budget:**

|                       |                        |
|-----------------------|------------------------|
| Public Safety         | Andover Public Schools |
| General Government    | Sewer                  |
| Municipal Services    | Water                  |
| Library               | Technical Schools      |
| Community Services    | Obligations            |
| Unclassified Expenses |                        |

To make it easier for voters to follow the motions on the budget, the Finance Committee has printed the **FY2018 OPERATING BUDGET** on the next two pages. These motions represent the statutory appropriations. Increases or decreases in actual costs and changing priorities during the fiscal year can result in shifts of funds from one line to another within departmental budgets, but the totals cannot exceed the amounts voted by Town Meeting. The first three columns show the actual expenditures for FY2015 and FY2016 and the FY2017 Budget approved at last spring's Town Meeting. The last column shows the FY2018 Budget recommendations of the Finance Committee.

**Finance Committee Recommendations**

|  |                         |
|--|-------------------------|
| <b>Article 4 Budget Appropriations</b> | <b>\$174,691,780</b>    |
| <b>Article 5 Capital Projects</b>      | <b>3,678,875</b>        |
| <b>Other Warrant Articles</b>          | <b>1,675,000</b>        |
| <b>Non-Appropriated Costs</b>          | <b><u>1,756,893</u></b> |
|  | <b>\$181,802,548</b>    |

## STAFFING CHANGES

|                       | <u>FY2015</u> | <u>FY2016</u> | <u>FY2017</u> | <u>FY2018</u> |
|-----------------------|---------------|---------------|---------------|---------------|
| Public Safety         | 144.0         | 144.0         | 145.0         | 145.0         |
| General Government    | 64.3          | 64.4          | 63.4          | 64.7          |
| Municipal Services    | 70.0          | 71.5          | 71.5          | 71.5          |
| Library               | 26.6          | 26.6          | 27.5          | 27.5          |
| Community/Youth Elder | 21.8          | 21.8          | 24.0          | 23.8          |
| Retirement            | <u>1.8</u>    | <u>1.8</u>    | <u>1.8</u>    | <u>1.8</u>    |
| Total Town            | 328.5         | 330.1         | 333.2         | 334.3         |
|                       |               |               |               |               |
| Schools               | 862.2         | 873.8         | 883.1         | 894.8         |
|                       |               |               |               |               |
| Water                 | 23.0          | 23.0          | 23.0          | 23.0          |
| Sewer                 | <u>4.0</u>    | <u>4.0</u>    | <u>4.0</u>    | <u>4.0</u>    |
| Total Enterprise      | 27.0          | 27.0          | 27.0          | 27.0          |

### TOWN DEPARTMENTS

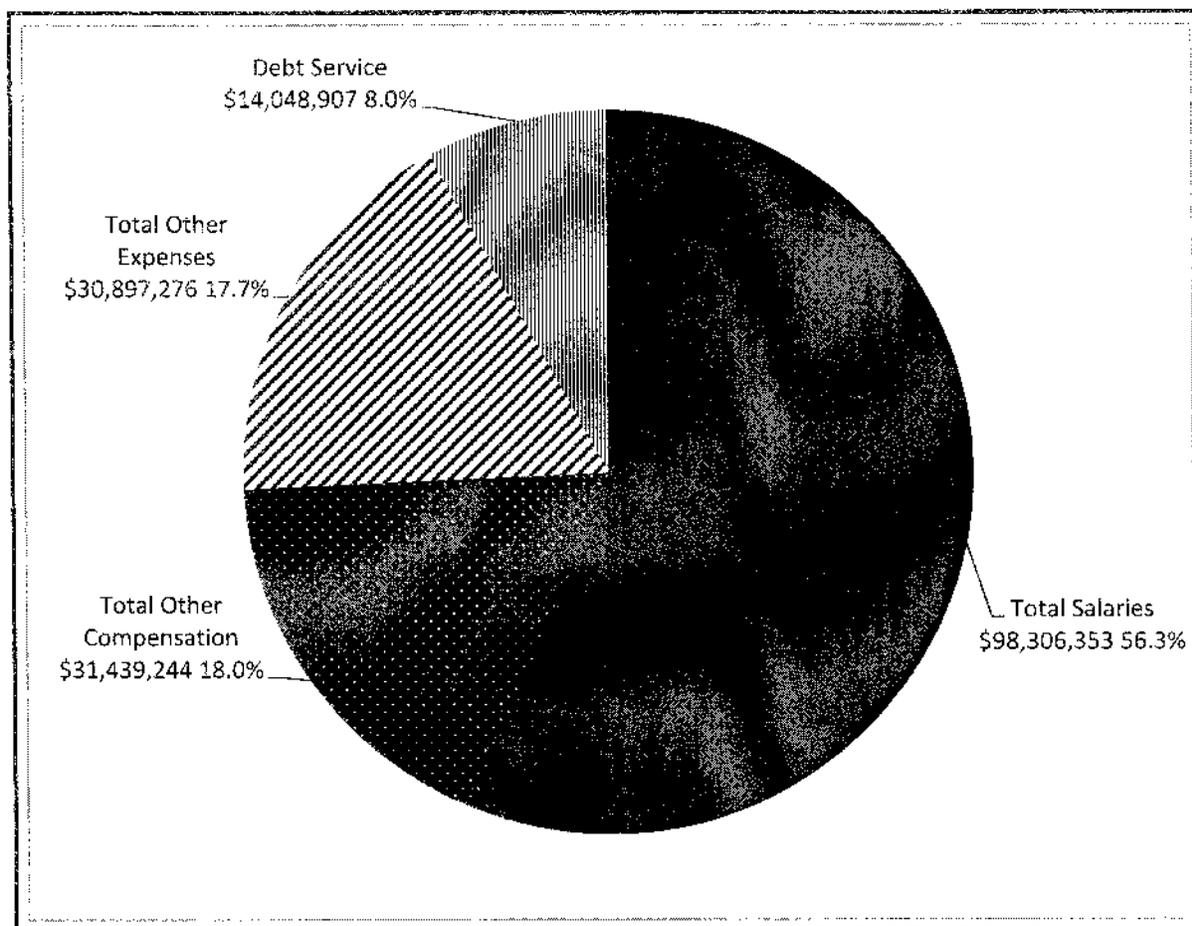
- Reorganization in FY2017 moved the Veterans Services position from General Government to the new Community Services Department. A Director of Community Services position was created with no net increase in head count. A Program Assistant position was added funded with user fees.
- Recommended reorganization of the Information Technology Department (General Government) replaces one vacant management position with two technicians.
- **Included** in the positions listed above, are 6.1 FTE's funded with user fees from revolving accounts: 3 Community Services, 1.5 Youth Services and 1.6 Elder Services. Also, no change in the 1.8 Retirement administrative positions funded with retirement funds.

### SCHOOL DEPARTMENT

- **In addition** to positions shown above, the School Department plans to fund 31.2 FTE's with grants and 56.6 FTE's from revolving funds in FY2018.
- Total shown for FY2018 is the total requested in the School Superintendent's Preliminary Budget.
- 7 of the 11.2 positions to be added for FY2018 are for the High School schedule change, 2.6 positions are for special education and 1.6 to support increased reliance on technology.

**ARTICLE 4  
THE BUDGET  
\$174,691,780**

**The \$129,745,597 budgeted for salaries and other compensation accounts for 74.3% of the funds to be appropriated in Article 4.**



**Total Salaries** include Personal Services appropriations for Town and School Departments and Water and Sewer Enterprise Funds. Positions funded with grants and revolving funds are not included in Article 4.

**Total Other Compensation** includes employee health insurance, pension funding for the current fiscal year, OPEB, medicare taxes, workers' compensation, unemployment and other employee benefits.

**Total Other Expenses** is the amount needed to cover all other costs not included in Total Compensation including Town and School Other Expenses, the vocational school assessment and general insurance.

**Debt Service** is the appropriation for Andover's annual principal and interest costs associated with capital projects funded by borrowing.

**ARTICLE 4  
FY2018  
OPERATING BUDGET**

4/5/17

| LINE DEPARTMENT<br>ITEM   | EXPENDED<br>FY2015 | EXPENDED<br>FY2016 | BUDGET<br>FY2017   | FINCOM<br>FY2018   |        |
|---|--------------------|--------------------|--------------------|--------------------|--------|
| <u>PUBLIC SAFETY</u>  |                    |                    |                    |                    |        |
| 1 PERSONAL SERVICES   | 14,379,487         | 14,138,208         | 14,378,319         | 14,446,333         | 0.15%  |
| 2 OTHER EXPENSES  | <u>1,460,231</u>   | <u>1,572,579</u>   | <u>1,617,864</u>   | <u>1,574,390</u>   |        |
| TOTAL   | 15,839,718         | 15,710,787         | 15,996,183         | 16,020,723         |        |
| <i>Includes \$170,816 Parking Receipts; \$75,000 Detail Fees; and \$1,300,000 Ambulance Collections</i> |                    |                    |                    |                    |        |
| <u>GENERAL GOVERNMENT / IT / CD&amp;P</u>   |                    |                    |                    |                    |        |
| 3 PERSONAL SERVICES   | 5,213,176          | 5,787,642          | 5,689,633          | 5,744,762          | 1.63%  |
| 4 OTHER EXPENSES  | <u>1,704,424</u>   | <u>1,778,376</u>   | <u>2,038,379</u>   | <u>2,109,131</u>   |        |
| TOTAL   | 6,917,600          | 7,566,018          | 7,728,012          | 7,853,893          |        |
| <i>Includes \$25,000 Wetland Filing Fees</i>  |                    |                    |                    |                    |        |
| <u>MUNICIPAL SERVICES (DPW/P&amp;F)</u>   |                    |                    |                    |                    |        |
| 5 PERSONAL SERVICES   | 4,980,229          | 5,308,633          | 5,365,929          | 5,537,270          | 4.80%  |
| 6 OTHER EXPENSES  | <u>6,422,457</u>   | <u>5,759,509</u>   | <u>5,927,979</u>   | <u>6,299,099</u>   |        |
| TOTAL   | 11,402,686         | 11,068,142         | 11,293,908         | 11,836,369         |        |
| <i>Includes \$47,600 Rental Receipts, \$46,000 Cemetery Revenue, and \$8,000 AYF Gift</i>               |                    |                    |                    |                    |        |
| <u>LIBRARY</u>  |                    |                    |                    |                    |        |
| 7 PERSONAL SERVICES   | 1,979,611          | 2,079,190          | 2,063,922          | 2,011,697          | -2.48% |
| 8 OTHER EXPENSES  | <u>620,038</u>     | <u>649,629</u>     | <u>671,575</u>     | <u>655,825</u>     |        |
| TOTAL   | 2,599,649          | 2,728,819          | 2,735,497          | 2,667,522          |        |
| <u>COMMUNITY SERVICES</u>   |                    |                    |                    |                    |        |
| 9 PERSONAL SERVICES   | 1,383,323          | 1,567,300          | 1,550,246          | 1,642,941          | 3.90%  |
| 10 OTHER EXPENSES   | <u>583,182</u>     | <u>621,743</u>     | <u>656,045</u>     | <u>649,485</u>     |        |
| TOTAL   | 1,966,505          | 2,189,043          | 2,206,291          | 2,292,426          |        |
| <i>Includes \$582,930, \$4,482 and \$38,000 in User Fees, \$59,000 Grants and \$22,000 AYF Gift</i>     |                    |                    |                    |                    |        |
| <u>UNCLASSIFIED</u>   |                    |                    |                    |                    |        |
| 11 COMPENSATION FUND  | -                  | -                  | 612,500            | 1,140,000          |        |
| 12 RESERVE FUND   | inc above          | inc above          | <u>200,000</u>     | <u>200,000</u>     |        |
| TOTAL   |                    |                    | 812,500            | 1,340,000          |        |
| <u>TOWN DEPTS. TOTAL</u>  |                    |                    |                    |                    |        |
| PERSONAL SERVICES   | 27,935,826         | 28,880,973         | 29,660,549         | 30,523,003         | 3.11%  |
| OTHER EXPENSES  | 10,790,332         | 10,381,836         | 11,111,840         | 11,487,930         |        |
| <i>Less Budgeted Revenues</i>   | <u>(2,317,011)</u> | <u>(2,562,311)</u> | <u>(2,335,000)</u> | <u>(2,378,828)</u> |        |
| NET TOTAL   | 36,409,147         | 36,700,498         | 38,437,389         | 39,632,103         |        |

**ARTICLE 4  
FY2018  
OPERATING BUDGET**

4/5/17

| LINE DEPARTMENT<br>ITEM      | EXPENDED<br>FY2015 | EXPENDED<br>FY2016 | BUDGET<br>FY2017  | FINCOM<br>FY2018  |       |
|------------------------------|--------------------|--------------------|-------------------|-------------------|-------|
| <u>ANDOVER SCHOOL DEPT *</u> |                    |                    |                   |                   |       |
| PERSONAL SERVICES            | 57,594,012         | 59,508,117         | 62,088,111        | 64,360,536        |       |
| OTHER EXPENSES               | <u>13,310,440</u>  | <u>13,788,474</u>  | <u>14,011,092</u> | <u>14,782,635</u> |       |
| 13 TOTAL                     | 70,904,452         | 73,296,591         | 76,099,203        | 79,143,171        | 4.00% |

| LINE DEPARTMENT<br>ITEM | EXPENDED<br>FY2015 | EXPENDED<br>FY2016 | BUDGET<br>FY2017 | FINCOM<br>FY2018 |       |
|-------------------------|--------------------|--------------------|------------------|------------------|-------|
| <u>SEWER</u>            |                    |                    |                  |                  |       |
| 14 PERSONAL SERVICES    | 302,826            | 307,369            | 297,869          | 313,280          |       |
| 15 OTHER EXPENSES       | <u>2,012,226</u>   | <u>2,023,087</u>   | <u>2,394,092</u> | <u>2,484,105</u> |       |
| TOTAL                   | 2,315,052          | 2,330,456          | 2,691,961        | 2,797,385        | 3.92% |
| <u>WATER</u>            |                    |                    |                  |                  |       |
| 16 PERSONAL SERVICES    | 1,865,244          | 2,035,391          | 1,921,116        | 1,969,534        |       |
| 17 OTHER EXPENSES       | <u>2,571,106</u>   | <u>2,974,254</u>   | <u>3,067,745</u> | <u>3,100,619</u> |       |
| TOTAL                   | 4,436,350          | 5,009,645          | 4,988,861        | 5,070,153        | 1.63% |
| TOTAL                   | 6,751,402          | 7,340,101          | 7,680,822        | 7,867,538        |       |

| LINE DEPARTMENT<br>ITEM                    | EXPENDED<br>FY2015 | EXPENDED<br>FY2016 | BUDGET<br>FY2017 | FINCOM<br>FY2018 |       |
|--|--------------------|--------------------|------------------|------------------|-------|
| <u>OBLIGATIONS</u>                         |                    |                    |                  |                  |       |
| 18 TECHNICAL SCHOOLS                       | 456,521            | 569,335            | 610,000          | 610,000          |       |
| 19 DEBT SERVICE                            | 14,847,201         | 15,296,304         | 14,790,396       | 14,048,907       |       |
| 20 GENERAL INSURANCE                       | 774,757            | 732,553            | 783,831          | 901,405          |       |
| 21 UNEMPLOYMENT COMP.                      | 320,000            | 158,000            | 160,000          | 160,000          |       |
| 22 RETIREMENT FUND                         | 6,207,276          | 7,946,015          | 8,360,984        | 9,428,488        |       |
| 23 HEALTH INSURANCE FUND                   | 15,670,957         | 17,052,416         | 17,905,037       | 19,257,000       |       |
| 24 OPEB                                    | <u>400,000</u>     | <u>500,000</u>     | <u>1,127,572</u> | <u>1,264,338</u> |       |
| TOTAL                                      | 38,676,712         | 42,254,623         | 43,737,821       | 45,670,138       | 4.42% |
| <i>Includes \$321,838 from Cable Funds</i> |                    |                    |                  |                  |       |

|                        |                    |                    |                    |                    |  |
|------------------------|--------------------|--------------------|--------------------|--------------------|--|
| GRAND TOTAL            | 155,058,724        | 162,154,124        | 168,290,235        | 174,691,780        |  |
| Less Budgeted Revenues | <u>(2,653,649)</u> | <u>(2,898,949)</u> | <u>(2,814,561)</u> | <u>(2,700,666)</u> |  |
| NET TOTAL              | 152,405,075        | 159,255,175        | 165,475,674        | 171,991,114        |  |

\* - The School Committee voted to recommend a budget totaling \$79,717,098 (a 4.75% increase) including \$379,500 for textbooks. They also voted to recommend a budget of \$79,337,598 (a 4.25% increase) with the \$379,500 for textbooks included in Article 5 - The Capital Projects Fund, if and only if, the Board of Selectmen votes to recommend approval of their plan. The Board of Selectmen has not voted.



| REVENUE AND EXPENDITURE PROJECTIONS                       |                    | 11/2016            | 4/5/17             | FY18 ASSUMPTIONS   |                    |                    |                    |   |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|---|
| EXPENDITURES  |                    | FY2017             | FY2018             | FY2019             | FY2020             | FY2021             | FY2022             |   |
|   | RECAP              | PROJECTION         | PROJECTION         | PROJECTION         | PROJECTION         | PROJECTION         | PROJECTION         |   |
| <b>OBLIGATIONS</b>  |                    |                    |                    |                    |                    |                    |                    |   |
| Retirement  | 8,360,984          | 9,428,468          | 10,464,565         | 11,511,021         | 12,662,123         | 13,928,335         | 15,311,021         | Based on ARB 7.25% Funded 2022 10% Increase Per Year                |
| Insurance/Workers Comp                                    | 783,831            | 907,405            | 964,503            | 1,032,019          | 1,104,260          | 1,181,558          | 1,264,800          | Increase 12% FY18 7% All Other Years                                |
| Unemployment Compensation                                 | 180,000            | 160,000            | 163,200            | 166,464            | 169,783            | 173,189            | 176,644            | Increase 2% FY19 - FY22   |
| Health Insurance  | 18,416,608         | 19,889,838         | 21,481,133         | 23,189,623         | 25,035,593         | 27,060,041         | 29,173,593         | Increase 8%   |
| Health Insurance Savings Offset to OPEB                   | (511,572)          | (632,638)          | (769,703)          | (906,194)          | (1,056,990)        | (1,224,990)        | (1,409,990)        | Retiree Savings to OPEB   |
| Other State Assessments                                   | 618,417            | 634,188            | 650,043            | 666,284            | 682,951            | 700,025            | 717,599            | Increase 2.5%   |
| Overlay   | 907,823            | 900,000            | 900,000            | 1,200,000          | 900,000            | 900,000            | 900,000            | Reval Year 2020   |
| OPEB Original   | 616,000            | 634,400            | 647,185            | 663,365            | 679,949            | 696,947            | 714,391            | Increase 2.5%   |
| OPEB Additional Retiree Savings                           | 511,572            | 632,938            | 769,703            | 906,194            | 1,056,990          | 1,224,990          | 1,409,990          | Increase 3%   |
| Technical Schools   | 610,000            | 610,000            | 628,300            | 647,148            | 666,563            | 686,000            | 706,437            | Per TM Projection/OPEB/Est Retirement Included                      |
| Water and Sewer Operating Budget                          | 7,670,495          | 8,187,538          | 8,388,201          | 8,615,148          | 8,846,560          | 9,082,624          | 9,318,688          | Cherry sheet offsets (County Lunch excluded F16)                    |
| Reserve for Direct Expenditures                           | 44,964             | 45,830             | 45,830             | 45,830             | 45,830             | 45,830             | 45,830             | Overlay/court judgments deficits to be raised                       |
| Other Local Expenditures (Deficits to be Raised)          | -                  | 176,877            | 150,000            | 150,000            | 150,000            | 150,000            | 150,000            |   |
| <b>TOTAL</b>  | <b>38,184,123</b>  | <b>41,545,864</b>  | <b>44,482,960</b>  | <b>47,896,912</b>  | <b>50,965,623</b>  | <b>54,611,110</b>  | <b>58,368,688</b>  |   |
| <b>DEBT SERVICE</b>                                       |                    |                    |                    |                    |                    |                    |                    |   |
| Existing Non-Exempt General Fund Debt                     | 4,427,149          | 4,786,151          | 4,459,364          | 4,013,624          | 3,772,795          | 3,699,708          | 3,699,708          | Actual Debt   |
| Appropriated/Not Borrowed Non-Exempt General Fund         | 562,215            | 170,672            | 286,625            | 535,236            | 795,175            | 777,947            | 777,947            | Includes Landfill - FY18 Collins Center                             |
| New General Fund CIP PROJECTS                             | -                  | 1,029,359          | 1,838,725          | 1,838,725          | 2,356,111          | 2,680,110          | 2,680,110          | Includes Municipal Services Facility and Ballarvale Fire            |
| Cable Funds - Technology                                  | 479,561            | 321,838            | 305,937            | 300,050            | 250,050            | 182,000            | 182,000            | Actual  |
| BAN Interest non-exempt                                   | 80,000             | 80,000             | 80,000             | 180,000            | 180,000            | 180,000            | 180,000            |   |
| General Fund Bond Issue Expense                           | 105,000            | 105,000            | 105,000            | 105,000            | 105,000            | 105,000            | 105,000            |   |
| Existing Water and Sewer Debt                             | 4,128,570          | 4,198,789          | 4,062,458          | 3,973,364          | 3,848,854          | 3,654,560          | 3,554,560          | Actual debt   |
| New Water and Sewer CIP PROJECTS                          | 144,500            | 225,814            | 622,790            | 1,077,030          | 1,521,643          | 2,126,632          | 2,826,632          |   |
| Water and sewer BAN interest/bond expense                 | 38,000             | 35,000             | 35,000             | 35,000             | 35,000             | 35,000             | 35,000             |   |
| New Exempt Debt   | 4,828,400          | 4,035,955          | 3,901,150          | 3,780,750          | 3,524,589          | 2,995,520          | 2,995,520          | Actual Debt   |
| Existing Exempt Debt - School and Public Safety Center    | 14,790,395         | 14,048,907         | 14,961,953         | 15,920,281         | 16,468,967         | 16,515,577         | 16,515,577         |   |
| <b>TOTAL</b>  | <b>34,400,000</b>  | <b>36,787,875</b>  | <b>36,787,875</b>  | <b>36,787,875</b>  | <b>36,787,875</b>  | <b>36,787,875</b>  | <b>36,787,875</b>  |   |
| Capital Projects Fund from taxation                       | 3,440,000          | 3,678,875          | 3,086,843          | 3,237,029          | 3,007,619          | 3,310,568          | 3,310,568          |   |
| Capital Projects Fund from taxation                       | 3,440,000          | 3,678,875          | 3,086,843          | 3,237,029          | 3,007,619          | 3,310,568          | 3,310,568          |   |
| <b>OFFSET/AVAILABLE FUNDS EXPENDITURES</b>                |                    |                    |                    |                    |                    |                    |                    |   |
| Offset Local Revenues                                     | 2,070,000          | 2,148,530          | 1,882,000          | 1,862,000          | 1,882,000          | 1,882,000          | 1,882,000          | Parking (\$170,816)/Wetlands(\$25,000)/AYS(\$34,482)                |
| Other Available Funds - Budget                            | 265,000            | 230,298            | 265,000            | 285,000            | 285,000            | 265,000            | 265,000            |   |
| <b>TOTAL</b>  | <b>2,335,000</b>   | <b>2,378,828</b>   | <b>2,147,000</b>   | <b>2,147,000</b>   | <b>2,147,000</b>   | <b>2,147,000</b>   | <b>2,147,000</b>   |   |
| <b>ARTICLES</b>   |                    |                    |                    |                    |                    |                    |                    |   |
| Bond Stabilization Fund - Free Cash                       | 268,000            | 500,000            | -                  | -                  | -                  | -                  | -                  | Water DPM-12-\$100K, DPM-17-\$100K, DPW25e-\$50K, Sewer DPW24-\$50K |
| Capital Projects Articles - Free Cash                     | 3,525,000          | 123,000            | 75,000             | 75,000             | 75,000             | 75,000             | 75,000             | Tranise-\$12K/civic events-\$5K/finworks-\$14K                      |
| Parking Funds   | 1,168,000          | 300,000            | 418,000            | 823,000            | 795,000            | 230,000            | 31,000             | Cable Funds IT-4-\$50K, IT-6-\$300KCS-2-965K/Cemelery-\$6K          |
| Articles from Water/Sewer reserves                        | 150,007            | 31,000             | 31,000             | 31,000             | 31,000             | 31,000             | 31,000             |   |
| Articles from taxation                                    | 302,138            | 421,000            | 6,000              | 6,000              | 6,000              | 6,000              | 6,000              |   |
| Other Available Funds                                     | 5,408,145          | 1,375,000          | 530,000            | 935,000            | 907,000            | 342,000            | 342,000            |   |
| <b>TOTAL</b>  | <b>64,157,663</b>  | <b>63,027,274</b>  | <b>65,208,756</b>  | <b>70,136,222</b>  | <b>73,496,209</b>  | <b>76,926,255</b>  | <b>76,926,255</b>  |   |
| <b>* TOTAL DEDUCTIONS *</b>                               | <b>114,536,592</b> | <b>118,775,274</b> | <b>121,447,601</b> | <b>123,176,069</b> | <b>125,928,490</b> | <b>128,078,554</b> | <b>128,078,554</b> |   |
| <b>BAL. FOR TOWN &amp; SCHOOL OPERATING BUDGETS</b>       | <b>3,914,700</b>   | <b>4,238,682</b>   | <b>2,672,326</b>   | <b>1,728,468</b>   | <b>2,752,421</b>   | <b>2,100,064</b>   | <b>1,677,000</b>   |   |
| <b>% INCREASE FOR TOWN &amp; SCHOOL OPERATING BUDGETS</b> | <b>3.54%</b>       | <b>3.70%</b>       | <b>2.25%</b>       | <b>1.42%</b>       | <b>2.23%</b>       | <b>1.67%</b>       | <b>1.67%</b>       |   |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>POLICE</b>       |                          |                          |                          |                                |                                     |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                     | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services   | 6,855,921                | 7,361,849                | 7,379,601                | 7,364,458                      | 7,364,458                           |
| Other Expenses      | 973,847                  | 1,086,726                | 1,119,526                | 1,155,202                      | 1,085,202                           |
| Total               | 7,829,768                | 8,448,575                | 8,499,127                | 8,519,660                      | 8,449,660                           |
| Number of Employees | 72.0                     | 72.0                     | 73.0                     | 73.0                           | 73.0                                |
| Offset Revenues     | (280,915)                | (317,397)                | (285,000)                | (245,816)                      | (245,816)                           |

| <b>FIRE RESCUE</b>  |                          |                          |                          |                                |                                     |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                     | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services   | 7,523,566                | 6,776,359                | 6,998,718                | 7,081,875                      | 7,081,875                           |
| Other Expenses      | 486,384                  | 485,853                  | 498,338                  | 507,188                        | 489,188                             |
| Total               | 8,009,950                | 7,262,212                | 7,497,056                | 7,589,063                      | 7,571,063                           |
| Number of Employees | 72.0                     | 72.0                     | 72.0                     | 72.0                           | 72.0                                |
| Offset Revenues     | (1,287,737)              | (1,419,136)              | (1,250,000)              | (1,300,000)                    | (1,300,000)                         |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>GENERAL GOVERNMENT/COMMUNITY DEVELOPMENT/IT DETAIL</b> |                          |                          |                          |                                |                                     |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|   | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| <b>TOWN MODERATOR</b>                                     |                          |                          |                          |                                |                                     |
| Personal Services   | 250                      | 250                      | 250                      | 250                            | 250                                 |
| <b>BOARD OF SELECTMEN</b>                                 |                          |                          |                          |                                |                                     |
| Personal Services   | 20,665                   | 16,988                   | 19,000                   | 19,000                         | 19,000                              |
| Other Expenses  | 22,765                   | 9,316                    | 13,650                   | 13,950                         | 13,950                              |
| <b>TOWN MANAGER</b>                                       |                          |                          |                          |                                |                                     |
| Personal Services   | 399,291                  | 350,499                  | 383,454                  | 405,922                        | 405,922                             |
| Other Expenses  | 17,829                   | 38,493                   | 30,000                   | 45,700                         | 45,700                              |
| <b>COMMISSION ON DISABILITIES</b>                         |                          |                          |                          |                                |                                     |
| Personal Services   | 1,000                    | 1,200                    | 800                      | 1,200                          | 1,200                               |
| Other Expenses  | 9,009                    | 10,209                   | 5,800                    | 5,800                          | 5,800                               |
| <b>TOWN COUNSEL</b>                                       |                          |                          |                          |                                |                                     |
| Other Expenses  | 437,370                  | 296,037                  | 420,000                  | 420,000                        | 420,000                             |
| <b>FINANCE COMMITTEE</b>                                  |                          |                          |                          |                                |                                     |
| Other Expenses  | 23,728                   | 22,132                   | 26,900                   | 26,900                         | 26,900                              |
| <b>TOWN ACCOUNTANT</b>                                    |                          |                          |                          |                                |                                     |
| Personal Services   | 383,626                  | 476,028                  | 456,903                  | 435,023                        | 379,754                             |
| Other Expenses  | 71,965                   | 73,482                   | 82,400                   | 85,900                         | 85,900                              |
| <b>FINANCE AND BUDGET</b>                                 |                          |                          |                          |                                |                                     |
| Personal Services   | 1,029,984                | 1,094,931                | 1,057,910                | 1,062,375                      | 1,117,644                           |
| Other Expenses  | 263,912                  | 258,187                  | 324,125                  | 330,155                        | 330,155                             |
| <b>TOWN CLERK</b>   |                          |                          |                          |                                |                                     |
| Personal Services   | 324,812                  | 340,715                  | 369,232                  | 315,201                        | 315,201                             |
| Other Expenses  | 71,093                   | 71,473                   | 84,251                   | 88,411                         | 69,411                              |
| <b>PATRIOTIC CIVIC CELEBRATION</b>                        | 28,335                   | 26,881                   | 29,216                   | 29,800                         | 29,800                              |
| <b>DAMAGES TO PERSONS &amp; PROPERTY</b>                  | -                        | 1,065                    | 2,000                    | 2,000                          | 2,000                               |
| <b>EMPLOYEE BENEFITS</b>                                  |                          |                          |                          |                                |                                     |
| Accumulated Benefits                                      | 361,087                  | 483,109                  | 400,000                  | 450,000                        | 428,000                             |
| Other Expenses  | 414,570                  | 434,401                  | 442,161                  | 471,135                        | 471,135                             |
| <b>COMMUNITY DEVELOPMENT/PLANNING</b>                     |                          |                          |                          |                                |                                     |
| Personal Services   | 1,454,315                | 1,574,257                | 1,567,518                | 1,601,557                      | 1,601,557                           |
| Other Expenses  | 130,712                  | 161,522                  | 174,495                  | 176,240                        | 176,240                             |
| <b>INFORMATION TECHNOLOGY</b>                             |                          |                          |                          |                                |                                     |
| Personal Services   | 1,238,146                | 1,449,665                | 1,434,566                | 1,476,236                      | 1,476,236                           |
| Other Expenses  | 213,136                  | 375,178                  | 403,381                  | 439,136                        | 432,136                             |
| <b>TOTAL</b>  |                          |                          |                          |                                |                                     |
| Personal Services   | 5,213,176                | 5,787,642                | 5,689,633                | 5,766,764                      | 5,744,762                           |
| Other Expenses  | 1,704,424                | 1,778,376                | 2,038,379                | 2,135,127                      | 2,109,131                           |
| Total   | 6,917,600                | 7,566,018                | 7,728,012                | 7,901,891                      | 7,853,893                           |
| Number of Employees                                       | 63.3                     | 63.4                     | 63.4                     | 64.7                           | 64.7                                |
| Offset Revenues   | (25,000)                 | (25,000)                 | (25,000)                 | (25,000)                       | (25,000)                            |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>COMMUNITY SERVICES ADMINISTRATION</b> |                          |                          |                          |                                |                                     |
|--|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|  | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services                        |                          |                          |                          | 124,440                        | 124,440                             |
| Other Expenses                           |                          |                          |                          | 3,000                          | 3,000                               |
| Total                                    |                          |                          |                          | 127,440                        | 127,440                             |
| Number of Employees *                    |                          |                          | 1                        | 1                              | 1                                   |

| <b>RECREATION</b>                           |                          |                          |                          |                                |                                     |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|   | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services                           | 418,767                  | 461,122                  | 506,379                  | 540,234                        | 540,234                             |
| Other Expenses                              | 243,741                  | 252,499                  | 247,170                  | 250,620                        | 250,620                             |
| Total                                       | 662,508                  | 713,621                  | 753,549                  | 790,854                        | 790,854                             |
| Number of Employees<br>funded from GF       | 3                        | 3                        | 3                        | 3                              | 3                                   |
| Number of Employees<br>funded from Programs | 2                        | 2                        | 2                        | 3                              | 3                                   |
| Offset Revenues                             | (504,358)                | (521,759)                | (550,000)                | (582,930)                      | (582,930)                           |

| <b>YOUTH SERVICES</b>                       |                          |                          |                          |                                |                                     |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|   | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services                           | 350,000                  | 372,983                  | 369,305                  | 374,878                        | 374,878                             |
| Other Expenses                              | 59,089                   | 109,169                  | 122,410                  | 122,400                        | 119,400                             |
| Total                                       | 409,089                  | 482,152                  | 491,715                  | 497,278                        | 494,278                             |
| Number of Employees<br>funded from GF       | 3                        | 4                        | 4                        | 4                              | 4                                   |
| Number of Employees<br>funded from Programs | 1                        | 1                        | 1                        | 1.52                           | 1.52                                |
| Offset Revenues                             | -                        | -                        | (22,000)                 | (22,000)                       | (22,000)                            |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>ELDER SERVICES</b>                       |                          |                          |                          |                                |                                     |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|   | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services                           | 533,784                  | 649,068                  | 591,294                  | 519,323                        | 519,323                             |
| Other Expenses                              | 166,196                  | 158,917                  | 153,990                  | 173,990                        | 173,990                             |
| <b>Total</b>                                | <b>699,980</b>           | <b>807,985</b>           | <b>745,284</b>           | <b>693,313</b>                 | <b>693,313</b>                      |
| Number of Employees<br>funded from GF       | 9.75                     | 9.75                     | 9.75                     | 8.69                           | 8.69                                |
| Number of Employees<br>funded from Programs | 2.05                     | 2.05                     | 2.20                     | 1.57                           | 1.57                                |
| Offset Revenues                             | (88,581)                 | (107,089)                | (97,000)                 | (97,000)                       | (97,000)                            |

| <b>VETERANS SERVICES</b> |                          |                          |                          |                                |                                     |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                          | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services        | 80,772                   | 84,127                   | 83,268                   | 84,066                         | 84,066                              |
| Other Expenses           | 114,156                  | 101,158                  | 132,475                  | 102,475                        | 102,475                             |
| <b>Total</b>             | <b>194,928</b>           | <b>185,285</b>           | <b>215,743</b>           | <b>186,541</b>                 | <b>186,541</b>                      |
| Number of Employees      | 1                        | 1                        | 1                        | 1                              | 1                                   |

| <b>COMMUNITY/YOUTH/ELDER SERVICES</b>       |                          |                          |                          |                                |                                     |
|---|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|   | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services                           | 1,383,323                | 1,567,300                | 1,550,246                | 1,642,941                      | 1,642,941                           |
| Other Expenses                              | 583,182                  | 621,743                  | 656,045                  | 652,485                        | 649,485                             |
| <b>Total</b>                                | <b>1,966,505</b>         | <b>2,189,043</b>         | <b>2,206,291</b>         | <b>2,295,426</b>               | <b>2,292,426</b>                    |
| Number of Employees<br>funded from GF       | 16.75                    | 17.75                    | 18.75                    | 17.69                          | 17.69                               |
| Number of Employees<br>funded from Programs | 5.05                     | 5.05                     | 5.20                     | 6.09                           | 6.09                                |
| Offset Revenues                             | (592,939)                | (628,848)                | (669,000)                | (701,930)                      | (701,930)                           |

\* - Position was filled in July 2017 - salary was budgeted in Elder Services

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>PUBLIC WORKS</b>          |                          |                          |                          |                                |                                     |
|------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                              | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| <b>ADMINISTRATION</b>        |                          |                          |                          |                                |                                     |
| Personal Services            | 302,869                  | 322,306                  | 301,540                  | 302,811                        | 302,811                             |
| Other Expenses               | 5,000                    | 5,000                    | 31,000                   | 31,000                         | 31,000                              |
| <b>SOLID WASTE</b>           |                          |                          |                          |                                |                                     |
| Personal Services            | 6,126                    | 6,014                    | 6,500                    | 7,000                          | 7,000                               |
| Other Expenses               | 2,030,648                | 2,185,870                | 2,307,679                | 2,602,424                      | 2,602,424                           |
| <b>HIGHWAY</b>               |                          |                          |                          |                                |                                     |
| Personal Services            | 967,142                  | 1,032,789                | 1,038,085                | 1,047,270                      | 1,047,270                           |
| Other Expenses               | 479,290                  | 612,937                  | 523,325                  | 521,325                        | 521,325                             |
| <b>SNOW &amp; ICE</b>        |                          |                          |                          |                                |                                     |
| Personal Services            | 198,000                  | 200,822                  | 198,000                  | 198,000                        | 198,000                             |
| Other Expenses               | 2,051,711                | 872,343                  | 1,049,000                | 1,049,000                      | 1,049,000                           |
| <b>STREET LIGHTING</b>       |                          |                          |                          |                                |                                     |
| Electricity                  | 232,621                  | 259,410                  | 250,000                  | 250,000                        | 250,000                             |
| <b>ENGINEERING</b>           |                          |                          |                          |                                |                                     |
| Personal Services            | 280,643                  | 301,506                  | 291,752                  | 292,069                        | 292,069                             |
| Other Expenses               | 24,967                   | 71,715                   | 86,800                   | 86,800                         | 86,800                              |
| <b>FORESTRY</b>              |                          |                          |                          |                                |                                     |
| Personal Services            | 234,416                  | 228,132                  | 254,149                  | 264,128                        | 264,128                             |
| Other Expenses               | 82,687                   | 76,610                   | 70,250                   | 75,250                         | 75,250                              |
| <b>SPRING GROVE CEMETERY</b> |                          |                          |                          |                                |                                     |
| Personal Services            | 159,673                  | 190,662                  | 195,807                  | 201,331                        | 201,331                             |
| Other Expenses               | 49,267                   | 29,853                   | 36,850                   | 36,850                         | 36,850                              |
| <b>PARKS AND GROUNDS</b>     |                          |                          |                          |                                |                                     |
| Personal Services            | 470,545                  | 481,698                  | 495,918                  | 531,252                        | 531,252                             |
| Other Expenses               | 118,083                  | 198,941                  | 89,250                   | 121,250                        | 115,250                             |
| <b>TOTAL</b>                 |                          |                          |                          |                                |                                     |
| Personal Services            | 2,619,414                | 2,763,929                | 2,781,751                | 2,843,861                      | 2,843,861                           |
| Other Expenses               | 5,074,274                | 4,312,679                | 4,444,154                | 4,773,899                      | 4,767,899                           |
| Total                        | 7,693,688                | 7,076,608                | 7,225,905                | 7,617,760                      | 7,611,760                           |
| Number of Employees          | 34.0                     | 35.0                     | 35                       | 35                             | 35                                  |
| Offset Revenues              | (58,211)                 | (69,025)                 | (46,000)                 | (46,000)                       | (46,000)                            |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>PLANT &amp; FACILITIES</b> |                          |                          |                          |                                |                                     |
|-------------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                               | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| <b>ADMINISTRATION</b>         |                          |                          |                          |                                |                                     |
| Personal Services             | 572,214                  | 615,970                  | 625,364                  | 684,036                        | 632,019                             |
| Other Expenses                | 40,348                   | 35,770                   | 53,900                   | 53,900                         | 53,900                              |
| <b>FACILITIES SERVICES</b>    |                          |                          |                          |                                |                                     |
| Personal Services             | 475,515                  | 495,726                  | 514,248                  | 631,794                        | 551,415                             |
| Other Expenses                | 316,976                  | 332,960                  | 361,825                  | 351,500                        | 332,500                             |
| <b>BUILDING MAINTENANCE</b>   |                          |                          |                          |                                |                                     |
| Personal Services             | 436,086                  | 467,733                  | 476,891                  | 501,521                        | 501,521                             |
| Other Expenses                | 257,494                  | 355,985                  | 287,400                  | 302,700                        | 302,700                             |
| <b>MECHANICAL/ELECTRICAL</b>  |                          |                          |                          |                                |                                     |
| Personal Services             | 595,692                  | 655,537                  | 657,911                  | 681,566                        | 681,566                             |
| Other Expenses                | 349,085                  | 368,106                  | 348,400                  | 392,500                        | 392,500                             |
| <b>VEHICLE MAINTENANCE</b>    |                          |                          |                          |                                |                                     |
| Personal Services             | 281,308                  | 309,738                  | 309,764                  | 326,888                        | 326,888                             |
| Other Expenses                | 384,280                  | 354,009                  | 432,300                  | 467,600                        | 449,600                             |
| <b>TOTAL</b>                  |                          |                          |                          |                                |                                     |
| Personal Services             | 2,360,815                | 2,544,704                | 2,584,178                | 2,825,805                      | 2,693,409                           |
| Other Expenses                | 1,348,183                | 1,446,830                | 1,483,825                | 1,568,200                      | 1,531,200                           |
| Total                         | 3,708,998                | 3,991,534                | 4,068,003                | 4,394,005                      | 4,224,609                           |
| Number of Employees           | 36                       | 36                       | 36                       | 37.6                           | 36.5                                |
| Offset Revenues               | (72,209)                 | (102,905)                | (60,000)                 | (55,600)                       | (55,600)                            |

| <b>MUNICIPAL SERVICES</b> |                          |                          |                          |                                |                                     |
|---------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                           | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| <b>TOTAL</b>              |                          |                          |                          |                                |                                     |
| Personal Services         | 4,980,229                | 5,326,455                | 5,365,929                | 5,669,666                      | 5,537,270                           |
| Other Expenses            | 6,422,457                | 5,890,984                | 5,927,979                | 6,342,099                      | 6,299,099                           |
| Total                     | 11,402,686               | 11,217,439               | 11,293,908               | 12,011,765                     | 11,836,369                          |
| Number of Employees       | 70.0                     | 71.0                     | 71.0                     | 72.6                           | 71.5                                |
| Offset Revenues           | (72,209)                 | (102,905)                | (60,000)                 | (55,600)                       | (55,600)                            |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>LIBRARY</b>      |                          |                          |                          |                                |                                     |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                     | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Compensation Fund   | 1,979,611                | 2,079,190                | 2,063,922                | 2,011,697                      | 2,011,697                           |
| Reserve Fund        | 620,038                  | 649,629                  | 671,575                  | 685,825                        | 655,825                             |
| <b>Total</b>        | <b>2,599,649</b>         | <b>2,728,819</b>         | <b>2,735,497</b>         | <b>2,697,522</b>               | <b>2,667,522</b>                    |
| Number of Employees | 26.6                     | 26.6                     | 27.5                     | 27.5                           | 27.5                                |

| <b>UNCLASSIFIED</b> |                          |                          |                          |                                |                                     |
|---------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                     | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Compensation Fund   | -                        | -                        | 612,500                  | 1,140,000                      | 1,140,000                           |
| Reserve Fund        | -                        | -                        | 200,000                  | 200,000                        | 200,000                             |
| <b>Total</b>        | <b>-</b>                 | <b>-</b>                 | <b>812,500</b>           | <b>1,340,000</b>               | <b>1,340,000</b>                    |

The **Compensation Fund** is a set-aside funding source for negotiated salary adjustments for Town department employees (School department employees' salary adjustments are included in the School Department budget.) Transfers from this Compensation Fund appropriation require the approval of the Board of Selectmen. Once monies have been transferred to departmental budgets, the amount shown is \$0.

The **Reserve Fund** is a set-aside funding source for extraordinary or unforeseen expenditures during the fiscal year. Transfers require approval of the Finance Committee. Funds transferred are shown as actual expenditures in departmental budgets. The Reserve Fund has been budgeted at \$200,000 for many years. Any funds not transferred lapse to Free Cash at the end of the fiscal year.

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>SEWER ENTERPRISE</b> |                          |                          |                          |                                |                                     |
|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                         | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services       | 302,826                  | 307,369                  | 297,869                  | 313,280                        | 313,280                             |
| Other Expenses          | 2,012,226                | 2,023,087                | 2,394,092                | 2,484,105                      | 2,484,105                           |
| Total                   | 2,315,052                | 2,330,456                | 2,691,961                | 2,797,385                      | 2,797,385                           |
| Number of Employees     | 4.0                      | 4.0                      | 4.0                      | 4.0                            | 4.0                                 |

| <b>WATER ENTERPRISE</b> |                          |                          |                          |                                |                                     |
|-------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|
|                         | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |
| Personal Services       | 1,865,244                | 2,035,391                | 1,921,116                | 1,969,534                      | 1,969,534                           |
| Other Expenses          | 2,571,106                | 2,974,254                | 3,067,745                | 3,100,619                      | 3,100,619                           |
| Total                   | 4,436,350                | 5,009,645                | 4,988,861                | 5,070,153                      | 5,070,153                           |
| Number of Employees     | 23.0                     | 23.0                     | 23.0                     | 23.0                           | 23.0                                |

FY2016 BUDGET    FY2016 ACTUAL    FY2017 BUDGET    FY2018 PROJECTED    FY2019 PROJECTED    FY2020 PROJECTED    FY2021 PROJECTED    FY2022 PROJECTED

**SEWER BUDGET and RATE PROJECTION**

4/5/17

|                                       | FY2016 BUDGET    | FY2016 ACTUAL    | FY2017 BUDGET    | FY2018 PROJECTED | FY2019 PROJECTED | FY2020 PROJECTED | FY2021 PROJECTED | FY2022 PROJECTED |
|---------------------------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| <b>SEWER COSTS</b>                    |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>SEWER DIRECT COSTS</b>             |                  |                  |                  |                  |                  |                  |                  |                  |
| Personal services                     | 295,150          | 307,370          | 297,869          | 313,280          | 322,678          | 332,359          | 342,330          | 352,599          |
| Ordinary Maint.                       | 339,900          | 308,362          | 357,900          | 379,900          | 391,297          | 403,036          | 415,127          | 427,581          |
| Sewer Assessment                      | 1,800,000        | 1,619,225        | 1,976,130        | 2,042,641        | 2,093,707        | 2,146,050        | 2,199,701        | 2,254,693        |
| OPEB                                  | 40,000           | 40,000           | 60,062           | 61,564           | 63,103           | 64,681           | 66,298           | 67,955           |
| <b>TOTAL DIRECT COSTS</b>             | <b>2,475,050</b> | <b>2,274,957</b> | <b>2,691,961</b> | <b>2,797,385</b> | <b>2,870,786</b> | <b>2,946,125</b> | <b>3,023,455</b> | <b>3,102,829</b> |
| <b>INDIRECT COSTS</b>                 |                  |                  |                  |                  |                  |                  |                  |                  |
| Vehicle Maint.                        | 26,314           | 26,314           | 27,104           | 27,917           | 28,754           | 29,617           | 30,506           | 31,421           |
| DPW Admin.                            | 39,399           | 39,399           | 40,581           | 41,798           | 43,052           | 44,344           | 45,674           | 47,045           |
| Gen Admin. and Fin.                   | 74,158           | 74,158           | 76,382           | 78,674           | 81,034           | 83,465           | 85,969           | 88,548           |
| Maint. Admin.                         | 11,091           | 11,091           | 11,423           | 11,766           | 12,119           | 12,483           | 12,857           | 13,243           |
| Motor Vehicle Ins.                    | 21,052           | 21,052           | 21,684           | 22,335           | 23,005           | 23,695           | 24,406           | 25,138           |
| Comprehensive Ins.                    | 21,052           | 21,052           | 21,684           | 22,335           | 23,005           | 23,695           | 24,406           | 25,138           |
| Workmen's Comp.                       | 27,636           | 27,636           | 28,465           | 29,319           | 30,199           | 31,104           | 32,038           | 32,999           |
| Retirement                            | 49,833           | 49,833           | 53,820           | 58,125           | 62,775           | 67,797           | 69,831           | 71,926           |
| Health Ins.                           | 55,287           | 55,287           | 59,710           | 64,487           | 69,646           | 75,218           | 77,474           | 79,799           |
| GIS                                   | -                | -                | -                | -                | -                | -                | -                | -                |
| Engineering                           | 58,311           | 58,311           | 60,061           | 61,863           | 63,719           | 65,630           | 67,599           | 69,627           |
| <b>TOTAL INDIRECT COSTS</b>           | <b>384,134</b>   | <b>384,134</b>   | <b>400,914</b>   | <b>418,618</b>   | <b>437,308</b>   | <b>457,048</b>   | <b>470,759</b>   | <b>484,882</b>   |
| <b>DEBT SERVICE</b>                   |                  |                  |                  |                  |                  |                  |                  |                  |
| Existing Debt                         | 2,599,737        | 2,599,737        | 2,496,772        | 2,406,475        | 2,349,276        | 2,306,726        | 2,222,220        | 2,108,655        |
| BAN Interest                          | -                | -                | -                | -                | -                | -                | -                | -                |
| <b>TOTAL DEBT SERVICE</b>             | <b>2,599,737</b> | <b>2,599,737</b> | <b>2,496,772</b> | <b>2,406,475</b> | <b>2,349,276</b> | <b>2,306,726</b> | <b>2,222,220</b> | <b>2,108,655</b> |
| <b>TOTAL COSTS</b>                    | <b>5,458,921</b> | <b>5,258,828</b> | <b>5,589,647</b> | <b>5,622,478</b> | <b>5,657,369</b> | <b>5,709,899</b> | <b>5,716,434</b> | <b>5,696,366</b> |
| <b>SEWER REVENUES</b>                 |                  |                  |                  |                  |                  |                  |                  |                  |
| <b>SEWER USE RATES</b>                |                  |                  |                  |                  |                  |                  |                  |                  |
| Sewer User Rates                      | 3,780,000        | -                | -                | 4,463,647        | 4,607,774        | 4,722,968        | 4,841,042        | 4,962,068        |
| RATE factor                           | 105.0%           | -                | -                | 102.5%           | 102.5%           | 102.5%           | 102.5%           | 102.5%           |
| <b>PROJECTED SEWER USE COLLECTION</b> | <b>3,969,000</b> | <b>3,819,668</b> | <b>4,463,647</b> | <b>4,607,774</b> | <b>4,722,968</b> | <b>4,841,042</b> | <b>4,962,068</b> | <b>5,086,120</b> |
| <b>OTHER REVENUES</b>                 |                  |                  |                  |                  |                  |                  |                  |                  |
| Sewer liens                           | 90,000           | 97,772           | 90,000           | 90,000           | 90,000           | 90,000           | 90,000           | 90,000           |
| Committed interest                    | 369,000          | 395,007          | 328,000          | 294,000          | 260,000          | 233,000          | 205,000          | 205,000          |
| Interest income                       | 10,000           | 17,743           | 15,000           | 15,000           | 15,000           | 15,000           | 15,000           | 15,000           |
| Existing Sewer betterments            | 698,000          | 953,729          | 678,000          | 678,000          | 551,000          | 547,000          | 539,000          | 539,000          |
| Misc Revenue                          | 12,000           | 1,300            | 15,000           | 15,000           | 15,000           | 15,000           | 15,000           | 15,000           |
| State rate relief grants              | -                | -                | -                | -                | -                | -                | -                | -                |
| <b>OTHER REVENUES</b>                 | <b>1,179,000</b> | <b>1,465,551</b> | <b>1,126,000</b> | <b>1,092,000</b> | <b>931,000</b>   | <b>900,000</b>   | <b>864,000</b>   | <b>864,000</b>   |
| Transfer from Reserves for Operating  | 310,921          | (26,391)         | 0                | -                | 3,401            | (31,143)         | (109,634)        | (253,754)        |
| <b>TOTAL REVENUES</b>                 | <b>5,458,921</b> | <b>5,258,828</b> | <b>5,589,647</b> | <b>5,699,774</b> | <b>5,657,369</b> | <b>5,709,899</b> | <b>5,716,434</b> | <b>5,696,366</b> |
| Starting Balance- Reserve Fund        | 1,873,228        | 2,306,229        | 2,306,229        | 2,332,620        | 2,359,915        | 2,306,514        | 2,287,657        | 2,347,291        |
| Transfer from Reserve/Articles        | -                | -                | -                | (50,000)         | (50,000)         | (50,000)         | (50,000)         | (50,000)         |
| Inc/ Dec in Reserve Fund              | (310,921)        | 26,391           | (0)              | 77,296           | (3,401)          | 31,143           | 109,634          | 253,754          |
| <b>Ending Balance - Reserve Fund</b>  | <b>1,562,306</b> | <b>2,332,620</b> | <b>2,306,229</b> | <b>2,359,915</b> | <b>2,306,514</b> | <b>2,287,657</b> | <b>2,347,291</b> | <b>2,551,045</b> |

FY2016 BUDGET      FY2016 ACTUAL      FY2017 BUDGET      FY2018 PROJECTED      FY2019 PROJECTED      FY2020 PROJECTED      FY2021 PROJECTED      FY2022 PROJECTED

**WATER BUDGET and RATE PROJECTION**

4/5/17

|   | FY2016 BUDGET    | FY2016 ACTUAL    | FY2017 BUDGET    | FY2018 PROJECTED | FY2019 PROJECTED | FY2020 PROJECTED | FY2021 PROJECTED  | FY2022 PROJECTED   |
|---|------------------|------------------|------------------|------------------|------------------|------------------|-------------------|--------------------|
| <b>WATER COSTS:</b>                               |                  |                  |                  |                  |                  |                  |                   |                    |
| WATER Direct Costs:                               |                  |                  |                  |                  |                  |                  |                   |                    |
| Personal services                                 | 1,908,276        | 2,035,391        | 1,910,789        | 1,969,534        | 2,028,620        | 2,089,479        | 2,152,163         | 2,216,728          |
| Ordinary Maint.                                   | 2,596,350        | 2,455,687        | 2,752,800        | 2,777,800        | 2,861,134        | 2,946,968        | 3,035,377         | 3,126,438          |
| OPEB  | 250,000          | 250,000          | 214,945          | 322,819          | 327,661          | 332,576          | 337,565           | 342,628            |
| <b>TOTAL DIRECT COSTS</b>                         | <b>4,754,626</b> | <b>4,741,078</b> | <b>4,878,534</b> | <b>5,070,153</b> | <b>5,217,415</b> | <b>5,369,023</b> | <b>5,525,105</b>  | <b>5,685,795</b>   |
| INDIRECT COSTS                                    |                  |                  |                  |                  |                  |                  |                   |                    |
| Vehicle Maint.                                    | 20,334           | 20,334           | 20,941           | 21,572           | 22,219           | 22,886           | 23,572            | 24,279             |
| DPW Admin.  | 117,626          | 117,626          | 121,155          | 124,789          | 128,533          | 132,389          | 136,360           | 140,451            |
| Gen Admin. and Fin.                               | 221,397          | 221,397          | 228,039          | 234,880          | 241,926          | 249,184          | 256,660           | 264,360            |
| Information Technology                            | -                | -                | -                | -                | -                | -                | -                 | -                  |
| Maint. Admin                                      | 27,726           | 27,726           | 28,558           | 29,415           | 30,297           | 31,206           | 32,142            | 33,107             |
| Motor Vehicle Ins.                                | 6,146            | 6,146            | 6,331            | 6,521            | 6,716            | 6,918            | 7,125             | 7,339              |
| Comprehensive Ins.                                | 77,033           | 77,033           | 79,344           | 81,724           | 84,176           | 86,701           | 89,302            | 91,981             |
| Workmen's Comp.                                   | 27,636           | 27,636           | 28,465           | 29,319           | 30,199           | 31,104           | 32,038            | 32,999             |
| Retirement  | 266,126          | 266,126          | 287,416          | 310,409          | 335,242          | 362,061          | 372,923           | 384,111            |
| Health Ins.                                       | 234,449          | 234,449          | 253,205          | 273,462          | 295,339          | 318,966          | 328,535           | 338,391            |
| Engineering                                       | 95,139           | 95,139           | 97,993           | 100,933          | 103,961          | 107,080          | 110,293           | 113,601            |
| <b>TOTAL INDIRECT COSTS</b>                       | <b>1,093,612</b> | <b>1,093,612</b> | <b>1,151,450</b> | <b>1,213,024</b> | <b>1,278,608</b> | <b>1,348,496</b> | <b>1,388,951</b>  | <b>1,430,619</b>   |
| DEBT SERVICE                                      |                  |                  |                  |                  |                  |                  |                   |                    |
| Existing Debt                                     | 1,347,608        | 1,617,608        | 1,631,797        | 1,792,320        | 1,713,185        | 1,666,639        | 1,626,636         | 1,546,010          |
| Debt Authorized Not Yet Borrowed                  | -                | -                | -                | -                | -                | -                | -                 | -                  |
| BANS  | 35,000           | 35,000           | 35,000           | 35,000           | 35,000           | 35,000           | 35,000            | 35,000             |
| New Debt-CTP                                      | 270,000          | -                | 144,500          | 225,814          | 622,790          | 1,077,030        | 1,521,643         | 2,126,632          |
| <b>TOTAL DEBT SERVICE</b>                         | <b>1,652,608</b> | <b>1,652,608</b> | <b>1,811,297</b> | <b>2,053,134</b> | <b>2,370,975</b> | <b>2,778,669</b> | <b>3,183,279</b>  | <b>3,707,642</b>   |
| WARRANT ARTICLES                                  |                  |                  |                  |                  |                  |                  |                   |                    |
| Maintenance (Balance transferred to special fund) | 300,000          | 385,983          | 300,000          | 300,000          | 300,000          | 300,000          | 300,000           | 300,000            |
| <b>TOTAL SYSTEM MAINTENANCE ARTICLE</b>           | <b>300,000</b>   | <b>385,983</b>   | <b>300,000</b>   | <b>300,000</b>   | <b>300,000</b>   | <b>300,000</b>   | <b>300,000</b>    | <b>300,000</b>     |
| <b>TOTAL COSTS</b>                                | <b>7,800,846</b> | <b>7,873,281</b> | <b>8,241,281</b> | <b>8,636,311</b> | <b>9,166,999</b> | <b>9,796,188</b> | <b>10,397,334</b> | <b>11,124,056</b>  |
| WATER REVENUES                                    |                  |                  |                  |                  |                  |                  |                   |                    |
| WATER USE   |                  |                  |                  |                  |                  |                  |                   |                    |
| Water user rates (NET from prior year)            | 7,035,000        | -                | -                | 7,991,237        | 8,191,018        | 8,395,793        | 8,605,688         | 8,820,830          |
| RATE factor                                       | 100.0%           | -                | -                | 102.5%           | 102.5%           | 102.5%           | 102.5%            | 102.5%             |
| <b>PROJECTED WATER USE COLLECTION</b>             | <b>7,035,000</b> | <b>7,814,798</b> | <b>7,991,237</b> | <b>8,191,018</b> | <b>8,395,793</b> | <b>8,605,688</b> | <b>8,820,830</b>  | <b>9,041,351</b>   |
| OTHER REVENUES                                    |                  |                  |                  |                  |                  |                  |                   |                    |
| Service line fee                                  | 45,000           | 46,640           | 45,000           | 45,000           | 45,000           | 45,000           | 45,000            | 45,000             |
| Water testing fee                                 | 17,000           | 25,710           | 17,000           | 17,000           | 17,000           | 17,000           | 17,000            | 17,000             |
| Final reads                                       | 23,000           | 30,520           | 23,000           | 23,000           | 23,000           | 23,000           | 23,000            | 23,000             |
| Water liens                                       | 100,000          | 135,642          | 120,000          | 120,000          | 120,000          | 120,000          | 120,000           | 120,000            |
| Water connection                                  | 10,000           | 43,110           | 10,000           | 10,000           | 10,000           | 10,000           | 10,000            | 10,000             |
| Backflow/Cross connection fee                     | 75,000           | 73,081           | 75,000           | 75,000           | 75,000           | 75,000           | 75,000            | 75,000             |
| Meter Installations                               | 7,000            | 12,725           | 7,000            | 7,000            | 7,000            | 7,000            | 7,000             | 7,000              |
| Fire flow test                                    | 6,000            | 7,500            | 6,000            | 6,000            | 6,000            | 6,000            | 6,000             | 6,000              |
| Interest income                                   | 12,000           | 18,571           | 12,000           | 12,000           | 12,000           | 12,000           | 12,000            | 12,000             |
| Bond Premium                                      | -                | -                | -                | -                | -                | -                | -                 | -                  |
| Fire Suppression                                  | -                | -                | 350,000          | 350,000          | 350,000          | 350,000          | 350,000           | 350,000            |
| Misc Revenue                                      | 15,000           | 3,165            | 15,000           | 15,000           | 15,000           | 15,000           | 15,000            | 15,000             |
| Water betterments                                 | -                | -                | -                | -                | -                | -                | -                 | -                  |
| <b>OTHER REVENUES</b>                             | <b>310,000</b>   | <b>396,664</b>   | <b>680,000</b>   | <b>680,000</b>   | <b>680,000</b>   | <b>680,000</b>   | <b>680,000</b>    | <b>680,000</b>     |
| TRANSFER FROM RESERVES                            | 455,846          | -                | -                | -                | 91,206           | 510,500          | 896,504           | 1,402,705          |
| <b>TOTAL REVENUES</b>                             | <b>7,800,846</b> | <b>8,211,462</b> | <b>8,671,237</b> | <b>8,871,018</b> | <b>9,166,999</b> | <b>9,796,188</b> | <b>10,397,334</b> | <b>11,124,056</b>  |
| <b>SURPLUS/(DEFICIT)</b>                          | <b>-</b>         | <b>338,181</b>   | <b>429,956</b>   | <b>234,707</b>   | <b>0</b>         | <b>0</b>         | <b>(0)</b>        | <b>0</b>           |
| Starting Balance- Reserve Fund                    | 2,262,899        | 4,010,960        | 4,360,623        | 3,486,141        | 3,470,848        | 3,011,642        | 1,728,143         | 86,638             |
| PY Fund Balance Adjustment                        | 1,718,061        | -                | (349,663)        | (349,663)        | -                | -                | -                 | -                  |
| Transfer from Reserve/Articles                    | (55,000)         | (113,000)        | (250,000)        | (250,000)        | (258,000)        | (373,000)        | (345,000)         | (180,000)          |
| Court Judgment                                    | -                | -                | -                | -                | -                | -                | -                 | -                  |
| Projects 10-20 Years                              | (500,000)        | (750,000)        | -                | -                | (110,000)        | (400,000)        | (400,000)         | -                  |
| Inc/ Dec in Reserve Fund                          | (455,846)        | 338,181          | 429,956          | 234,707          | (91,206)         | (510,500)        | (896,504)         | (1,402,705)        |
| <b>Ending Balance- Reserve Fund</b>               | <b>3,000,114</b> | <b>3,486,141</b> | <b>4,190,916</b> | <b>3,470,848</b> | <b>3,011,642</b> | <b>1,728,143</b> | <b>86,638</b>     | <b>(1,496,066)</b> |

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>OBLIGATIONS</b>          |                   |                   |                   |                        |                             |                   |
|-----------------------------|-------------------|-------------------|-------------------|------------------------|-----------------------------|-------------------|
|                             | ACTUAL<br>FY2015  | ACTUAL<br>FY2016  | BUDGET<br>FY2017  | DEPT REQUEST<br>FY2018 | FINANCE COMMITTEE<br>FY2018 |                   |
| TECHNICAL SCHOOLS           | 456,521           | 569,335           | 610,000           | 610,000                | 610,000                     | 610,000           |
| DEBT SERVICE                | 14,847,201        | 15,296,304        | 14,790,395        | 14,048,907             | 14,048,907                  | 14,048,907        |
| INSURANCE EXPENSE           | 774,757           | 732,553           | 783,831           | 901,405                | 901,405                     | 901,405           |
| UNEMPLOYMENT FUND           | 320,000           | 158,000           | 160,000           | 160,000                | 160,000                     | 160,000           |
| RETIREMENT FUND             | 6,207,276         | 7,946,013         | 8,360,984         | 9,428,488              | 9,428,488                   | 9,428,488         |
| HEALTH INSURANCE FUND       | 15,670,957        | 17,052,416        | 17,905,037        | 19,257,000             | 19,257,000                  | 19,257,000        |
| OPEB FUND                   | 400,000           | 500,000           | 1,127,572         | 1,264,338              | 1,264,338                   | 1,264,338         |
| Offset Revenues             | (336,638)         | (336,638)         | (479,561)         | (321,838)              | (321,838)                   | (321,838)         |
| <b>TOTAL FIXED EXPENSES</b> | <b>38,340,074</b> | <b>41,917,985</b> | <b>43,258,258</b> | <b>45,348,300</b>      | <b>45,348,300</b>           | <b>45,348,300</b> |

**Technical Schools Assessment**

Andover's share of the cost of the Greater Lawrence Technical School and Essex Agricultural Technical Institute.

**Unemployment Fund**

The Town reimburses the state for actual unemployment claims paid to ex-employees of the Town.

**Retirement Fund**

The Town's Contributory Retirement System uses an actuarially based funding schedule to determine pension appropriations. The funding schedule must be adopted by the Andover Contributory Retirement Board and approved by PERAC, a state agency.

**Health Insurance Fund**

The Town provides health insurance for Town and School employees and retirees. Retired teachers transferred from the GIC to Andover's health insurance plan in FY2015. In FY2016 Andover established a self-funded health insurance plan. The number shown for FY2018 represents a 7.55% increase in the appropriation due to the establishment of an Employee Mitigation Fund and an increase in the number of subscribers.

**OPEB Fund**

Local governments are required to measure and report their liabilities for Other Pension Post-Employment Benefits – OPEB. The promise of health insurance coverage in retirement has long been part of the compensation communities offered to attract and retain qualified employees. Traditionally these benefits have been funded on a pay-as-you-go basis with the costs recognized when paid. GASB 45 requires that government employers recognize the cost of future benefits when the services are rendered and report the actuarial liability of future costs on their financial statements. There is no current requirement to fund OPEB. For the last four years Andover has taken steps toward funding OPEB. A \$1,264,338 appropriation in Article 4 is recommended for FY2018.

## DEBT SERVICE

The Debt Service appropriation provides funding for the principal and interest costs associated with capital projects approved by prior Town Meetings. Borrowing allows payments for major infrastructure improvements or large equipment purchases to be spread over multiple years to make them more affordable and require that future taxpayers, who benefit from the use of the asset, pay a share of the cost. State law defines the purposes for which a town can borrow and sets a maximum maturity for each type of project.

A traditional municipal debt schedule has equal principal payments with the interest on the balance declining each year. In addition to lower total interest cost, this type of debt schedule recognizes that a town will continue to need to invest in capital improvements. As debt service payments decline, new debt can be added.

Typically, the first principal and interest payment is one to two years after the project is approved. **None of the projects recommended for approval by this year's Town Meeting will impact the FY2018 budgets or tax rate.** They will become fixed obligations for future years.

**Total Debt Service of \$14,048,907 for FY2018 is comprised of:**

**Exempt Debt \$4,125,342**

- Funded with property taxes outside Proposition 2 ½ Levy Limit
- New exempt debt increases property taxes
- New exempt debt does not impact operating budgets or funding available for other purposes

**Water and Sewer Debt \$4,424,603**

- Funded with Water or Sewer revenues
- New water or sewer debt could affect water or sewer rates
- New water or sewer debt could impact water or sewer operating budgets or funding available for other water or sewer projects

**Non-Exempt Debt \$5,278,962**

- Funded with property taxes and other general fund revenues available within Andover's Proposition 2 ½ Levy Limit
- New non-exempt debt does not increase property tax bills
- New non-exempt debt reduces the amount available within Proposition 2 ½ for future operating budgets or other capital projects
- \$321,838 from Cable Franchise Fees funds the debt service for the \$2.5 million in bonds issued for spending on technology.

**Interest on BANS and other debt issue expenses \$220,000**

Andover's Debt Analysis Tool is an interactive spreadsheet developed to help Town and School officials estimate the annual appropriation needed to fund capital projects, show the impact on future budgets, and explain the costs to Andover taxpayers. Policymakers can plug in debt schedules for capital projects and then experiment with changes in interest rates and the number, projected cost and timing of projects. A current Debt Schedule can be found in the Annual Report section at the end of this report. A Financial Impact box outlines the financing plans for each bonded article on the warrant.

## Retirement Fund

This account includes the annual appropriation requirement established by the Public Employee Retirement Administration Commission (PERAC) based upon the Andover Retirement Board's approved funding schedule. A five-member board administers the retirement program for all retired town, Andover Housing Authority and school employees (excluding school teachers, who retire under the Massachusetts Teachers' Retirement System). The Board is comprised of the Town Accountant, two members elected by the members of the retirement system, an appointee of the Board of Selectmen, and a member appointed by the other four Board members. The Andover Retirement Board updates its actuarial valuation every two years, at which time a new funding schedule is established. The latest approved funding schedule is shown below. This actuarial valuation schedule is as of 1/1/16. This funding schedule fully amortizes the unfunded actuarial liabilities by 2032.

**CHART 16**  
**Funding Schedule - Fully funded by June 30, 2032 with appropriations increasing 10.00% per year**

| (1)<br>Fiscal Year<br>Ended June 30 | (2)<br>Employer<br>Normal Cost | (3)<br>Amortization of<br>Remaining Liability | (4)<br>Total Plan Cost:<br>(2) + (3) | (5)<br>Total Unfunded<br>Actuarial Accrued<br>Liability at<br>Beginning of Fiscal<br>Year | (6)<br>Total Plan Cost<br>% Increase |
|-------------------------------------|--------------------------------|---|--------------------------------------|---|--------------------------------------|
| 2017                                | \$2,344,358                    | \$6,304,042                                   | \$8,648,400                          | \$133,525,444   | --                                   |
| 2018                                | 2,435,450                      | 7,077,790                                     | 9,513,240                            | 136,246,163   | 10.00%                               |
| 2019                                | 2,530,000                      | 7,934,505                                     | 10,464,505                           | 139,359,509   | 10.00%                               |
| 2020                                | 2,628,324                      | 8,882,697                                     | 11,511,021                           | 143,144,650   | 10.00%                               |
| 2021                                | 2,730,383                      | 9,931,741                                     | 12,662,123                           | 146,014,685   | 10.00%                               |
| 2022                                | 2,836,380                      | 11,091,955                                    | 13,928,335                           | 146,010,905   | 10.00%                               |
| 2023                                | 2,946,470                      | 12,374,699                                    | 15,321,169                           | 144,766,755   | 10.00%                               |
| 2024                                | 3,060,608                      | 13,792,478                                    | 16,853,086                           | 142,070,886   | 10.00%                               |
| 2025                                | 3,179,557                      | 15,359,057                                    | 18,538,614                           | 137,664,621   | 10.50%                               |
| 2026                                | 3,302,888                      | 17,089,588                                    | 20,392,476                           | 131,268,517   | 10.00%                               |
| 2027                                | 3,430,976                      | 19,000,747                                    | 22,431,723                           | 122,563,495   | 10.00%                               |
| 2028                                | 3,564,003                      | 21,110,893                                    | 24,674,896                           | 111,189,561   | 10.00%                               |
| 2029                                | 3,702,159                      | 23,440,226                                    | 27,142,385                           | 96,741,048  | 10.00%                               |
| 2030                                | 3,845,640                      | 26,010,984                                    | 29,856,624                           | 78,761,556  | 10.00%                               |
| 2031                                | 3,994,653                      | 28,847,633                                    | 32,842,286                           | 56,736,993  | 10.00%                               |
| 2032                                | 4,149,407                      | 30,267,297                                    | 34,416,704                           | 30,091,271  | 4.79%                                |
| 2033                                | 4,310,124                      | --  | 4,310,124                            | --  | -83.48%                              |

*Notes: Recommended contributions are assumed to be paid August 1.  
 Item (2) reflects 2.5% growth in payroll as well as a 0.15% adjustment to total normal cost to reflect the effects of mortality improvement due to generational mortality assumptions.  
 Projected unfunded actuarial accrued liability reflects deferred investment losses.  
 Assumes contribution of budgeted amount for fiscal 2017.  
 Projected normal cost does not reflect the future impact of pension reform for future hires.*

# Valuation Results - Other Post Employment Benefits (OPEB)

## SECTION 2: Valuation Results for the Town of Andover June 30, 2015 Measurement Under GASB 43 and 45

### DEPARTMENT RESULTS

#### Actuarial Accrued Liability (AAL) and Annual Required Contribution - Partially Funded (4.25% discount rate)

| Actuarial Accrued Liability (AAL) by Participant Category                           | Town              | School            | Sewer          | Water            | Total             |
|---|-------------------|-------------------|----------------|------------------|-------------------|
| 1. Current retirees, beneficiaries and dependents                                   | \$28,751,597      | \$58,784,673      | \$942,528      | \$1,422,037      | \$89,900,835      |
| 2. Current active members   | <u>38,458,308</u> | <u>56,798,786</u> | <u>363,068</u> | <u>3,196,989</u> | <u>98,817,151</u> |
| 3. Total AAL as of June 30, 2015: (1) + (2)   | \$67,209,905      | \$115,583,459     | \$1,305,596    | \$4,619,026      | \$188,717,986     |
| 4. Actuarial value of assets as of June 30, 2015                                    | <u>1,489,621</u>  | <u>2,561,758</u>  | <u>176,152</u> | <u>460,605</u>   | <u>4,688,136</u>  |
| 5. Unfunded actuarial accrued liability (UAAL) as of June 30, 2015: (3) - (4)       | \$65,720,284      | \$113,021,701     | \$1,129,444    | \$4,158,421      | \$184,029,850     |
| <b>Annual Required Contribution for Fiscal Year Ending June 30, 2016</b>            |                   |                   |                |                  |                   |
| 6. Normal cost as of July 1, 2015   | \$2,616,550       | \$4,763,232       | \$18,494       | \$159,965        | \$7,558,240       |
| 7. Adjustment for timing  | <u>55,023</u>     | <u>100,165</u>    | <u>389</u>     | <u>3,364</u>     | <u>158,941</u>    |
| 8. Normal cost adjusted for timing: (6) + (7)                                       | \$2,671,573       | \$4,863,397       | \$18,883       | \$163,329        | \$7,717,181       |
| 9. 30-year amortization (increasing 3.75% per year) of the UAAL as of June 30, 2015 | \$2,346,808       | \$4,035,897       | \$40,331       | \$148,493        | \$6,571,529       |
| 10. Adjustment for timing   | <u>49,351</u>     | <u>84,870</u>     | <u>848</u>     | <u>3,123</u>     | <u>138,192</u>    |
| 11. Amortization payment adjusted for timing: (9) + (10)                            | \$2,396,159       | \$4,120,767       | \$41,179       | \$151,616        | \$6,709,721       |
| 12. Total Annual Required Contribution (ARC): (8) + (11)                            | 5,067,732         | 8,984,164         | 60,062         | 314,945          | 14,426,902        |
| 13. Projected benefit payments  | 1,699,926         | 3,412,270         | 36,671         | 83,680           | 5,232,547         |

Notes: Assumes payment in the middle of the fiscal year.  
Assets as of June 30, 2015 for Town and School are allocated in proportion to liabilities.

**DEPARTMENT BUDGET HIGHLIGHTS AND DETAIL**

| <b>SCHOOL DEPARTMENT</b> |                          |                          |                          |                                |                                     |  |
|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------------|-------------------------------------|--|
|                          | <b>ACTUAL<br/>FY2015</b> | <b>ACTUAL<br/>FY2016</b> | <b>BUDGET<br/>FY2017</b> | <b>DEPT REQUEST<br/>FY2018</b> | <b>FINANCE COMMITTEE<br/>FY2018</b> |  |
| Personal Services        | 57,594,012               | 59,508,117               | 62,088,111               | 64,404,628                     | 64,360,536                          |  |
| Other Expenses           | 13,310,440               | 13,788,474               | 14,011,092               | 16,060,156                     | 14,782,635                          |  |
| Total                    | 70,904,452               | 73,296,591               | 76,099,203               | 80,464,784                     | 79,143,171                          |  |
| Number of Employees      | 862.2                    | 873.8                    | 883.6                    | 894.8                          | 894.8 *                             |  |
| Number of Students       | 6,076                    | 6,075                    | 5,991                    | 5,989                          | 5,989                               |  |

\* - Includes new positions for AHS Schedule change

The School Committee voted to recommend a budget totaling \$79,717,098 (a 4.75% increase) including \$379,500 for textbooks. They also voted to recommend an alternative budget of \$79,337,598 (a 4.25% increase) with the \$379,500 for textbooks moved to the Capital Projects Fund in Article 5. The 4.25% increase is contingent upon a Board of Selectmen vote to increase the School operating budget by an additional \$194,000. Absent that, the School Committee vote for a 4.75% increase will stand. As we go to print, the Board of Selectmen has not voted.

## ANDOVER PUBLIC SCHOOLS



36 Bartlet Street  
Andover, MA 01810  
(978) 247-7010  
FAX (978) 247-7090

### SCHOOL COMMITTEE:

*Joel G. Blumstein, Esq., Chair*  
*Susan K. McCready, Vice Chair*  
*Paul D. Murphy*  
*Shannon Scully*  
*Ted E. Teichert*

Sheldon H. Berman, Ed.D  
Superintendent of Schools  
sheldon.berman@andoverma.us

March 31, 2017

To the Citizens of Andover:

As I write this letter, the Board of Selectmen, Finance Committee and School Committee have not agreed on a Fiscal Year 2018 school budget to present at Town Meeting. On March 30, 2017, the School Committee approved a proposed budget of \$79,717,098. This represents a \$3,617,895 increase (or a 4.75% increase) over last year's budget and leaves a gap of \$573,927 with the budget that the Town Manager proposed. I am optimistic that a budget agreement will be reached between the Board of Selectmen and School Committee prior to Town Meeting. The School Committee indicated its support for such an agreement by voting to support a budget of \$79,337,598, if the Board of Selectmen also votes to support such a budget. The School Committee remains committed to its obligation to present to Town Meeting a responsible budget that serves the needs of all our students.

What are the main drivers of the budget increase? All residents need to understand this so that they can make an informed decision at Town Meeting. They fall into a few main categories.

1) Contractual obligations. Approximately \$1.5 million is needed to maintain level services in our schools, including contractual salary, step and scale increases, contracted increases in student transportation and increased technology costs.

2) Out-of-district special education costs. Because of decisions made prior to last year's Town Meeting, most notably the decision to spend down the money in the Circuit Breaker reserve account during FY17, we are facing a gap of over \$1.1 million for out-of-district (OOD) special education placements in FY18. The FY18 fiscal year will be the second year of a two-year spike in OOD costs which are due to an unusually large number of very high cost students for whom we are responsible and fewer students graduating or aging out of district responsibility than in prior years. The school district has initiated major efforts to address the increase in OOD placements, particularly for students with language-based learning difficulties and with mental health and behavioral issues. In the long run, these efforts will not only serve students and families better, but will enable students to remain in their neighborhood school and reduce OOD costs. In the short run, however, we must deal with this \$1.1 million gap. The understanding coming out of last year's Town Meeting was that a large portion of this non-discretionary expense would be handled outside the school operating budget through the creation of a special

The mission of the Andover Public Schools, in partnership with the community, is to provide students with the knowledge, skills, and qualities required to be successful in a diverse society.

education reserve fund. However, the other Town boards are no longer comfortable with that approach and, as a result, it appears that the full \$1.1 million must be absorbed into the operating budget.

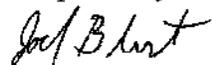
3) New High School Schedule. \$513,000 is allocated for implementation of a new schedule at Andover High School. The schedule has been under development for several years and had to be delayed last year because sufficient funds did not exist then, both to implement the new schedule and to address a serious class size problem in our elementary schools. The new high school schedule, which is similar to that used in most of the highest rated districts in the state, will replace the current two-semester block schedule with a year-long, seven credit schedule. The new schedule has numerous benefits for our students over the existing schedule, including continuity of instruction and the introduction of a personalization block which will offer students additional academic support and enrichment, time for work on group projects, and time to attend guidance, class and college preparation meetings. It also offers the possibility of taking a virtual online course for credit. The cost of the new schedule is driven largely by the need to hire seven new teachers, four for regular education and three for special education.

4) Textbooks. The budget includes approximately \$380,000 for textbooks. For many years, textbook adoption has been included in the Town's capital improvement budget where it has competed for resources with the maintenance of school facilities. This has compromised both the district's curriculum and the condition of our schools. All Town boards agree that this does not make sense. The School Committee's currently approved proposed budget of \$79,717,098 includes approximately \$380,000 for textbooks. However, to achieve a budget agreement, it may be necessary to continue to fund the adoption of new textbooks through the Town's capital improvement budget for another year where it will compete for resources with the maintenance of school facilities.

5) Other. The proposed budget also includes approximately \$400,000 for a number of smaller needs, including: a) special education staffing; b) funds for early screening and progress monitoring assessments for students with reading disabilities; c) additional staffing to address our rapidly expanding population of students whose first language is not English; and, d) \$100,000 to reduce the very high existing tuition for full-day kindergarten. The proposed budget also reflects an expected balance of \$200,000 in the FY17 budget that will be used in FY18, as well as \$220,000 in solar energy credits that will reduce utility costs in FY18.

In closing, we thank Superintendent Berman and his team for the extraordinary time and thought they devoted to bringing forward a responsible budget. We also thank Town Manager Flanagan and his staff, as well as members of the Board of Selectmen and Finance Committee, for their efforts throughout this process. Last but certainly not least, we thank the Andover community for their continued support of our schools.

Respectfully,



Joel Blumstein, Chair  
Andover School Committee

**FY2018 CAPITAL PROJECTS FUND APPROPRIATION**

**ARTICLE 5.** To see if the Town will vote to raise by taxation and appropriate the sum of \$3,743,875 for the purpose of funding the Fiscal Year 2018 appropriation for the Capital Projects Fund, or take any other action related thereto.

~~~~~

The Capital Projects Fund is considered to be part of the FY2018 operating budget, but it is voted in a separate warrant article. The Town’s auditors have recommended this approach so that any balance in the fund at the end of a fiscal year can be carried forward to finish projects not completed by year-end. The use of a separate warrant article also makes it easier to track projects and spending. The appropriation is from taxation. During the course of the year, these projects may change as a result of costs and priorities.

~~~~~

**FY2018 CAPITAL PROJECTS FUND RECOMMENDED BY TOWN MANAGER**

| <u>Project Item</u>                                | <u>Amount</u>      |
|--|--------------------|
| Center at Punchard-Feasibility Study               | \$40,000           |
| Phillips Auditorium Tables and Chairs              | \$32,214           |
| Design Services for the Park & Playstead           | \$75,000           |
| Town Offices Customer Service Bldg Study           | \$40,000           |
| Vault Shelving                                     | \$30,000           |
| MUNIS Software                                     | \$35,000           |
| Conservation Land Management                       | \$12,000           |
| Annual PC Leasing Program                          | \$442,018          |
| Selectmen and School Comm Room Upgrades            | \$50,000           |
| Web Site Development Phase 2                       | \$10,000           |
| Police Vehicle Replacement                         | \$195,000          |
| Police Firearms/DT Scenario Trainer                | \$78,500           |
| Police Roadside Message Board                      | \$20,000           |
| Fire Vehicle Replacement                           | \$53,000           |
| EMS Call Box for Poms Pond                         | \$10,500           |
| Minor Sidewalk Repairs                             | \$100,000          |
| Storm Water Management                             | \$100,000          |
| Public Works Vehicles – Small                      | \$215,000          |
| Spring Grove Cemetery Improvements                 | \$20,000           |
| Town Projects – Buildings                          | \$275,000          |
| Town Projects – Mechanical and Electrical          | \$170,000          |
| Town Vehicle Replacement                           | \$105,000          |
| Town Playground Replacements                       | \$75,000           |
| School Capital Projects (SCH-1, SCH-2, IT-2, IT-3) | <u>\$1,495,643</u> |
| <b>Total from General Fund Revenue</b>             | <b>\$3,678,875</b> |

The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES

The FINANCE COMMITTEE voted 9-0 to recommend approval. NO

The SCHOOL COMMITTEE voted 5-0 to recommend approval.

The PLANNING BOARD will make its recommendation at Town Meeting.

On request of the Town Manager

**BUDGET TRANSFERS**

**ARTICLE 6.** To see if the Town will vote to transfer from amounts previously appropriated at the May 2016 Annual Town Meeting as authorized by Massachusetts General Laws Chapter 44, Section 33B, or take any other action related thereto.

~~~~~  
This article authorizes the transfer of funds appropriated by the 2016 Town Meeting from certain departmental budgets with projected surpluses to other departments to cover costs not anticipated in preparation of the FY2017 Budget. A specific list of transfers will be presented at Town Meeting.  
~~~~~

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_

The FINANCE COMMITTEE will make its recommendation at Town Meeting. NO \_\_\_

On request of the Finance Director

**SUPPLEMENTAL BUDGET APPROPRIATION**

**ARTICLE 7.** To see if the Town will vote to transfer from available funds a sum of money to supplement appropriations voted at the May 2016 Annual Town Meeting, or take any other action related thereto.

~~~~~  
A specific list of supplemental appropriations will be presented at Town Meeting.  
~~~~~

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_

The FINANCE COMMITTEE will make its recommendation at Town Meeting. NO \_\_\_

On request of the Finance Director

**STABILIZATION FUND**  
**Article Expected to Be Withdrawn**

**ARTICLE 8.** To see if the Town will vote to appropriate and raise from taxation or available funds a sum of money to the Stabilization Fund in accordance with Massachusetts General Laws Chapter 40, Section 5B, as amended by Chapter 46, Sections 14 and 50 of the Acts of 2003, or take any other action related thereto.

~~~~~  
This article authorizes a transfer from Free Cash to the Town's General Stabilization Fund. The Stabilization Fund is used to accumulate amounts for future spending purposes. The current balance in the Fund is \$6,232,631. Bond rating agencies, such as Standard and Poor's, consider the balance in the Stabilization Fund when they are rating the Town before bonds are issued. A high stabilization fund balance is looked upon more favorably as it means the Town has some reserves if needed for future spending. Appropriations to the Stabilization Fund require a majority vote of Town Meeting. Appropriations taken out of the Stabilization Fund require a two-thirds (2/3) vote.  
~~~~~

YES \_\_\_  
NO \_\_\_

On request of the Town Manager

**FREE CASH**  
**Article Expected to Be Withdrawn**

**ARTICLE 9.** To see what amount the Town will vote to permit the Assessors to use in Free Cash to reduce the Fiscal Year 2018 tax rate and to affect appropriations voted at the 2017 Annual Town Meeting, or take any other action related thereto.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_

**The FINANCE COMMITTEE voted 9-0 to recommend that \$0 Free Cash be used for the FY2018 budget. NO** \_\_\_

On request of the Finance Director

**UNEXPENDED APPROPRIATIONS**  
**Article Expected to Be Withdrawn**

**ARTICLE 10.** To see what disposition shall be made of unexpended appropriations and Free Cash in the treasury, or take any other action related thereto.

~~~~~

Unexpended balances in Special Article accounts are carried forward from year to year as contrasted with the budget account balances that are usually lapsed at the end of the fiscal year into Free Cash. When the purpose for which a Special Article appropriation was made has been accomplished, the balance remains in the account until it is either re-appropriated or lapsed into surplus revenue. In either case, a specific vote of the Town Meeting is required. The motion will list specific transfers.

~~~~~

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_

**The FINANCE COMMITTEE will make its recommendation at Town Meeting. NO** \_\_\_

On request of the Finance Director

**GENERAL HOUSEKEEPING ARTICLES**

**ARTICLE 11.** To see if the Town will vote the following consent articles, or take any other action related thereto:

~~~~~

These articles are general housekeeping articles that Town Meeting is asked to approve every year by law and are routinely voted without discussion. If Town Meeting approves these in a group vote, it will cut down on the number of votes required at Town Meeting. The Town Moderator will ask the Town Meeting voters if anyone would like to hold on a specific article and, if so, that article will be held out for discussion and a separate vote will be taken. Otherwise, there will be a single vote for 11A – 11F. There will be a separate motion for 11G because it requires a two-thirds (2/3) vote.

~~~~~

On request of the Town Manager

## FREE CASH

Free Cash is the term used for the portion of a community's fund balance that is available for appropriation by Town Meeting. Free Cash is generated when actual revenue collections are in excess of estimates, when expenditures are less than appropriations, or both. Free Cash must be certified by the Department of Revenue's Director of Accounts as of July 1st of each fiscal year upon submission of a municipality's balance sheet. Once Free Cash is certified, it is available for appropriation at the Annual Town Meeting or any Special Town Meeting. Free Cash must be recertified each year. In addition to actual versus budgeted revenues and expenditures, calculation of Free Cash takes into account how much was appropriated by Town Meeting, property tax receivables, and any deficits.

The Free Cash Balance is an important indicator of whether a town is living within its means. **A declining balance means that the Town is spending more than it is collecting in revenues.** Andover's policy is to maintain the combined balance of Free Cash and Stabilization Fund at 3%-7% of General Fund revenues. Free Cash provides a reserve that can be tapped in case of emergency and provides enough cash in the bank to meet payrolls and pay the bills without having to borrow in anticipation of taxes. The 3%-7% goal is consistent with accepted measures of good financial standing and a factor in Andover's bond rating.

Andover's policy is to use Free Cash for nonrecurring or emergency expenditures, for capital and equipment purchases or for appropriation to a stabilization fund to provide for sustainable operating budgets and financial stability for the community. By adhering to the Free Cash policy, the town avoids the creation of future operating deficits by using one time revenues to fund ongoing expenditures.

### 5 Year History of Use of Free Cash

|                             | FY2013        | FY2014           | FY2015           | FY2016           | FY2017           |
|-----------------------------|---------------|------------------|------------------|------------------|------------------|
|                             | (Spring 2012) | (Spring 2013)    | (Spring 2014)    | (Spring 2015)    | (Spring 2016)    |
| Certified Free Cash         | 1,239,055     | 4,073,271        | 3,963,320        | 5,761,265        | 4,843,241        |
| Supplemental Approp.        | 0             | 254,568          | 400,000          | 1,000,000        | 0                |
| Capital Projects            | 0             | 925,000          | 400,000          | 810,767          | 1,025,000        |
| Purchase/Campanelli Dr      | 0             | 0                | 0                | 0                | 2,500,000        |
| Trans to Stabilization Fund | 0             | 400,000          | 500,000          | 0                | 0                |
| Trans for Landfill Fund     | 0             | 1,000,000        | 1,000,000        | 1,000,000        | 0                |
| Trans for Bond Prem Fund    | 0             | 600,000          | 0                | 768,000          | 268,000          |
| Trans for OPEB Fund         | 0             | 0                | 1,000,000        | 1,248,316        | 0                |
| Other                       | 0             | 1,398            | 0                | 66,000           | 0                |
| Operating Budgets           | 0             | 0                | 0                | 0                | 0                |
| Total Spent Town Meeting    | <u>0</u>      | <u>3,180,966</u> | <u>3,300,000</u> | <u>4,893,083</u> | <u>3,793,000</u> |
| Balance After Town Meet     | 1,239,055     | 892,305          | 663,320          | 868,182          | 1,050,241        |

- Beginning with FY2017 a policy decision was made to include OPEB funding in annual operating budgets.
- The Ledge Road Landfill Stabilization Fund was closed in FY2017. The balance was appropriated for landfill capping.
- Acceptance of a provision of the Municipal Modernization Act in Article 23 will result in no additional funds transferred to the Bond Premium Stabilization Fund.

**GRANT PROGRAM AUTHORIZATION**

**11A.** To see if the Town will vote to authorize the Board of Selectmen and/or the Town Manager to apply for, accept and enter into contracts from time to time for the expenditure of any funds allotted to Andover by the Commonwealth of Massachusetts or the U. S. Government under any State or Federal grant program, or take any other action related thereto.

~~~~~

This article authorizes Town Officials to apply for and to accept Federal or State grants requiring Town Meeting approval that might become available during the coming fiscal year. Without Town Meeting authorization, these grants could be lost or jeopardized due to the delay resulting from either having to call a special Town Meeting or wait for the next Annual Town Meeting for approval.

~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

**The BOARD OF HEALTH voted 3-0 to recommend approval.**

On request of the Town Manager

**ROAD CONTRACTS**

**11B.** To see if the Town will vote to authorize the Town Manager to enter into a contract with the Massachusetts Highway Department Commissioners or the Federal Government for the construction and maintenance of public highways in the Town of Andover for the ensuing year, or take any other action related thereto.

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

On request of the Town Manager

**TOWN REPORT**

**11C.** To act upon the report of the Town officers, or take any other action related thereto.

~~~~~

This article refers to the Annual Town Report prepared by the Town Manager. As the result of a bylaw passed by the 1984 Annual Town Meeting, a summary of the 2016 Annual Report has been included at the end of the Finance Committee Report.

~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**NO \_\_\_**

On request of the Town Manager

**PROPERTY TAX EXEMPTIONS**

**11D.** To see if the Town will vote to accept the provisions of Section 4, Chapter 73 of the Acts of 1986 as amended by Chapter 126 of the Acts of 1988 to allow an additional property tax exemption for Fiscal Year 2018 for those persons who qualify for property tax exemptions under Massachusetts General Laws Chapter 59, Section 5, or take any other action related thereto.

~~~~~  
Annually, Town Meeting has voted to adopt a state law providing for property tax exemptions for older citizens, surviving spouses, minor children of deceased parents or the blind who meet specific income eligibility and/or medical requirements. This article would allow these exemptions to be increased, under certain conditions, to provide some protection from large increases in property taxes.  
~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

On request of the Board of Assessors

**CONTRACTS IN EXCESS OF THREE YEARS**

**11E.** To see if the Town will vote in accordance with the provisions of Massachusetts General Laws Chapter 30B, Section 12(b) to authorize the Town Manager or the Superintendent of Schools to solicit and award contracts for terms exceeding three years but no greater than five years, including any renewal, extension or option, provided in each instance the longer term is determined to be in the best interests of the Town by a vote of the Board of Selectmen or the School Committee, as appropriate, or take any other action related thereto.

~~~~~  
Contracts for goods and services which are entered into under the provisions of Massachusetts General Laws Chapter 30B (The Uniform Procurement Act) cannot exceed three years unless authorized by Town Meeting. If an opportunity arises for a longer-term contract which is in the best interests of the Town, the opportunity may be lost if the Town has to wait until the next Town Meeting for approval of the contract. This article would authorize such contracts up to five years upon approval of the appropriate elected body.  
~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

**The SCHOOL COMMITTEE voted 5-0 to recommend approval.**

On request of the Town Manager

## ACCEPTING EASEMENTS

**11F.** To see if the Town will vote to authorize the Board of Selectmen and the School Committee to accept grants of easements for streets, water, drainage, sewer and utility purposes or any public purpose on terms and conditions the Board and the Committee deem in the best interests of the Town, or take any other action related thereto.

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES \_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.** NO \_\_\_

On request of the Town Manager

## RESCINDING BOND AUTHORIZATIONS

**11G.** To see if the Town will vote to rescind unissued bond authorizations from prior Town Meetings, or take any other action related thereto.

~~~~~  
*When a project is complete and funds voted for long-term borrowing no longer need to be borrowed, the authorization can be rescinded by Town Meeting. Because there are no bond authorizations to be rescinded, it is expected that this section will not be included when this article is moved.*  
~~~~~

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval** YES \_\_\_

NO \_\_\_

On request of the Finance Director

## GRANTING EASEMENTS

**ARTICLE 12.** To see if the Town will vote to authorize the Board of Selectmen and the School Committee to grant easements for water, drainage, sewer and utility purposes or any public purpose on terms and conditions the Board and the Committee deem in the best interests of the Town, or take any other action related thereto.

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES \_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.** NO \_\_\_

On request of the Town Manager

**UNPAID BILLS**  
**Article Expected to Be Withdrawn**

**ARTICLE 13.** To see if the Town will vote to transfer from available funds a sum of money to pay unpaid bills for which obligation was incurred in prior fiscal years, or take any other action related thereto.

~~~~~

In order for a bill to be paid in the normal course of events, it must be submitted during the fiscal year in which the Town obligation was incurred or shortly thereafter. If a vendor fails to follow this procedure the bill must be presented to a Town Meeting for its approval before payment. A four-fifths (4/5) majority vote is required for the bill to be paid.

~~~~~

*Requires a four-fifths (4/5) vote*

YES \_\_\_

NO \_\_\_

On request of the Town Accountant

**CHAPTER 90 AUTHORIZATIONS**

**ARTICLE 14.** To see if the Town will vote to authorize the Town to acquire any necessary easements by gift, by purchase or by right of eminent domain for Chapter 90 Highway Construction or any other federal or state aid program for road or sidewalk improvements, or take any other action related thereto.

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.**

YES \_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.**

NO \_\_\_

On request of the Town Manager

**JERRY SILVERMAN FIREWORKS**

**ARTICLE 15.** To see if the Town will vote to appropriate and raise by taxation or available funds the amount of \$14,000 for the Jerry Silverman Fireworks Program as part of the Fourth of July festivities, or take any other action related thereto.

~~~~~  
The sum of \$14,000 is requested as the Town's contribution for the fireworks celebration on the evening of July 3<sup>rd</sup>. The fireworks are named in honor of Jerry Silverman who, for over fifty years, took it upon himself to raise the funds necessary for the Town's annual fireworks celebration from both private and public sources.  
~~~~~

| <b>Financial Impact of Article 15</b>  |  |
|--|--|
| <u>Approval</u><br>\$14,000 from taxation<br>Included in projected FY2018 tax bill | <u>Disapproval</u><br>Increases excess levy capacity by \$14,000<br>Reduces projected FY2018 tax bill by less than \$1 |

**The BOARD OF SELECTMEN** voted 5-0 to recommend approval. YES

**The FINANCE COMMITTEE** voted 7-0 to recommend approval. NO

On request of the Town Manager

## FY2018 REVOLVING ACCOUNTS

**ARTICLE 16.** To see if the Town will vote to authorize the following revolving funds for certain Town departments under Massachusetts General Laws Chapter 44, Section 53E½ for the fiscal year beginning July 1, 2017, or take any other action related thereto.

| Revolving Fund                                   | Authorized to Spend                                | Use of Fund   | Revenue Source  | FY - 2018 Expenditure Limit |
|--|--|---|---|-----------------------------|
| A. Community Development & Planning Department   | Division Heads                                     | Advertising legal hearing notice expenses for permit applications                         | Applicant Fees  | \$20,000                    |
| B. Memorial Hall Library- Lost/Damaged Materials | MHL Director                                       | Replacement of lost/damaged library materials   | Restitution payments/charges to borrower or patron    | \$20,000                    |
| C. Health Clinic                                 | Public Health Director                             | Clinic supplies and other expenses  | Clinic participant fees                               | \$60,000                    |
| D. Division of Community Services                | Community Services Director                        | Trips, ticket sales and special programs and activities                                   | Participant fees                                      | \$625,000                   |
| E. Division of Youth Services                    | Youth Services Director                            | All programs and activities expenses, part-time help                                      | Participant fees                                      | \$400,000                   |
| F. Field Maintenance                             | Municipal Services - Plant and Facilities Director | Field maintenance, upgrade and related expenses   | Field rental fees                                     | \$150,000                   |
| G. Division of Elder Services                    | Elder Services Director                            | Senior programs, classes and activities   | Participant fees                                      | \$225,000                   |
| H. Police Communications                         | Chief of Police                                    | Maintenance and purchase of public safety radio and antennae equipment                    | Lease agreements for antenna users                    | \$50,000                    |
| I. School Photocopy Fees                         | School Dept.                                       | Photocopy Center Costs  | External Private Groups                               | \$10,000                    |
| J. Compost Program                               | Municipal Services - Plant & Facilities Director   | Offset Compost Monitoring and Cleanup Expenses  | Contractor Permit fees, revenues from sale of compost | \$60,000                    |
| K. Solid Waste                                   | Municipal Services -Public Works Director          | Offset Trash & Recycling Costs  | CRT, HHW & Trash fees                                 | \$40,000                    |
| L. Stormwater Management                         | Planning Director                                  | Consulting and Environmental Monitoring of Stormwater Management Applications and Permits | Applicant   | \$5,000                     |
| M. Fire Rescue                                   | Fire Chief   | Training and Equipment  | Service Fees  | \$100,000                   |
| N. Health Services                               | Public Health Director                             | Health Dept. Inspections  | Inspection Fees                                       | \$75,000                    |

~~~~~

The Town Moderator will ask Town Meeting voters if anyone would like to be heard on a specific revolving fund. If so, that fund will be held out for discussion and a separate vote will be taken. A revolving account allows user fees and donations collected by a specific department to be used for expenses related to that department without a specific appropriation by Town Meeting. For example, activity fees collected from participants in Community Services programs are used for tickets, related trip expenses and other program costs. State law requires that Town Meeting vote annually on this type of revolving account, setting a dollar limit and specifying who is authorized to make expenditures. In any fiscal year the limit on the amount that may be spent can be increased with the approval of both the Board of Selectmen and Finance Committee. An increase from \$100,000 to \$150,000 is requested for F. Field Maintenance for FY2018.

~~~~~

The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_

The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_

The BOARD OF HEALTH voted 3-0 to recommend approval.

The SCHOOL COMMITTEE voted 5-0 to recommend approval.

On request of the Finance Director

**GENERAL BYLAW DEPARTMENT REVOLVING FUNDS**

**ARTICLE 17.** To see if the Town will vote to amend the general bylaws by adding a new Section 48 in Article XII to establish and authorize revolving funds for use by certain town/city departments, boards, committees, agencies or officers under Massachusetts General Laws Chapter 44, Section 53E½, or take any other action related thereto.

**SECTION 48. DEPARTMENTAL REVOLVING FUNDS**

1. Purpose. This bylaw establishes and authorizes revolving funds for use by Town departments, boards, committees, agencies or officers in connection with the operation of programs or activities that generate fees, charges or other receipts to support all or some of the expenses of those programs or activities. These revolving funds are established under and governed by Massachusetts General Laws Chapter 44, Section 53E½.
2. Expenditure Limitations. A department or agency head, board, committee or officer may incur liabilities against and spend monies from a revolving fund established and authorized by this bylaw without appropriation subject to the following limitations:
  - A. Fringe benefits of full-time employees whose salaries or wages are paid from the fund shall also be paid from the fund, except for those employed as school bus drivers.
  - B. No liability shall be incurred in excess of the available balance of the fund.
  - C. The total amount spent during a fiscal year shall not exceed the amount authorized by Town Meeting on or before July 1 of that fiscal year, or any increased amount of that authorization that is later approved during that fiscal year by the Board of Selectmen and Finance Committee.
3. Interest. Interest earned on monies credited to a revolving fund established by this bylaw shall be credited to the general fund.

4. Procedures and Reports. Except as provided in Massachusetts General Laws Chapter 44, Section 53E½ and this bylaw, the laws, charter provisions, bylaws, rules, regulations, policies or procedures that govern the receipt and custody of town/city monies and the expenditure and payment of Town funds shall apply to the use of a revolving fund established and authorized by this bylaw/ordinance. The town accountant shall include a statement on the collections credited to each fund, the encumbrances and expenditures charged to the fund and the balance available for expenditure in the regular report the town accountant/city auditor provides the department, board, committee, agency or officer on appropriations made for its use.
  
5. Authorized Revolving Funds.  
The Table establishes:
  - A. Each revolving fund authorized for use by a Town department, board, committee, agency or officer.
  - B. The department or agency head, board, committee or officer authorized to spend from each fund.
  - C. The fees, charges and other monies charged and received by the department, board, committee, agency or officer in connection with the program or activity for which the fund is established that shall be credited to each fund by the town accountant.
  - D. The expenses of the program or activity for which each fund may be used.
  - E. Any restrictions or conditions on expenditures from each fund.
  - F. Any reporting or other requirements that apply to each fund, and
  - G. The fiscal years each fund shall operate under this bylaw.

| A.<br>Revolving Fund                         | B.<br>Department,<br>Board,<br>Committee,<br>Agency or<br>Officer<br>Authorized to<br>Spend from<br>Fund | C.<br>Fees, Charges or<br>Other Receipts<br>Credited to Fund | D.<br>Program or Activity<br>Expenses Payable<br>from Fund                                | G.<br>Fiscal Years                    |
|--|--|--|---|---------------------------------------|
| Community Development & Planning Department  | CD&P Division Heads  | Applicant Fees   | Advertising legal hearing notice expenses for permit applications                         | Fiscal Year 2018 and subsequent years |
| Memorial Hall Library-Lost/Damaged Materials | MHU Director   | Restitution payments /charges to borrower or patron          | Replacement of lost/damaged library materials   | Fiscal Year 2018 and subsequent years |
| Health Clinic                                | Public Health Director   | Clinic participant fees                                      | Clinic supplies and other expenses  | Fiscal Year 2018 and subsequent years |
| Division of Recreation                       | Recreation Director  | Participant fees   | Trips, ticket sales and special programs and activities                                   | Fiscal Year 2018 and subsequent years |
| Division of Youth Services                   | Youth Services Director  | Participant fees   | All programs and activities expenses, part-time help                                      | Fiscal Year 2018 and subsequent years |
| Field Maintenance                            | Plant and Facilities Director  | Field rental fees  | Field maintenance, upgrade and related expenses   | Fiscal Year 2018 and subsequent years |
| Division of Elder Services                   | Elder Services Director  | Participant fees   | Senior programs, classes and activities   | Fiscal Year 2018 and subsequent years |
| Police Communications                        | Chief of Police  | Lease agreements for antenna users                           | Maintenance and purchase of public safety radio and antennae equipment                    | Fiscal Year 2018 and subsequent years |
| School Photocopy Fees                        | School Dept.   | External Private Groups                                      | Photocopy Center Costs  | Fiscal Year 2018 and subsequent years |
| Compost Program                              | Municipal Services – Plant & Facilities Director   | Contractor permit fees, revenues from sale of compost        | Offset Compost Monitoring and Cleanup Expenses  | Fiscal Year 2018 and subsequent years |
| Solid Waste                                  | Municipal Services – Public Works Director   | CRT, HHW & Trash fees  | Offset Trash & Recycling Costs  | Fiscal Year 2018 and subsequent years |
| Stormwater Management                        | Planning Director  | Applicant  | Consulting and environmental monitoring of Stormwater Management applications and permits | Fiscal Year 2018 and subsequent years |
| Fire Rescue                                  | Fire Chief   | Service Fees   | Training and Equipment  | Fiscal Year 2018 and subsequent years |
| Health Services                              | Public Health Director   | Inspection Fees  | Health Dept. Inspections  | Fiscal Year 2018 and subsequent years |

And further that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

~~~~~  
Under the Municipal Modernization Act, which became effective Nov 7, 2016, the Revolving Fund statute, Massachusetts General Laws Chapter 44 Section 53 E ½, was amended to require communities to establish and account for revolving funds by bylaw. This article is requesting that the Town establish such a bylaw. The bylaw must specify the revenues to be generated by each revolving fund, the department, board or committee authorized to spend from the fund and the program or activity for which funds may be spent. Once this bylaw is in place, the Town will vote each year to authorize the amounts to be spent from each revolving fund.  
~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

On request of the Finance Director

**ESTABLISH A PEG ACCESS AND CABLE RELATED FUND**

**ARTICLE 18.** To see if the Town will accept Massachusetts General Laws Chapter 44, Section 53F¾, which establishes a special revenue fund known as the PEG Access and Cable Related Fund, to reserve cable franchise fees and other cable-related revenues for appropriation to support PEG access services and oversight and renewal of the cable franchise agreement, the fund to begin operation for fiscal year 2018, which begins on July 1, 2017, or take any other action relative thereto.

~~~~~  
This article asks the Town to vote to account for the Town’s cable funds in a “Receipts Reserved” Fund in accordance with Massachusetts General Laws Chapter 44 Section 53F¾. Currently the cable funds are accounted for in a revolving account. The Massachusetts Department of Revenue is now requiring that cable funds be accounted for in either an “Enterprise Fund” or a “Receipts Reserve Fund.” The Town has chosen a “Receipts Reserved” Fund as it is similar to the way we are currently accounting for the cable funds. PEG (Public, Educational and Government) Access services will not be impacted by this change.  
~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

On request of the Finance Director

**TRANSFER FROM CABLE REVOLVING ACCOUNT  
TO PEG ACCESS AND CABLE RELATED ACCOUNT**

**ARTICLE 19.** To see if the Town will vote to transfer existing balance on June 30, 2017 from Cable Revolving Fund to PEG Access and Cable Related Fund.

*This article asks that the funds currently in the Cable Revolving Fund on June 30, 2017 be transferred to the newly established PEG (Public, Educational and Government) Access and Cable Related Fund.*

The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES

The FINANCE COMMITTEE voted 9-0 to recommend approval. NO

On request of the Finance Director

**ELDERLY/DISABLED TRANSPORTATION PROGRAM**

**ARTICLE 20.** To see if the Town will vote to appropriate and raise by taxation a sum not to exceed \$12,000 for the purpose of continuing to provide for an elderly and disabled transportation subsidy program, or take any other action related thereto.

The Town provides certain transportation subsidies for our elderly and disabled citizens. These subsidies currently allow seniors 60 years of age and older and disabled persons to ride free on the MVRTA shuttle bus, and also provide transportation through a "call and ride" program called EZ-Trans. This article will continue to provide critical transportation benefits to our senior and disabled residents.

**Financial Impact of Article 20**

|  |  |
|--|--|
| <p><u>Approval</u><br/>\$12,000 from taxation.<br/>Included in projected FY2018 tax bill</p> | <p><u>Disapproval</u><br/>Increases excess levy capacity by \$12,000.<br/>Reduces projected FY2018 tax bill by less than \$1</p> |
|--|--|

The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES

The FINANCE COMMITTEE voted 7-0 to recommend approval. NO

On request of the Council on Aging

**SUPPORT FOR CIVIC EVENTS**

**ARTICLE 21.** To see if the Town will vote to appropriate and raise by taxation or transfer from available funds a sum not to exceed \$5,000 for the purpose of paying a portion of the municipal costs associated with civic events in the downtown, or take any other action related thereto.

This article will provide ~~\$5,000~~ to pay for overtime costs incurred by Town departments during civic events such as Andrew Days when Main Street and associated side streets must be closed.

**Financial Impact of Article 21**

Approval

\$5,000 from taxation.  
Included in projected FY2018 tax bill.

Disapproval

Increases excess levy capacity by \$5,000  
Reduces projected FY2018 tax bill by less than \$1.

The BOARD OF SELECTMEN voted 4-0 to recommend approval.

YES \_\_\_

The FINANCE COMMITTEE voted 7-0 to recommend approval.

NO \_\_\_

On request of the Town Manager

**SPRING GROVE CEMETERY MAINTENANCE**

**ARTICLE 22.** To see if the Town will vote to transfer the sum of \$6,000 from the Spring Grove Cemetery Perpetual Care reserve account and appropriate the sum of \$6,000 for the purpose of cemetery maintenance including costs incidental and related thereto, or take any other action related thereto.

This article will provide \$6,000 for Spring Grove Cemetery repairs including roadway paving, masonry work to the historic stone wall and support for the Cemetery Master Plan. Funding for this article comes from interest on the Spring Grove Cemetery Perpetual Care fund.

**Financial Impact of Article 22**

Approval

Reduces Cemetery Fund balance by \$6,000  
No FY2018 tax bill impact

Disapproval

\$6,000 available for spending by a future  
Town Meeting for cemetery improvements

The BOARD OF SELECTMEN voted 5-0 to recommend approval.

YES \_\_\_

The FINANCE COMMITTEE voted 6-0 to recommend approval.

NO \_\_\_

On request of the Director of Municipal Services

**APPLICATION OF BOND PREMIUM**

**ARTICLE 23.** To see if the Town will supplement each prior vote of the Town that authorizes the borrowing of money to pay costs of capital projects to provide that, in accordance with Chapter 44, Section 20 of the Massachusetts General Laws, the premium received by the Town upon the sale of any bonds or notes thereunder, less any such premium applied to the payment of the costs of issuance of such bond or notes, may be applied to pay project costs and the amount authorized to be borrowed for each such project shall be reduced by the amount of any such premium so applied, or take any other action related thereto.

~~~~~  
This article asks Town Meeting to authorize appropriating \$289,000 of the premium received on the December, 2016 borrowing to reduce the amount borrowed for each project thereby reducing the interest costs paid over the life of the issue and to authorize reducing the remaining amount authorized to be borrowed. Previously bond premiums were appropriated to the Bond Premium Stabilization Fund. Then, each year, money was transferred to the General Fund to offset principal and interest costs of the bonds that generated the premiums. The new simplified procedure will eliminate the transfer to the Bond Premium Stabilization Fund and subsequent annual warrant articles to apply those funds to debt service expenses.  
~~~~~

*Requires a two-thirds 2/3 vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES \_\_\_

**The FINANCE COMMITTEE voted 9-0 to recommend approval.** NO \_\_\_

On request of the Finance Director

**INSURANCE RECOVERY TRANSFER**  
**Article Expected to Be Withdrawn**

**ARTICLE 24.** To see if the Town will vote to transfer the sum of \$0 from the Insurance Proceeds in Excess of \$150,000 Account and appropriate it to the Municipal Building/Insurance Fund, said sum being the amount received for insurance reimbursement, or take any other action related thereto.

-----  
*Insurance proceeds in excess of \$150,000 cannot be expended without appropriation by Town Meeting. This article will allow the insurance proceeds received by the Town to go back into the Municipal Building Insurance Fund.*  
-----

YES \_\_\_

NO \_\_\_

On request of the Finance Director

**STABILIZATION FUND BOND PREMIUM**

**ARTICLE 25.** To see if the Town will vote to transfer the sum of \$100,000 from the Bond Premium Stabilization Fund to the General Fund to offset non-exempt debt interest payments, or take any other action related thereto.

~~~~~

The Bond Premium Stabilization Fund was established for the purpose of using bond premiums to offset the principal and interest on non-exempt outstanding debt. This article transfers \$100,000 from the Bond Premium Stabilization Fund to the General Fund to offset the interest costs of the bonds that generated bond premiums. The funds from this stabilization fund may be used when the coupon rate of interest is higher than the actual interest rate to mitigate the impact on the general fund budget. Approval of Article 23 will change how bond premiums are used to offset debt service expenses. However, the funds previously deposited in the Bond Premium Stabilization Fund still require an annual appropriation.

~~~~~

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 4-0 to recommend approval.** YES

**The FINANCE COMMITTEE voted 6-0 to recommend approval.** NO

On request of the Finance Director

|                                 |
|---------------------------------|
| <b>WATER AND SEWER VEHICLES</b> |
|---------------------------------|

**ARTICLE 26.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$100,000 for the purpose of purchasing water and sewer vehicles, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

The Water and Sewer Divisions have a number of aging vehicles that have been postponed for replacement over the years. The Water and Sewer Divisions in conjunction with the Vehicle Maintenance Division review the status of postponed vehicles and determines the best use of the appropriation. Vehicles reviewed for replacement are frontline vehicles that are used on a daily basis for first response, emergency and both weather/flood and snow/ice maintenance. Other uses include but are not limited to hauling of materials, barricades and generators.

| <b>Financial Impact of Article 26</b>                  |                                                                                               |
|--------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Water Reserves by \$100,000 | <u>Disapproval</u><br>\$100,000 in Water Reserves available for future Water Department needs |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval.** YES

**The FINANCE COMMITTEE voted 6-0 to recommend approval.** NO

On request of the Director of Municipal Services

**WATER MAIN REPLACEMENT PROJECTS**

**ARTICLE 27.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$3,000,000 for the purpose of purchasing services and materials related to completing water main replacement projects, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

The Water Distribution System Study and Capital Improvements Plan were developed in 2010. The recommendations set forth in this report will help to prevent catastrophic failures; improve capacity; prevent water loss; provide adequate fire protection and improve overall water quality. This article will continue the program with identified locations for approximately 17,000 linear feet.

~~~~~

| <b>Financial Impact of Article 27</b>                                                                                                                                                            |                                                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <u>Approval</u><br>Town borrows \$3,000,000 to be repaid over 20 years<br>Debt Service funded with water user fees is included in water rate projections for future years<br>No impact in FY2018 | <u>Disapproval</u><br>No change in FY2018 water rates. |
| $\$3,000,000 \text{ Appropriation} + \$1,102,500 \text{ Projected Interest} = \$4,102,500$                                                                                                       |                                                        |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval.** YES

**The FINANCE COMMITTEE voted 6-0 to recommend approval.** NO

On request of the Director of Municipal Services

**HYDRANT REPLACEMENT PROGRAM**

**ARTICLE 28.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$100,000 for the purpose of purchasing services and materials related to the fire hydrant replacement program, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Continuation of the hydrant maintenance project including, but not limited to, the identification of hydrants needing replacement, repair and/or maintenance including replacement of identified hydrants as follows: a) replacing the hydrants that need to be replaced; b) changing the grade on the hydrants as needed; and c) regular maintenance, lubrication, pressure testing and painting.

~~~~~

| Financial Impact of Article 28                          |                                                                                                |
|---------------------------------------------------------|------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Water Reserves by \$100,000. | <u>Disapproval</u><br>\$100,000 in Water Reserves available for future Water Department needs. |

The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES

The FINANCE COMMITTEE voted 6-0 to recommend approval. NO

On request of the Director of Municipal Services

**ENMORE STREET RECONSTRUCTION**

**ARTICLE 29.** To see if the Town will appropriate by taxation, transfer from available funds, borrowing or otherwise the sum of \$1,230,000 for the purpose of paying costs of engineering and construction associated with major maintenance and repairs to Town water lines, sewer lines, sidewalks and the resurfacing of Enmore Street and for the payment of all other costs incidental thereto, or to take any other action related thereto.

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*This article funds the total reconstruction of Enmore Street: \$655,000 from General Fund borrowing for the street and sidewalk work; \$50,000 from water reserves for the water main; and \$525,000 from repurposing funds remaining in bond issues approved by prior Town Meetings for the sewer.*

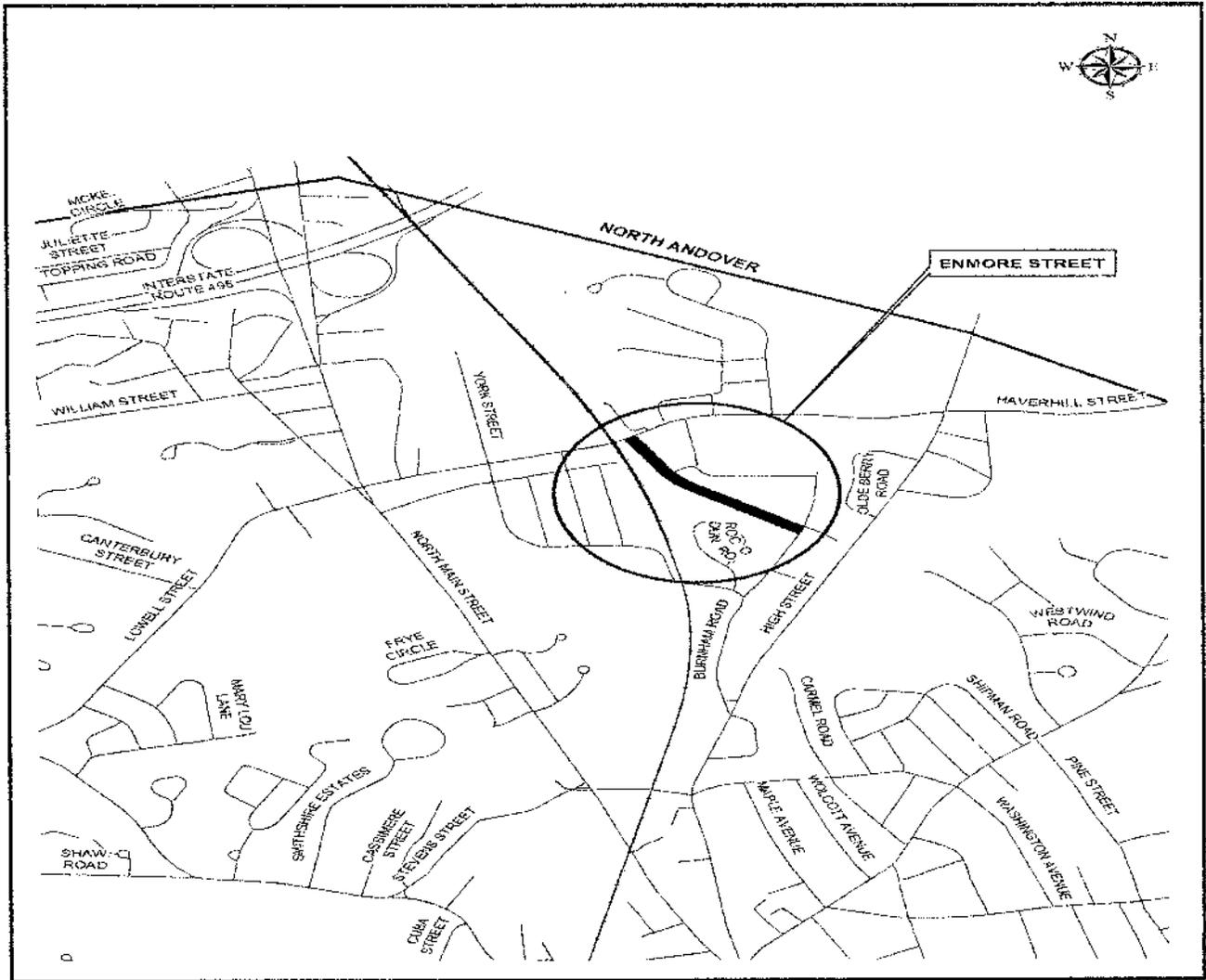
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| Financial Impact of Article 29                                                                                                                                                                                                                                                  |                                                                                                                                                                               |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Town borrows \$655,000 to be repaid over 15 years<br>No increase in FY2018 tax bill<br>Peak year of debt service in FY2019 would require an appropriation of \$66,592<br>Would account for approximately \$5 of FY2021 average residential property tax bill | <u>Disapproval</u><br>No change in FY2018 tax bill<br>Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs |
| <b>\$655,000 Appropriation + \$183,400 Projected Interest = \$838,400 Total Cost</b>                                                                                                                                                                                            |                                                                                                                                                                               |

| Financial Impact of Article 29                        |                                                                                              |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Water Reserves by \$50,000 | <u>Disapproval</u><br>\$50,000 in Water Reserves available for future Sewer Department needs |

| Financial Impact of Article 29                                                                                               |                           |                     |
|------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------|
| Proposed funding of the Enmore street sewer by repurposing funds remaining after completion of the following sewer projects: |                           |                     |
| Article 31                                                                                                                   | 1998 Annual Town Meeting  | \$188,964.13        |
| Article 34                                                                                                                   | 1998 Annual Town Meeting  | 32,528.44           |
| Article 42                                                                                                                   | 1999 Annual Town Meeting  | 26,516.30           |
| Article 41                                                                                                                   | 1999 Annual Town Meeting  | 84,744.96           |
| Article 2                                                                                                                    | 2004 Special Town Meeting | <u>192,246.17</u>   |
| Total                                                                                                                        |                           | <b>\$525,000.00</b> |

**Article 29 -- Enmore Street Reconstruction**



The BOARD OF SELECTMEN voted 5-0 to recommend approval.

YES \_\_\_\_\_

The FINANCE COMMITTEE voted 9-0 to recommend approval.

NO \_\_\_\_\_

On the request of the Director of Municipal Services

**WATER TREATMENT PLANT  
ELECTRICAL SUBSTATION REPLACEMENT**

**ARTICLE 30.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$500,000 for the purpose of purchasing services and materials related to the water treatment plant electrical substation replacement project, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Substation A is the main electrical feed for the Water Treatment Plant. At 40 years old, the availability of replacement parts is an issue. It is also the only infrastructure at the Water Treatment Plant that is a single point of failure, with no redundancy. By also upgrading Substation B and installing a second feed from the utility, the consequence of failure in Substation A would be minimized. The 2011 Drinking Water Infrastructure Needs Survey and Assessment recommends this project.

~~~~~

| <b>Financial Impact of Article 30</b>                                                                                                                                                          |                                                        |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------|
| <u>Approval</u><br>Town borrows \$500,000 to be repaid over 20 years<br>Debt Service funded with water user fees is included in water rate projections for future years<br>No impact in FY2018 | <u>Disapproval</u><br>No change in FY2018 water rates. |
| $\$500,000 \text{ Appropriation} + \$183,750 \text{ Projected Interest} = \$683,750 \text{ Total Cost}$                                                                                        |                                                        |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES**

**The FINANCE COMMITTEE voted 6-0 to recommend approval. NO**

On request of the Director of Municipal Services

**BANCROFT HIGH LIFT PUMPS**

**ARTICLE 31.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$750,000 for the purpose of purchasing services and materials related to replacing the Bancroft high lift pumps, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Replacing the current 30 year old system will offer greater operational efficiencies between low winter demand and high summer production rates. Spare part availability for the current system is becoming problematic due to its age. This is the last phase of upgrading all Water Treatment Plant high lift pumping equipment.

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| <b>Financial Impact of Article 31</b>                                                                                                                                                           |                                                       |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------|
| <u>Approval</u><br>Town borrows \$750,000 to be repaid over 20 years.<br>Debt Service funded with water user fees is included in water rate projections for future years<br>No impact in FY2018 | <u>Disapproval</u><br>No change in FY2018 water rates |
| $\$750,000 \text{ Appropriation} + \$275,625 \text{ Projected Interest} = \$1,025,625 \text{ Total Cost}$                                                                                       |                                                       |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES**

**The FINANCE COMMITTEE voted 6-0 to recommend approval. NO**

On request of the Director of Municipal Services

## MINOR SANITARY SEWER COLLECTION SYSTEM IMPROVEMENTS

**ARTICLE 32.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$50,000 for the purpose of purchasing services and materials related to completing minor sanitary sewer collection system improvements, including any other costs incidental and related thereto, or to take any other action related thereto.

With the aging of the Sanitary Sewer Collection System dating as far back as 1994, repairs are necessary to ensure the integrity of the collection system and to eliminate inflow/infiltration sources.

| Financial Impact of Article 32                        |                                                                                              |
|-------------------------------------------------------|----------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Sewer Reserves by \$50,000 | <u>Disapproval</u><br>\$50,000 in Sewer Reserves available for future Sewer Department needs |

The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES \_\_\_\_\_

The FINANCE COMMITTEE voted 6-0 to recommend approval. NO \_\_\_\_\_

On the request of the Director of Municipal Services

## MUNICIPAL SERVICES FACILITY

**ARTICLE 33.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$17,500,000 for the purpose of designing, constructing, equipping and furnishing a new Municipal Services Facility at 5 Campanelli Drive, including the payment of any other costs incidental and related thereto, or to take any other action related thereto.

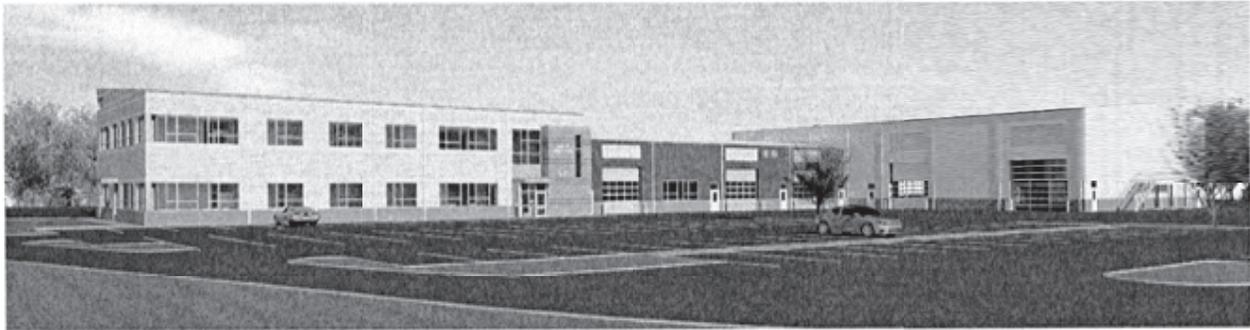
This article is a request for authorization to borrow \$17,500,000 to construct a new Municipal Services Facility at 5 Campanelli Drive. The approved site plan includes a pre-engineered building with office space, general workshop spaces, vehicle maintenance, washing area and vehicle storage. There will also be a fueling station, salt shed, material storage and a canopy structure. The Permanent Town Building Advisory Committee held regular public meetings as part of its role in helping to oversee the design process for this project. The construction of this facility is part of the Town Yard relocation project.

The Town Yard relocation project has continued to be a priority of the Town and the Board of Selectmen for the past decade. The 2016 Annual Town Meeting voted to take the following steps towards moving forward with the construction of a new Municipal Services Facility:

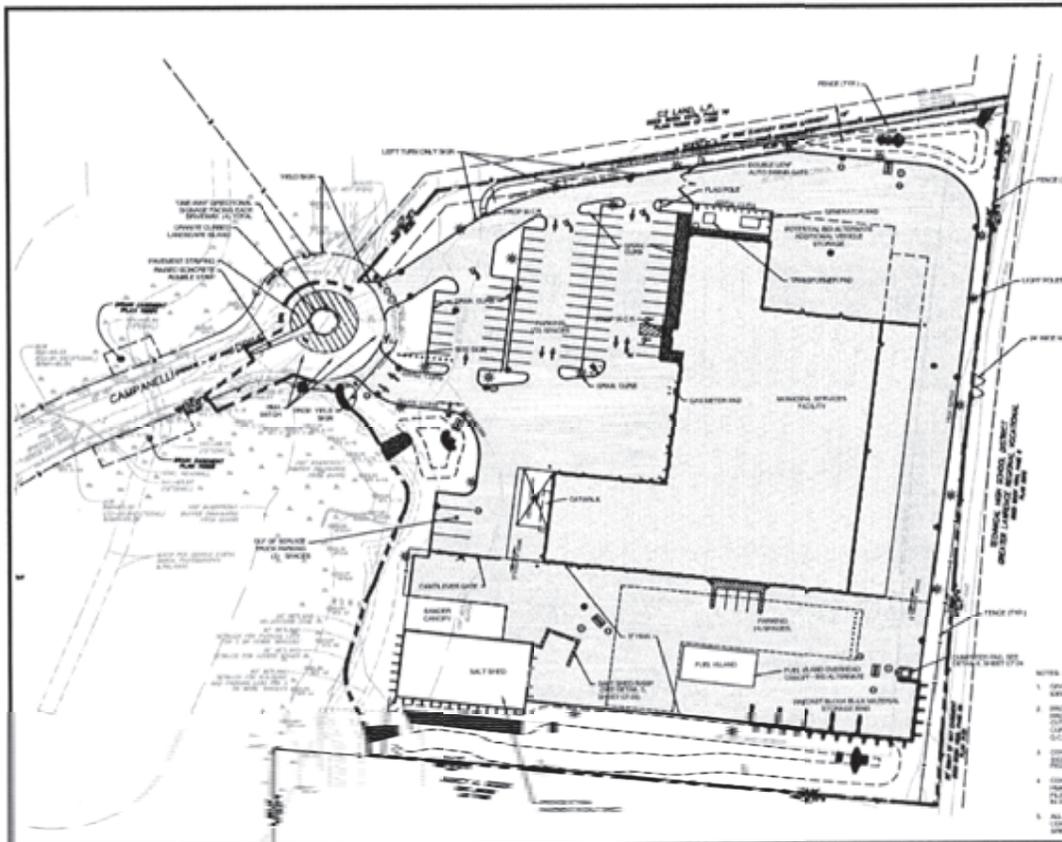
1. Appropriated \$2,250,000 from Free Cash to purchase 5 Campanelli Drive.
2. Supported sending a Home Rule Petition to the Legislature that will establish a *Municipal Services Facility Mitigation Fund* for the purposes of using specific revenues from the future reuse of the site of the current Town Yard (11 Lewis Street) to mitigate the financial impact of constructing a new facility at 5 Campanelli Drive. The Home Rule Petition has been approved by the legislature.

3. Appropriated \$900,000 from General Fund Taxation (Capital Projects Fund) to fund the design and engineering phase of the Municipal Services Facility Project which is currently underway.

The plan presented to Town Meeting included that the capital capacity (\$900,000) associated with funding the design phase in FY2017 would be shifted from Capital Projects Fund to Non-Exempt Debt Service in FY2018. This will offset the costs associated with the construction phase of the project and allow the overall project to be funded within Proposition 2 ½ and will not require a debt exclusion vote. The project has been designed and is consistent with the commitments made to Town Meeting last year. It should be noted that the financing plan does not include the use of anticipated revenues from the sale or redevelopment of 11 Lewis Street.



Conceptual Rendering of the Proposed New Municipal Services Facility at 5 Campanelli Drive



**Financial Impact of Article 33**

Approval

Town borrows \$17,500,000 to be repaid over 30 years  
No increase in FY2018 tax bill  
Peak year of debt service in FY2021 would require an appropriation of \$951,498  
Would account for approximately \$66 of FY2021 average residential property tax bill

Disapproval

No change in FY2018 tax bill.  
Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs

\$17,500,000 Appropriation + \$11,044,698 Projected Interest = \$28,544,698 Total Cost

The BOARD OF SELECTMEN voted 5-0 to recommend approval.

YES \_\_\_\_\_

The PLANNING BOARD voted 4-0 to recommend approval.

NO \_\_\_\_\_

On request of the Town Manager

**STREET ACCEPTANCE OF CAMPANELLI DRIVE**

**ARTICLE 34.** To see if the Town will vote to accept Campanelli Drive as a public way and authorize the Board of Selectmen to acquire by eminent domain, gift, purchase or otherwise any fee, easement or other interest in the following described roadway and easements related thereto, and to accept the sewer lines and drainage facilities located within said roadway and related easements as shown on the following described Plan:

A certain street or way located off River Road in Andover, Essex County, Massachusetts and being shown as Campanelli Drive on a plan of land entitled, "Definitive Subdivision Plan, River Road Business Center, Andover, Mass." Owner & Applicant: Campanelli Realty Trust, Date: February 5, 1986; Scale: 1"=40', prepared by Bradford Saivetz & Associates, Inc., which plan is recorded with the Essex North District Registry of Deeds as Plan Number 10256 ("Plan").

Related Easements described as follows:

1. Two easements shown as "Drain Easement" on Lot 1 on said Plan;
  2. Four easements shown as "Drain Easement" on Lot 3 on said Plan.
- or take any other action related thereto.

~~~~~

Accepting Campanelli Drive as a public way is related to the plan to construct a new Municipal Services Facility at 5 Campanelli Drive. The Town acquired the private way known as Campanelli Drive as part of the acquisition of 5 Campanelli Drive that was approved under Article 31 of the 2016 Annual Town Meeting. Campanelli Drive is currently a Town-owned private street with shared access easements provided to the three property owners on the street including the Town as owner of 5 Campanelli Drive. Accepting this street will add it to the inventory of public owned streets and will allow the Town to maintain and improve it as part of the annual roadway maintenance program.

~~~~~

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES\_\_\_\_\_

The PLANNING BOARD voted 4-0 to recommend approval. NO\_\_\_\_\_

On request of the Municipal Services Director

**SALE OR LEASE OF TOWN YARD PROPERTY  
AND PORTION OF LEWIS STREET**

**ARTICLE 35.** To see if the Town will vote to transfer the care, custody, management and control of the land and buildings known as the Town Yard and the Public Safety Parking Lot, identified on the Town’s Assessors Maps as:

Map 38, Parcel 14 (11 Lewis Street); Map 38, Parcel 32 (15 Buxton Court); Map 38, Parcel 18 (8-12 Buxton Court); Map 38, Parcel 17 (6 Buxton Court); Map 38, Parcel 2 (41 Pearson Street); Map 38, Parcel 3 (37 Lewis Street); Map 38, Parcel 6 (27-29 Pearson Street); and Map 38, Parcel 8 (19 Pearson Street) and the portion of the land known as Lewis Street which is described as follows:

The area shown as “Portion of Lewis Street to be Discontinued 6,722 S.F.+/-“ on Plan of Land entitled “Discontinuance Plan, Portion of Lewis Street, Andover, Mass. Prepared for: Town of Andover, Date: March 2, 2017, Scale 1” = 40’, Andover Consultants, Inc., 1 East River Place, Methuen, Mass. 01844,” a copy of which Plan is on file in the Office of the Town Clerk, from the Board of Selectmen for the purposes of sale or lease of said land and buildings, and to authorize the Board of Selectmen to sell or lease said land or portions of such land at such time as said land and buildings are no longer used by the Town for the Town Yard, according to the provisions of Massachusetts General Laws Chapter 30B, and further that the Board of Selectmen approve any other restrictions, including restrictions on use, that are in the best interests of the Town, upon such terms and conditions as the Board of Selectmen may deem appropriate and necessary, and that the Board of Selectmen determine whether all or a portion of the above-described property shall be sold or leased, and the boundaries of the property to be sold,

~~~~~  
This article is a request to authorize the Board of Selectmen to dispose of the municipal parcels near Lewis Street that make up the existing Town Yard site. The disposition may be a sale or lease as determined by the Board of Selectmen and would be facilitated through a Request for Proposals process. Prior to disposing of these parcels the Town will be commencing a community conversation to develop design guidelines for the Historic Mill Overlay District. Once the design guidelines are prepared and adopted by the Planning Board, this document will help guide the future redevelopment of the former Town Yard site.  
~~~~~

*Requires a two-thirds (2/3) vote*

The BOARD OF SELECTMEN voted 4-1 to recommend approval. YES\_\_\_\_\_

The FINANCE COMMITTEE voted 9-0 to recommend approval. NO\_\_\_\_\_

The PLANNING BOARD voted 4-0 to recommend approval.

On petition of the Town Manager



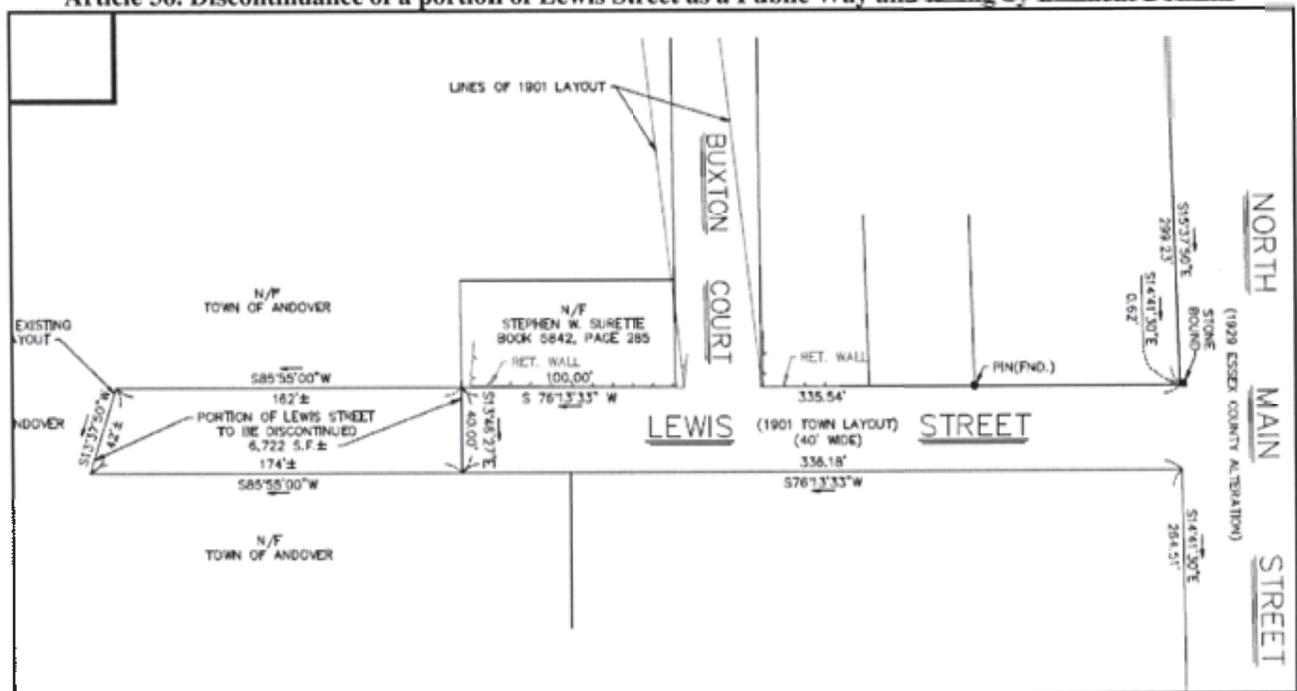
## DISCONTINUANCE OF A PORTION OF LEWIS STREET AS A PUBLIC WAY AND TAKING BY EMINENT DOMAIN

**ARTICLE 36.** To see if the Town will vote to discontinue as a public way and authorize the Board of Selectmen to acquire by eminent domain, gift, purchase or otherwise the fee interest or any other interest in that portion of Lewis Street which is described as follows:

The area shown as "Portion of Lewis Street to be Discontinued 6,722 S.F.+/-" on Plan of Land entitled "Discontinuance Plan, Portion of Lewis Street, Andover, Mass. Prepared For: Town of Andover, Date: March 2, 2017, Scale 1" = 40', Andover Consultants, Inc., 1 East River Place, Methuen, Mass., 01844" a copy of which Plan is on file in the Office of the Town Clerk, and to award no damages for said taking or payment for said acquisition, or take any other action related thereto.

This article is a request to discontinue a 6,722 square foot portion of the existing public way known as Lewis Street as shown in the plan titled "Discontinuance Plan Portion of Lewis Street Andover, Mass." dated March 2, 2017 that is on file with the Town Clerk, and to allow for this land to be included as part of the Town Yard disposition, as further described in Article P-35 Sale or Lease of Town Yard Property and Portion of Lewis Street.

### Article 36. Discontinuance of a portion of Lewis Street as a Public Way and taking by Eminent Domain



*Requires a two-thirds (2/3) vote*

The BOARD OF SELECTMEN voted 5-0 to recommend disapproval. YES

The FINANCE COMMITTEE voted 9-0 to recommend approval. NO

The PLANNING BOARD voted 4-0 to recommend approval.

On request of the Town Manager

**SEWER INFLOW AND INFILTRATION REDUCTION PROJECT**

**ARTICLE 37.** To see if the Town will vote to appropriate the sum of \$500,000 to pay costs of the Sewer Inflow and Infiltration Project, including all costs incidental and related thereto, to determine whether this amount shall be raised by taxation, transfer from available funds, borrowing or otherwise, and authorize the Board of Selectmen to apply for and accept any state or federal grant or assistance, or both, that may be available to pay for the above project, or take any other action related thereto.

~~~~~

This article authorizes the Town to repurpose previously borrowed sewer funds in the amount of \$500,000 for a sewer infiltration and inflow reduction project. Degradation of the Town's aging sewer infrastructure of pipes and manholes has reached a point where some of those original facilities are physically failing. This request will identify and rehabilitate a portion of the sewer infrastructure to a like-new condition, decreasing infiltration and inflow into the sewer system.

~~~~~

| <b>Financial Impact of Article 37</b>                                                                                                                    |                           |                     |
|----------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------|---------------------|
| Proposed funding of the Sewer Inflow and Infiltration Reduction Project by repurposing funds remaining after completion of the following sewer projects: |                           |                     |
| Article 2                                                                                                                                                | 2004 Special Town Meeting | \$149,598.27        |
| Article 33                                                                                                                                               | 2006 Annual Town Meeting  | 64,878.43           |
| Article 36                                                                                                                                               | 2007 Annual Town Meeting  | 45,267.64           |
| Article 32                                                                                                                                               | 2010 Annual Town Meeting  | <u>240,265.66</u>   |
|                                                                                                                                                          | Total                     | <b>\$500,000.00</b> |

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES**

**The FINANCE COMMITTEE voted 9-0 to recommend approval. NO**

On request of the Director of Municipal Services

**WATER TREATMENT PLANT NEW HEATING SYSTEM**

**ARTICLE 38.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$300,000 for the purpose of purchasing services and materials related to replacing the heating system for the Water Treatment Plant, including any other costs incidental and related thereto, or to take any other action related thereto.

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The Water Treatment Plant heating system is 42 years old and is in "very poor condition" according to our MIIA inspection in March, 2015. The heating and HVAC systems are well beyond their useful life and replacement can no longer be avoided. The HVAC system must be brought up to current standards. The systems will be replaced with two steam boilers and piping and a new air handling system. All efforts are being made to reuse existing equipment and ductwork as feasible.

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**Financial Impact of Article 38**

Approval

Town borrows \$300,000 to be repaid over 10 years  
Debt Service funded with water user fees is included  
in sewer rate projections for future years.  
No impact in FY2018.

Disapproval

No change in FY2018 water rates.

**\$300,000 Appropriation + \$57,750 Projected Interest = \$357,750 Total Cost**

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.**

**YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 6-0 to recommend approval.**

**NO** \_\_\_\_\_

On request of the Director of Municipal Services

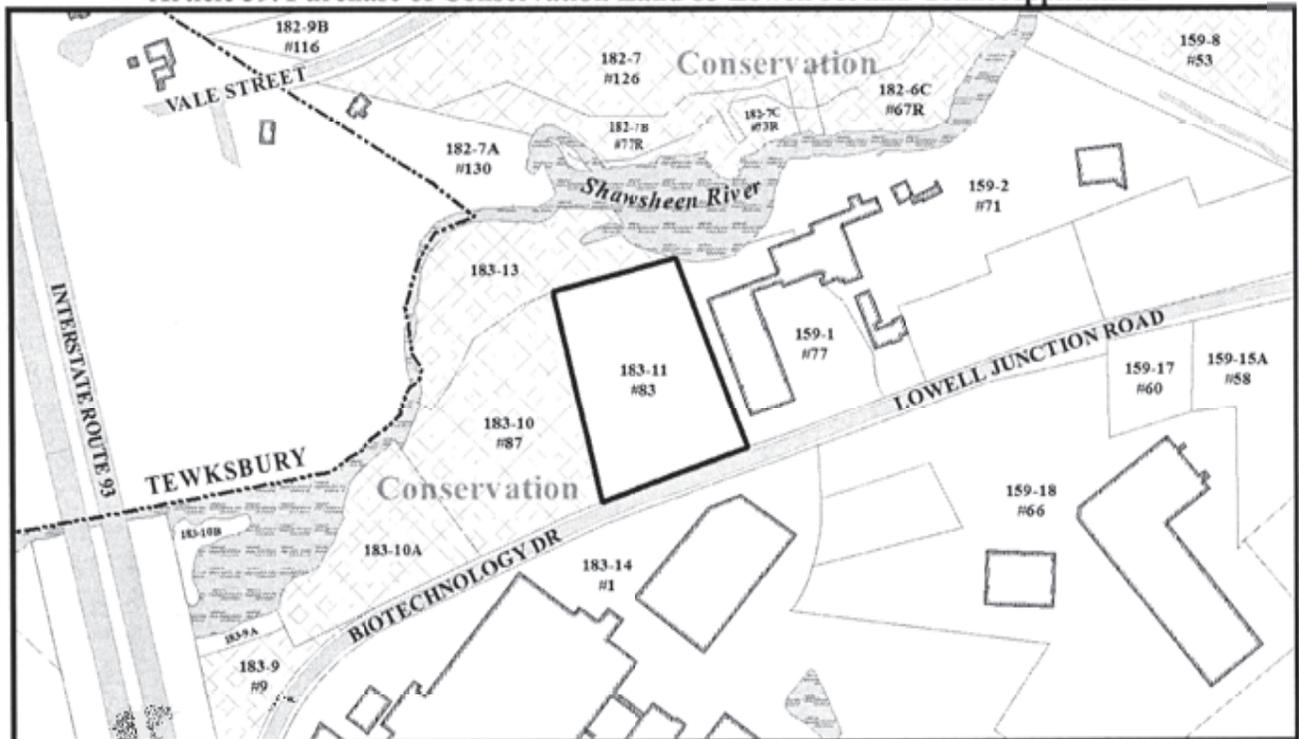
**PURCHASE OF CONSERVATION LAND FROM GENETICS  
INSTITUTE/PFIZER 83 LOWELL JUNCTION ROAD AND  
APPLICATION FOR LAND GRANT FUNDS**

**ARTICLE 39.** To see if the Town will vote to authorize the sum of \$500,000 appropriated by vote under Article 12 of the 2001 Annual Town Meeting, as amended by vote under Article 56 of the 2014 Annual Town Meeting for the acquisition by gift, negotiated purchase or eminent domain of a parcel of land of approximately 3.08+/-acres at 83 Lowell Junction Road, now or formerly owned by Genetics Institute, Inc. / Pfizer as described on Assessors Map 183, Parcel 11, and for expenses incidental and related thereto, to be managed and controlled by the Conservation Commission of the Town of Andover in accordance with Chapter 40, Section 8C of Massachusetts General Laws for conservation and passive outdoor recreation purposes, and to meet said appropriation, to authorize the Treasurer, with the approval of the Board of Selectmen to borrow said sum under and pursuant to Chapter 44, Section 7, Clause (3) and/or Chapter 44, Section 8C of Massachusetts General Laws, or any other enabling authority, issue bonds or notes of the Town therefor or to take any other action related thereto that may be necessary for that purpose, and that the Town Manager, Conservation Commission and Board of Selectmen on behalf of the Town be authorized to acquire said land or any portion thereof by gift, purchase, or eminent domain, including but not limited to using an appropriation made at the 2001 Town Meeting, Article 12 as amended by the 2014 Town Meeting, Article 56 for said acquisition and related expenses, and that the Town Manager and the Board of Selectmen and the Conservation Commission be authorized, as they deem appropriate, to enter into all agreements and execute any and all instruments as may be necessary on behalf of the Town of Andover to effect said purchase, and that the Conservation Commission be authorized to file on behalf of the Town any and all applications deemed necessary to seek reimbursements or grants under the Local Acquisitions for Natural Diversity (LAND) Grant Program, Chapter 132A, Section 11 and/or other reimbursement or grant programs in any way connected with the scope of this article and to enter into agreements and execute any and all instruments as may be necessary on behalf of the Town to affect said purchase or grant, and take any other action related to the conveyance of said land to the Town under the provisions of Chapter 40, Section 8C of the Massachusetts General Laws and as it may hereafter be amended and other Massachusetts statutes relating to Conservation to be managed and controlled by the Conservation Commission, or take any other action related thereto.

The Commission is seeking approval of a grant application to gain funding for the purchase of land for public use along the Shawsheen River at 83 Lowell Junction Road. The State LAND Grant (Massachusetts Local Acquisitions for Natural Diversity) requires a vote of Town Meeting and reimburses the town for about 52% of the property purchase price. The Lowell Junction property is an attractive parcel of land with large white pines, wild blueberries, lots of wildlife and river access. The property will be incorporated into the town's abutting Shawsheen Pines Reservation and serve as a recreational gateway to canoeing, kayaking, fishing and picnicking. Portions of the property are under consideration for a handicapped accessible trail. This Pfizer parcel was one of several lots pre-approved for acquisition by the 2015 town meeting vote.

*Requires a two-thirds (2/3) vote*

**Article 39. Purchase of Conservation Land 83 Lowell Jet and Grant Application**



The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES

The FINANCE COMMITTEE voted 8-0 to recommend approval. NO

The CONSERVATION COMMISSION voted 6-0 to recommend approval.

On request of the Director of Conservation

**ACCEPT MUNICIPAL MODERNIZATION ACT REVISIONS TO  
CHAPTER 32B SECTION 20**

**ARTICLE 40.** To see if the Town will vote to re-accept the provisions of Chapter 479 of the Acts of 2008 – An Act Providing for the Establishment of Other Post Employment Liability Trust Funds in Municipalities, or take any other action related thereto.

~~~~~  
 The Town originally accepted this provision (Massachusetts General Laws Chapter 32B Section 20) at the April, 2010 Annual Town Meeting. This allowed the Town to appropriate and set aside funds in a "Trust" to provide for future payments for retiree health insurance (otherwise known as Other Post-Employment Benefits (OPEB.) Subsequently it was determined that the "Trust" did not meet the requirements of the IRS or GASB as an irrevocable trust. Under the Municipal Modernization Act the language of the statute was modified so that the "Trust" now meets those requirements. The Town must re-accept the statute to be in compliance.  
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**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_\_\_**

**The FINANCE COMMITTEE voted 6-0 to recommend approval. NO \_\_\_\_\_**

On request of the Finance Director

**PUBLIC WORKS VEHICLES – LARGE**

**ARTICLE 41.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$450,000 for the purpose of purchasing public works vehicles, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~  
 The Department of Public Works currently has a number of aging vehicles that have been postponed for replacement since FY2001. The Highway Division in conjunction with the Vehicle Maintenance Division reviews the status and condition of vehicles and determines the best use of the appropriation. The vehicles' purposes include but are not limited to: plowing and treating of roads in winter; hauling loads of stone, gravel and loam as well as debris; hauling barrels, cones, signs, etc.; used during emergencies, both weather and flood related; as well as for other reasons, i.e. traffic control.  
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| <b>Financial Impact of Article 41</b>                                                    |                                                                                                                         |
|------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------|
| <u>Approval</u>                                                                          | <u>Disapproval</u>                                                                                                      |
| Town borrows \$450,000 to be repaid over 10 years                                        | No change in FY2018 tax bill                                                                                            |
| No increase in FY2018 tax bill                                                           | Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs |
| Peak year of debt service in FY2019 would require an appropriation of \$60,750           |                                                                                                                         |
| Would account for approximately \$4 of FY2019 average residential property tax bill      |                                                                                                                         |
| <br>\$450,000 Appropriation + \$86,625 Projected Interest = \$536,625 Total Cost<br><br> |                                                                                                                         |

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_\_\_**

On request of the Director of Municipal Services

**FIRE APPARATUS REPLACEMENT – AMBULANCE 2**

**ARTICLE 42.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$270,000 for the purpose of purchasing an ambulance, including any other costs incidental and related thereto, or to take any other action related thereto.

This article funds the purchase of a new ambulance for Andover Fire Rescue to replace a 2008 International 400 SER 4300 that requires an increasing number of repairs due to its age, amount of use and lack of modern technology such as safety air bags for the crew and patient. The reliability of this ambulance has decreased over the last two years and its replacement has been deferred in accordance with the accepted Fire Department apparatus replacement program.

**Financial Impact of Article 42**

Approval

Town borrows \$270,000 to be repaid over 5 years  
No increase in FY2018 tax bill  
Peak year of debt service in FY2019 would require an appropriation of \$63,450  
Would account for approximately \$4 of FY2019 average residential property tax bill

Disapproval

No change in FY2018 tax bill  
Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs

\$270,000 Appropriation + \$28,350 Projected Interest = \$298,350 Total Cost

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.**

**YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.**

**NO** \_\_\_\_\_

On request of the Fire Chief

**MAJOR TOWN BUILDING PROJECTS**

**ARTICLE 43.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$320,000 for the purpose of purchasing services and materials related to reconstructing, making extraordinary repairs to and equipping various town buildings, including any other costs incidental and related thereto, or to take any other action related thereto.

Each year a number of major repairs and improvements to Town buildings is identified. This year's request is scheduled to fund replacing the front stairs at the Memorial Hall Library, along with construction of an office at the Library. This article is also targeted for general repairs/renovations to Town office spaces and to replace the generator for backup power for Town Offices, Center at Punchard and School Administration buildings.

**Financial Impact of Article 43**

Approval

Town borrows \$320,000 to be repaid over 10 years  
No increase in FY2018 tax bill  
Peak year of debt service in FY2019 would require an appropriation of \$43,200  
Would account for approximately \$3 of FY2019 average residential property tax bill

Disapproval

No change in FY2018 tax bill.  
Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs

\$320,000 Appropriation + \$61,600 Projected Interest = \$381,600 Total Cost

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.**

**YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.**

**NO** \_\_\_\_\_

On request of the Director of Municipal Services

**TOWN AND SCHOOL ENERGY INITIATIVES**

**ARTICLE 44.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$420,000 for the purpose of purchasing services and materials related to completing town and school energy efficiency initiatives, including any other costs incidental and related thereto, or take any other action related thereto.

Each year energy projects are identified amongst Town and School buildings. This year's request will replace the existing boilers at Old Town Hall, continue with the system-wide retrofitting of VFD pumps and fans at schools, system-wide insulation of hot water pipes at schools, new condensing boilers at South School and "islanding" (separation of heating from the rest of the building) in the main offices at West Elementary and Doherty Middle schools.

**Financial Impact of Article 44**

Town borrows \$420,000 to be repaid over 10 years  
No increase in FY2018 tax bill.  
Peak year of debt service in FY2019 would require an appropriation of \$56,700  
Would account for approximately \$4 of FY2019 average residential property tax bill

No change in FY2018 tax bill  
Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs

\$420,000 Appropriation + \$80,850 Projected Interest = \$500,850 Total Cost

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.**

**YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 7-0 to recommend approval.**

**NO** \_\_\_\_\_

**The SCHOOL COMMITTEE voted 5-0 to recommend approval.**

On request of the Director of Municipal Services

**HIGH PLAIN/WOOD HILL AIR CONDITIONING UPGRADE**

**ARTICLE 45.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$775,000 for the purpose of purchasing services and materials related to completing the air conditioning projects at the High Plain and Wood Hill schools, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

When the High Plain and Wood Hill School building was constructed there were provisions made in the mechanical systems to allow for air conditioning, including the installation of AC coils in the air handlers. This CIP request is to install the remaining equipment, controls and wiring to allow for the entire building to be air conditioned. In recent years there have been constant requests to install cooling in increasingly more classroom spaces throughout the district as 504 and IEP requirements dictate. This building-wide system would be more easily controlled and more economical to run than having individual units running system-wide.

~~~~~

| <b>Financial Impact of Article 45</b>                                                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p><u>Approval</u><br/>                     Town borrows \$775,000 to be repaid over 20 years<br/>                     No increase in FY2018 tax bill<br/>                     Peak year of debt service in FY2019 would require an appropriation of \$65,875<br/>                     Would account for approximately \$4 of FY2019 average residential property tax bill</p> | <p><u>Disapproval</u><br/>                     No change in FY2018 tax bill<br/>                     Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs</p> |
| <p><b>\$775,000 Appropriation + \$284,813 Projected Interest = \$1,059,813 Total Cost</b></p>                                                                                                                                                                                                                                                                                  |                                                                                                                                                                                                                                  |

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_\_\_**

**The FINANCE COMMITTEE voted 8-0 to recommend approval. NO \_\_\_\_\_**

**The SCHOOL COMMITTEE voted 5-0 to recommend approval.**

On request of the Director of Municipal Services

## **ANDOVER ENERGY INITIATIVES AND RESULTS**

Energy management in Andover is a three-pronged approach:

- Conservation – Reducing the usage of energy by existing Town facilities, vehicles and systems through upgrades to high efficiency equipment and behavior and scheduling modifications.
- Generation – Implementing the use of renewable energy where feasible to reduce costs and environmental impact.
- Cost Control – Negotiating supply contracts to allow for long term planning and price stability in the Town’s electricity and natural gas use.

### **Goal: 20% Energy Reduction**

Andover was one of the first communities accepted into the Department of Energy Resources Green Communities Program in 2010. Under this program Andover committed to work towards a 20% reduction in overall energy use. The task had seemed daunting over the years as building usage increased along with demand for conditioned air and as the schools moved from blackboards to smartboards and iPads. However, the Town has been systematically implementing good energy management practices. An evaluation of our FY2016 energy usage adjusted for weather fluctuations shows impressive results. Building energy use is down 14.6% since 2008. Overall energy use—buildings, water, sewer, street lights and vehicle fuel combined—is down 11.6%.

### **Conservation Projects and Grants**

The Green Communities program offers grants for energy projects and the Town has been awarded \$575,000 to date, with an additional application for \$250,000 in process. Some of the conservation projects implemented using these grants include LED lighting, HVAC upgrades, crack sealing and weather stripping, water conservation measures and building and water system pumps. National Grid and Columbia Gas also offer incentives and rebates for the implementation of energy saving projects. Since 2010 Andover has received in grants and incentives combined over \$1 million dollars in outside funding.

### **Town Meeting Warrant Articles**

In addition to outside funding, energy improvement articles are being presented at every Town Meeting (see Articles 30, 31, 38, 44, 45 and 59). Many of these projects are system improvements that the public would not notice, e.g. new motors and drives, boilers, energy management controls and insulation, but these are the changes that are helping us reduce our overall energy use. The average payback on all projects completed, taking into account grants and incentives, is 5.7 years, with a 20.6% return on investment.

### **What Does All This Mean in Dollars and Cents?**

In FY2016, the Town spent \$1,765,000 in combined electricity, natural gas and heating oil for our buildings. Since building energy use was 14.6% lower in FY2016 than it was in 2008, this represents an annual cost savings of \$250,000. In the past year, Andover purchased its streetlights from National Grid with plans to retrofit to LED. The Town also signed an agreement to purchase 39% of municipal power from a field of solar panels in Palmer, Massachusetts. These two initiatives will save the Town over \$400,000 annually. Andover’s energy team includes representatives from Municipal Services, Information Technology and the Andover Green Advisory Board.

**SAFETY AND COMMUNICATIONS UPGRADE PHASE 2**

**ARTICLE 46.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$300,000 for the purpose of purchasing services and materials related to completing safety and communications upgrades, including any other costs incidental and related thereto, or to take any other action related thereto.

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Provides funding to complete the acquisition and deployment of a comprehensive unified communications infrastructure to all municipal and school buildings. This includes voice technology in all classrooms, upgraded wireless capabilities, centrally managed paging/intercom capabilities and notification software to ensure complete communication during both routine and emergency situations.

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| <b>Financial Impact of Article 46</b>                                                                                                                                                                                                                                          |                                                                                                                                                                               |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Town borrows \$300,000 to be repaid over 5 years<br>No increase in FY2018 tax bill<br>Peak year of debt service in FY2019 would require an appropriation of \$70,500<br>Would account for approximately \$5 of FY2021 average residential property tax bill | <u>Disapproval</u><br>No change in FY2018 tax bill<br>Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs |
| <b>\$300,000 Appropriation + \$31,500 Projected Interest = \$331,500 Total Cost</b>                                                                                                                                                                                            |                                                                                                                                                                               |

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES

**The FINANCE COMMITTEE voted 7-0 to recommend approval.** NO

On request of the Chief Information Officer

**MAJOR SCHOOL PROJECTS**

**ARTICLE 47.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$770,000 for the purpose of purchasing services and materials related to reconstructing and making extraordinary repairs to and equipping various school buildings, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Each year the School Department in conjunction with Municipal Service Facilities Division prepares a listing of major repairs and improvements to school buildings and property. This year's request will fund installation of audio enhancement systems in classrooms within the district, Doherty School generator replacement and Wood Hill/High Plain kitchen floor repair. \$200,000 is included in this article to cover half of the cost of the ADA compliant ramp behind Wood Hill/High Plain for access to the playing fields. An additional \$200,000 is being requested in Article 54 for a total project cost of \$400,000.

~~~~~

**Financial Impact of Article 47**

Approval

Town borrows \$770,000 to be repaid over 10 years  
No increase in FY2018 tax bill  
Peak year of debt service in FY2019 would require an appropriation of \$103,950  
Would account for approximately \$7 of FY2019 average residential property tax bill

Disapproval

No change in FY2018 tax bill  
Money not needed for debt service in future years would be available within Proposition 2 ½ for other Town/School needs

\$770,000 Appropriation + \$148,225 Projected Interest = \$918,225 Total Cost

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES** \_\_\_\_\_

**The FINANCE COMMITTEE will make its recommendation at Town Meeting. NO** \_\_\_\_\_

**The SCHOOL COMMITTEE voted 5-0 to recommend approval.**

On request of the Director of Municipal Services

**PARKING STUDY IMPLEMENTATION**

**ARTICLE 48.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$123,000 for the purpose of purchasing services and materials related to the parking study implementation project, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~  
The Parking Study Implementation Committee has spent several months preparing recommendations for the Board of Selectmen's consideration. \$123,000 from the parking fund is being recommended to provide the Town with resources to proceed with the implementation phase of the project including technology upgrades and new signage and related costs.  
~~~~~

**Financial Impact of Article 48**

Approval

Reduces Parking Fund balance by \$123,000  
No FY2018 tax bill impact

Disapproval

\$123,000 available for spending by a future Town Meeting for parking improvements

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 9-0 to recommend approval. NO** \_\_\_\_\_

**The PLANNING BOARD voted 4-0 to recommend approval.**

On request of the Town Manager

**REC PARK/POMPS POND SECURITY MONITORING**

**ARTICLE 49.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$65,000 for the purpose of purchasing services and materials related to the Rec Park/Pomps Pond Security Monitoring project, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Installation of security cameras, video surveillance and an audio system for the Rec Park and Pomps Pond complex would include providing wireless internet to both areas as well as the equipment and technology necessary to monitor site activity at the Recreation Office at Town Hall. Both facilities have a significant amount of off-hours use in which the areas are not monitored by Town personnel. On more than one occasion staff and residents have discovered vandalism, alcohol and drug paraphernalia and evidence of inappropriate late night behavior at the facility. The intent of the security cameras is to minimize the undesirable behavior as much as possible and assist the Andover Police Department in monitoring the facility during offhours. The audio system is necessary for both user safety and enhanced programming at both Pomps Pond and at Rec Park. The system will be used for emergency information/announcements, general announcements and event management. The system will also be used to host outdoor movies in the park and at the pond. The availability of this type of equipment may also bring in increased rental revenue at both venues.

~~~~~

| <b>Financial Impact of Article 49</b>                                          |                                                                                                 |
|--------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Cable Fund by \$65,000<br>No FY2018 tax bill impact | <u>Disapproval</u><br>\$65,000 in Cable Fund available for future cable/technology improvements |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 6-0 to recommend approval. NO \_\_\_**

On request of the Director of Community Services

**AMEND GENERAL BYLAWS ARTICLE XII SECTION 11 - DOGS**

**ARTICLE 50.** To see if the Town will vote to amend Section 11 of the Town’s Bylaw, Dogs, by deleting Section 11(k) and Section 11(o)(4) and inserting the following new sections:

- (q) **Fines.** Violations of any provision of this bylaw shall be punished by a fine of \$75 for the first and \$100 for a second offense and \$150 for a third and subsequent offense within one calendar year. If any violation is continuing, each day’s violation shall be deemed to be a separate violation.
  
- (r) **Bylaw violation and enforcement.** Enforcement of this section may be pursued through the provisions of Section 21D of Chapter 40 of Massachusetts General Laws which provides for noncriminal disposition. The enforcing persons shall be any police officer of the Town or any animal control officer of the Town.

and further, that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

~~~~~  
This article brings the town up to date with the current financial times in line with statewide fines. The original fines were set over 24 years ago in 1993. This article is for a fine increase only, and the town bylaw regulations will remain unchanged.  
~~~~~

**The BOARD OF SELECTMEN voted 3-1 to recommend approval. YES \_\_\_**

**The CONSERVATION COMMISSION voted 6-0 to recommend approval. NO \_\_\_**

On request of the Director of Conservation

**REDUNDANT FIBER**

**ARTICLE 51.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$300,000 for the purpose of purchasing services and materials related to completing the redundant fiber project, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~  
Recent advances have transferred all of the town’s public safety radio communications as well as all voice communication onto the town’s fiber network, resulting in significant cost savings. Presently, however, the town’s fiber network is vulnerable to weather events, vehicle damage and malicious activity. This article provides funding to provide redundant fiber pathways between critical town and school functions to reduce the likelihood of a communication outage.  
~~~~~

| <b>Financial Impact of Article 51</b>                                           |                                                                                                  |
|---------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Cable Fund by \$300,000<br>No FY2018 tax bill impact | <u>Disapproval</u><br>\$300,000 in Cable Fund available for future cable/technology improvements |

**The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO \_\_\_**

On request of the Chief Information Officer

**SELECTMEN AND SCHOOL COMMITTEE ROOMS UPGRADE**

**ARTICLE 52.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$50,000 for the purpose of purchasing services and materials related to completing Selectmen and School Committee Room upgrades, including any other costs incidental and related thereto, or to take any other action related thereto.

Recent changes in Massachusetts law have permitted board members to participate remotely in scheduled meetings under certain circumstances. This article will provide updated video conferencing to two of our largest public meeting rooms.

| Financial Impact of Article 52                                                  |                                                                                                 |
|---------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Cable Fund by \$50,000.<br>No FY2018 tax bill impact | <u>Disapproval</u><br>\$50,000 in Cable Fund available for future cable/technology improvements |

The BOARD OF SELECTMEN voted 4-0 to recommend approval. YES

The FINANCE COMMITTEE voted 6-0 to recommend approval. NO

The SCHOOL COMMITTEE voted 5-0 to recommend approval.

On request of the Chief Informtion Officer

### BALLARDVALE FIRE STATION DESIGN

**ARTICLE 53.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$300,000 for the purpose of purchasing professional services related to the design of the Ballardvale Fire Station, including any other costs incidental and related thereto, or to take any other action related thereto.

\$300,000 from Free Cash is being recommended for the purposes of proceeding with the design of the renovation/rebuild of the Ballardvale Fire Station. These funds will supplement funds previously appropriated by Town Meeting and inform the Town as to the costs and best approach to proceeding with a construction phase.

| Financial Impact of Article 53                                                 |                                                                                 |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Free Cash by \$300,000<br>No FY2018 tax bill impact | <u>Disapproval</u><br>\$300,000 available for spending by a future Town Meeting |

The BOARD OF SELECTMEN voted 4-1 to recommend approval. YES

The FINANCE COMMITTEE voted 9-0 to recommend approval. NO

The PLANNING BOARD will make its recommendation at Town Meeting.

On request of the Town Manager

### WOOD HILL/HIGH PLAIN ACCESSIBILITY PROJECT

**ARTICLE 54.** To see if the Town will vote to raise by taxation, borrowing, or transfer from available funds or by any combination thereof and appropriate the sum of \$200,000 for the purpose of purchasing

services and materials related to completing accessibility improvements at Wood Hill High Plain, including any other costs incidental and related thereto, or to take any other action related thereto.

~~~~~

Funds are requested to install exterior stairs and ramps to access the soccer field from the High Plain Elementary School playground. To gain access to the soccer field, the students with limited mobility at High Plain must travel the entire length of the school site. At recess and lunch break there is not enough time to allow for them to do this. In addition, this new access to the field must be ADA compliant, so a ramp system must also be installed. The total cost of the project is \$400,000 with the additional funds included in Article 47 Major School Projects.

~~~~~

| <b>Financial Impact of Article 54</b>                                          |                                                                                 |
|--------------------------------------------------------------------------------|---------------------------------------------------------------------------------|
| <u>Approval</u><br>Reduces Free Cash by \$200,000<br>No FY2018 tax bill impact | <u>Disapproval</u><br>\$200,000 available for spending by a future Town Meeting |

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES\_\_\_**

**The FINANCE COMMITTEE voted 7-0 to recommend approval. NO\_\_\_**

**The SCHOOL COMMITTEE voted 5-0 to recommend approval.**

On request of the Director of Municipal Services

**PRESERVING THE HISTORY OF ANDOVER**

**ARTICLE 55.** To see if the Town will vote to raise by taxation or transfer from available funds and appropriate the sum of \$50,000 for the purpose of preserving the history of Andover and providing historic education programming and further to authorize the Town Manager to enter into an agreement or agreements for the same with the Andover Historical Society, or take any other action related thereto.

**The following explanation was provided by Petitioner:**  
Preserving Andover’s history for our community is a responsibility for many organizations in our Town. Providing historic educational programming is an invaluable means to relate this history to our residents. This article will authorize the Town Manager to contract, through a grant proposal process, for specific services related to historic educational and preservation efforts by: 1) supporting Town agencies such as the Preservation Commission, the Planning Board, Conservation Commission and Memorial Hall Library; 2) supplying background information for residents and business owners about historically significant sites and buildings; 3) assisting the ongoing efforts for a downtown cultural corridor, the Shawsheen River Greenway, the Historic Mill District and others; and 4) delivering curriculum support programs for our Town’s 600 third grade students and AP History students at the High School.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES\_\_\_**

**The FINANCE COMMITTEE voted 8-0 to recommend disapproval. NO\_\_\_**

On petition of Douglas Mitchell and others

## CREATE ID3 ZONING DISTRICT

**ARTICLE 56.** To see if the Town will amend Article VIII, Section 2.1 of the Zoning Bylaw by adding at the end of Section 2.1, ID3 Industrial Mixed-Use District and to further amend the bylaw as follows:

Amend Section 9.0 ADMINISTRATION AND PROCEDURES by adding the following:

**"9.4.11 Special Permit in the ID3 District**

In addition to the criteria contained in Section 9.4.2, 9.4.8 and 9.4.10 of this bylaw the Planning Board may issue a special permit in the ID3 District to allow multiple dwellings (See Appendix A, Table 1) in addition to the allowed uses within the ID2 District only after consideration of the additional special permit criteria outlined below:

- a. The proposed development shall complement the downtown by collaborating event programming and by providing connectivity between the development and the downtown.
- b. The proposed development shall propose a mix of residential uses that serve the needs of the Town while considering impacts to town services and the schools.
- c. The proposed development shall incorporate areas of recreational space and promote a family friendly environment by providing pedestrian connections throughout the development."

Amend Section 5.0 GENERAL REGULATIONS by revising the language at the end of Section 5.1.9 Special Permit to Reduce Number of Parking Spaces: "In the ID2 and ID3 Districts, the number of parking spaces required by Appendix A, Table 3 may be reduced upon the grant of a special permit by the Planning Board upon finding the special circumstances, such as shared or remote parking opportunities as defined in Section 5.1.12, render a lesser number of spaces adequate for all parking needs."

Amend Section 5.2.14 by replacing:

"5.2.14 Signs in Industrial D (ID) and Industrial 2 (ID2) Districts." with the following:

"5.2.14 Signs in Industrial D (ID), Industrial 2 (ID2), and Industrial Mixed-Use (ID3) Districts."

Amend Appendix A, Table 1 Section 3.1.3 Table of Use Regulations by adding into the Industrial Districts Section a fifth column entitled "ID3", identical in composition to the fourth column entitled "ID2" except that in Subsection A. Residential Uses, the following uses shall require a special permit from the Planning Board which shall be signified by the use of the designation ("PB") in the ID3 column as follows:

|                                                                    | Industrial Districts |
|--------------------------------------------------------------------|----------------------|
|                                                                    | ID3                  |
| A. Residential Uses                                                |                      |
| 4. Multiple Dwellings                                              | PB                   |
| b. Multiple-dwelling (Apartment Building) (See Section 7.6.3)      | PB                   |
| c. Planned development, multifamily or mixed-use (See Section 7.2) | PB                   |
| e. New multifamily dwelling construction Attached Cluster          | PB                   |

e. New multifamily dwelling construction Attached Cluster | PB

Amend Appendix A Table 2 Section 4.1.2 – Table of Dimensional Requirements by adding to the end of the Table a row for the Industrial Mixed-Use District (ID3):

| District                   | Minimum Lot Dimensions (e) |               | Minimum Yard Depth (f) |           |           | Maximum Height (g) |         | Maximum Coverage |
|----------------------------|----------------------------|---------------|------------------------|-----------|-----------|--------------------|---------|------------------|
|                            | Area (SF)                  | Frontage (ft) | Front (ft)             | Side (ft) | Rear (ft) | ft                 | Stories | Percent          |
| Industrial Mixed-Use (ID3) | ----                       | 50            | 50                     | 40        | 40        | 50                 | 4       | 30(b)            |

And further that non-substantive changes to the number of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

**The following explanation was provided by the Petitioner:**  
 This article will be withdrawn at Town Meeting. The petitioner has submitted the following revised article which was crafted after receiving feedback from town officials and town boards as well as input from many Andover residents. We thank them for all the help they gave us.

*Requires a two-thirds (2/3) vote*

On petition of Wendy Donohue and others

**ESTABLISH A NEW ID3 INDUSTRIAL - MIXED USE DISTRICT WITH ASSOCIATED REVISIONS**

**ARTICLE 57.** To see if the Town will amend the Zoning By-law by making the following changes necessary to establish a new ID3 Industrial – Mixed Use district with associated revisions:

Item 1. Amend Article VIII, Section 2.1 of the Zoning Bylaw by adding at the end of the Section 2.1 the words “ID3 - Industrial Mixed-Use District.”

Item 2. Amend Appendix A, Table 1, Section 3.1.3 Table of Use Regulations by adding into the Industrial Districts Section a fifth column entitled "ID3", identical in composition to the fourth column entitled "ID2" except that in Subsection A. Residential Uses, a “Planned Development, multifamily or mixed use (See Section 7.2)” shall require a special permit from the Planning Board which shall be signified by the designation ("PB") in the ID3 column.

Item 3. Amend Appendix A, Table 2, Section 4.1.2 – Table of Dimensional Requirements by adding to the end of the Table a row for the Industrial Mixed-Use District (ID3):

| District                   | Minimum Lot Dimensions (e) |               | Minimum Yard Depth (f) |           |           | Maximum Height (g) |         | Maximum Coverage |
|----------------------------|----------------------------|---------------|------------------------|-----------|-----------|--------------------|---------|------------------|
|                            | Area (SF)                  | Frontage (ft) | Front (ft)             | Side (ft) | Rear (ft) | ft                 | Stories | Percent          |
| Industrial Mixed-Use (ID3) | ----                       | 50            | 20                     | 20        | 20        | 50                 | 4       | 40(b)            |

Item 4. Amend Section 5.1.9 by revising the last sentence of Section 5.1.9 so that said sentence reads: "In the ID2 and ID3 Districts, the number of parking spaces required by Appendix A, Table 3 may be reduced upon the grant of a special permit by the Planning Board upon finding that special circumstances, such as shared or remote parking opportunities as defined in Section 5.1.12, render a

lesser number of spaces adequate for all parking needs."

Item 5. Amend Section 5.2.14 by deleting the caption and substituting the following therefor:  
"5.2.14 Signs in Industrial D (ID), Industrial 2 (ID2), and Industrial Mixed-Use (ID3) Districts."

Item 6. Amend 7.2 Planned Development by replacing all instances of:  
"Mixed Use District" with the following:"Mixed Use District and Industrial Mixed-Use District"

Item 7. Amend 7.2.4 Affordability by adding at the end of Section 7.2.4 "Applications seeking a Planned Development Special Permit within the Industrial Mixed-Use District may be exempt from this provision or subject to the provisions of Section 8.7.4.2 at the discretion of the Planning Board."

Item 8. Amend Section 9.0 ADMINISTRATION AND PROCEDURES by adding the following:

"9.4.11 Special Permit in the ID3 District

In addition to the criteria contained in Section 9.4.2, 9.4.8, and 9.4.10 of this bylaw, the Planning Board may issue a special permit in the ID3 District to allow multiple dwellings (See Appendix A, Table 1) in addition to the allowed uses within the ID2 District only after consideration of the additional special permit criteria outlined below:

- a. The proposed development shall complement the downtown by collaborating event programming and by providing transportation connectivity between the development and the downtown in the form of a shuttle, trolley, or other means of public transit.
- b. The proposed development shall propose a mix of residential uses that serve the needs of the Town while considering impacts to town services and the schools.
- c. The proposed development shall incorporate areas of recreational space and promote a family friendly environment by providing pedestrian connections throughout the development.
- d. The proposed development shall provide a ratio of 2 square feet of business and commercial uses for every 1 square foot of residential uses.
- e. A minimum of 25% of all proposed residential units shall be age restricted. All age restricted dwellings within the Industrial Mixed Use District shall require at least one resident to have attained the age of 55 and no resident shall be under the age of 18.
- f. All non-age restricted dwellings shall be studio or 1-bedroom units and shall not exceed 975 square feet."

And further that non-substantive changes to the number of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

**The following explanation was provided by the Petitioner:**

This article proposes to create an Industrial Mixed-Use District (ID3) in the area bound by I-93, the Town of Tewksbury, and Dascomb Road and is comprised of 4 parcels that are currently zoned ID2. Presently, owners of these 4 parcels can propose a variety of retail, restaurants, commercial, and industrial uses. If this article is successful it will allow a land owner in the ID3 district to seek a Special Permit for a Planned Development which may allow multifamily residential units in combination with a mix of retail, restaurants, office, and industrial uses to create live, work, play developments. This article creates additional criteria that must be satisfied to allow a Planned Development in the ID3 district. The purpose of the additional criteria is to protect the schools and Town services, promote and be harmonious with the downtown, and increase the Town's commercial tax base.

*Requires a two-thirds (2/3) vote*

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_

The PLANNING BOARD will make its recommendation at Town Meeting. NO \_\_\_

On petition of Wendy Donohue and others

**AMEND ZONING MAP ID3 DASCOMB RD**

**ARTICLE 58.** To see if the Town will amend the Town of Andover Zoning Map to establish an ID3 District as shown on a plan titled, "Proposed Zoning District ID3 Dascomb Road", dated January 27, 2017, which is on file in the Office of the Town Clerk and which is hereby made part of the Town Zoning Map and to rezone said area from ID2 to ID3.

And further that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of ByLaws, or take any other action related thereto.

**The following explanation was provided by the Petitioner:**  
This article proposes to create an Industrial Mixed-Use District (ID3) in the area bound by I-93, the Town of Tewksbury, and Dascomb Road and is comprised of 4 parcels that are currently zoned ID2. Presently, owners of these 4 parcels can propose a variety of retail, restaurants, commercial, and industrial uses. If this article is successful it will allow a land owner in the ID3 district to seek a Special Permit for a Planned Development which may allow multifamily residential units in combination with a mix of retail, restaurants, office, and industrial uses to create live, work, play developments. This article creates additional criteria that must be satisfied to allow a Planned Development in the ID3 district. The purpose of the additional criteria is to protect the schools and Town services, promote and be harmonious with the downtown, and increase the Town's commercial tax base.

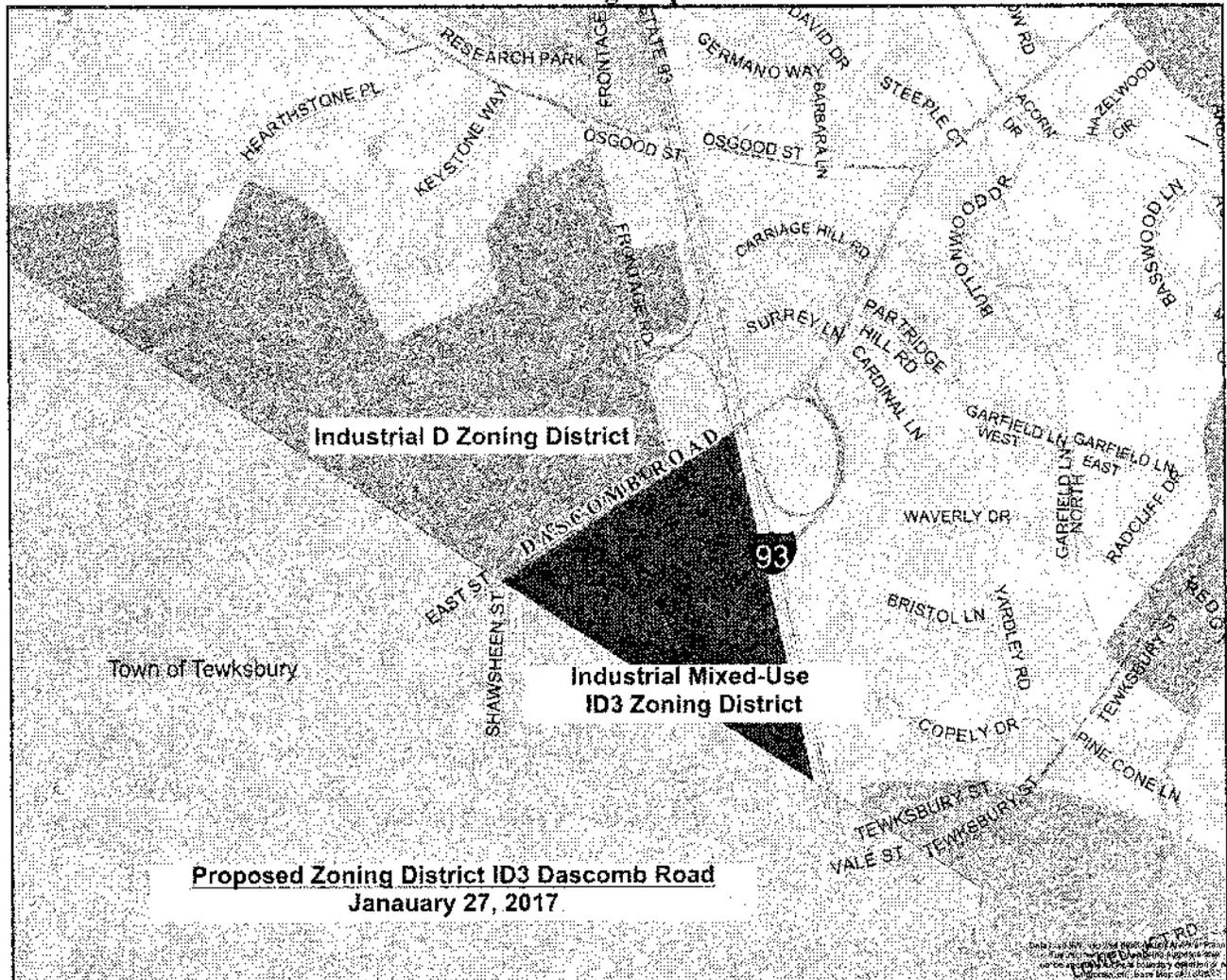
*Requires a two-thirds (2/3) vote*

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_

The PLANNING BOARD will make its recommendation at Town Meeting. NO \_\_\_

On petition of Wendy Donohue and others

## Article 58. Amend Zoning Map ID3 Dascomb Road



## LED STREET LIGHT PURCHASE

**ARTICLE 59.** To see if the Town will vote as follows:

- (i) to raise by taxation, borrowing (including by lease-purchase financing), or transfer from available funds, or by any combination thereof, and to appropriate a sum of money for the purchase and installation of LED streetlights and related equipment, including all incidental and related costs and expenses;
- (ii) to authorize the Board of Selectmen to enter into a lease-purchase financing or similar agreement for such purpose with a term of three or more years; and, to meet such an appropriation;
- (iii) to authorize the Treasurer, with the approval of the Board of Selectmen, to borrow under and pursuant to Chapter 44, Sections 3B, 14 or 21C, of Massachusetts General Laws, or any other enabling authority, and, as applicable, to issue bonds or notes of the Town therefor, or take any other action related thereto.

~ ~ ~ ~ ~

Municipal Services is proposing to retrofit all street lights and town owned roadway and parking lot lights to LED. Approximately 2,000 total lights will be retrofit in the summer of 2017 at a net cost of approximately \$500,000 after National Grid utility incentives and a Department of Energy Resources street light grant. Electricity savings over the first five years of operation will fully fund the lease payments, after which the town will realize the full benefit of the energy savings. Street light annual maintenance costs will also be cut by two-thirds once lights have been changed to LED. Annual savings after lease is paid amounts to \$175,000 in reduced electricity and maintenance. We have chosen the GE ERL1 Evolve™ LED Streetlight model previously piloted on Bartlet Street.

~ ~ ~ ~ ~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The FINANCE COMMITTEE voted 9-0 to recommend approval. NO \_\_\_**

On request of the Director of Municipal Services

**STREET ACCEPTANCE AND TAKING OF CHRISTIAN WAY**

**ARTICLE 60.** To see if the Town will vote to accept and name Christian Way as a public way and authorize the Board of Selectmen to acquire by eminent domain, gift, purchase or otherwise any fee, easement or other interest in the following described roadway and easements related thereto, and to award no damages for said taking or payment for said acquisition:

1. The street known as Christian Way, as constructed and as shown on a plan entitled "Map 229, Lot 5, Merrimack Estates, River Road, Andover – Tewksbury, MA, Scale 1" = 200' by Cuoco & Cormier, dated September 4, 2007, rev. June 11, 2008," and on file in the Office of the Town Clerk, and also shown on plan entitled "Street Acceptance Plan Christian Way, Andover, Mass.; drawn for Town of Andover: scale 1" = 40' date February 18, 2015, rev. June 12, 2015; by Merrimack Engineering Services," a copy of which is on file with the Office of the Town Clerk;

2. A Water Utility and Access Easement under, over, across and through the area shown as Proposed Utility Easement 3,531 S.F. on Lot 21 shown on Land Court Plan 14506E;

3. The following Drainage and Access Easements:

A non-exclusive Drainage Easement over Lot 25 shown on Land Court Plan No. 14506E, Lot 28 on Land Court Plan No. 14506F (17,399 +/- sq. ft. – Not a Building Lot) and Lot 30 (area = 12,676 +/- S.F.) on Land Court Plan No. 14506G, and the area shown as Proposed Utility Easement 3,531 S.F. on Lot 21 shown on Land Court Plan No. 14506E;

A non-exclusive perpetual Access Easement over the area shown as "Proposed 20' Utility Easement 3,874 S.F. 0.09 AC on Lot 22 on Land Court Plan No. 14506E to pass and repass over said area on foot or by vehicle for the purposes of accessing the drainage facilities located in the Drainage Easement described above;

A Water Utility Easement over a portion of Land Court Lot 27 shown as "Proposed Water Easement "W1" on that certain Plan of Land on file with the Planning Division of the Town and also recorded with the Essex County North District Registry of Deeds as Plan R-76, entitled "Water Main Relocation Easement Plan," Christian Way, Andover, Mass., prepared for Wiled Realty Trust by Whitman & Bingham Associates, LLC, dated September 29, 2010;

The right and easement to repair, replace, maintain and operate a drainage easement over a portion of said Land Court Lot 27 as shown on the above-referenced Water Main Relocation Easement Plan as "Drainage Easement L.C. Plan 14506 I";

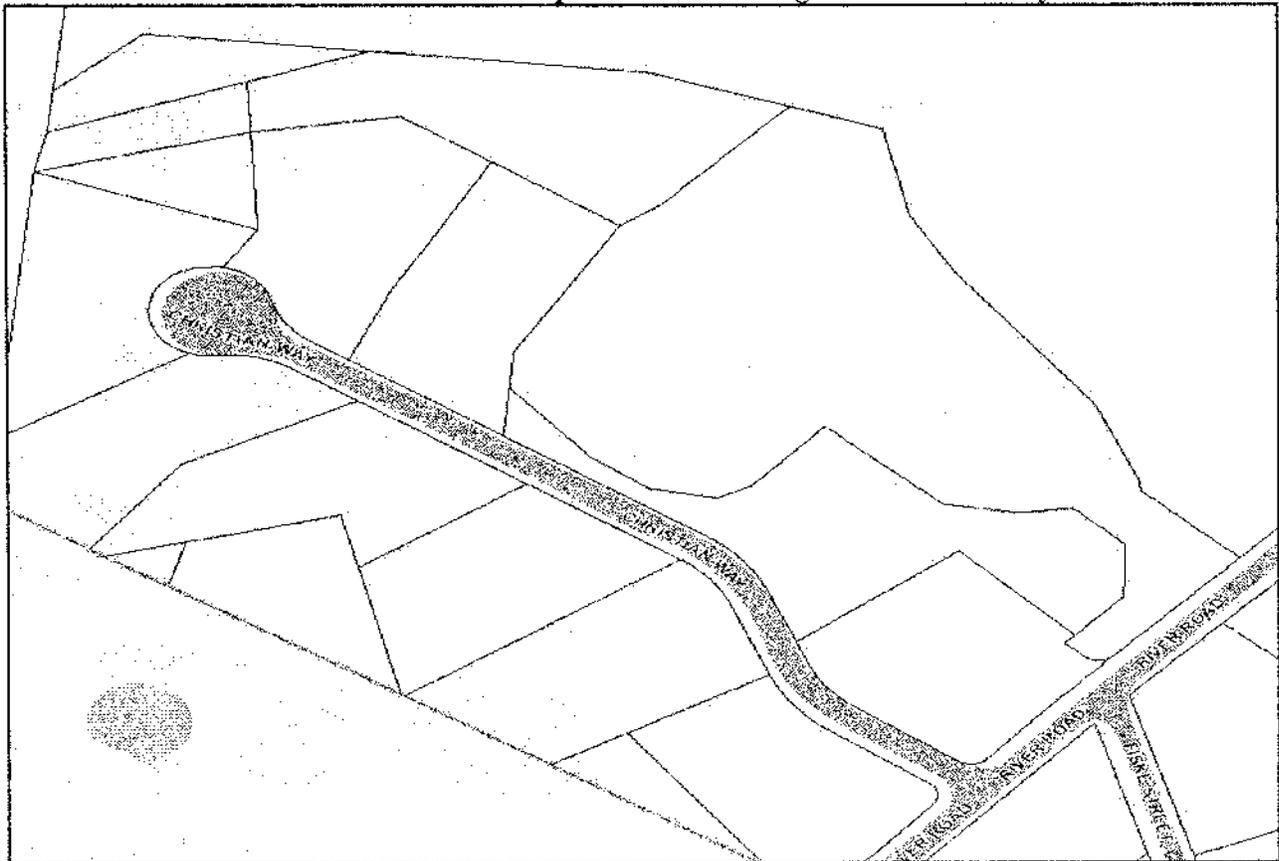
Proposed Water Easement W 2 over Lot 28 as shown on said Plan R-76; and

Water line traversing Parcel 25, and Lots 21 and 22, to and through "Proposed Christian Way" as shown on said Plan R-76.

or take any other action related thereto.

*Requires a two-thirds (2/3) vote*

#### **Article 60 - Street Acceptance and Taking of Christian Way**



**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_\_\_

**The PLANNING BOARD voted 4-0 to recommend approval. NO** \_\_\_\_\_

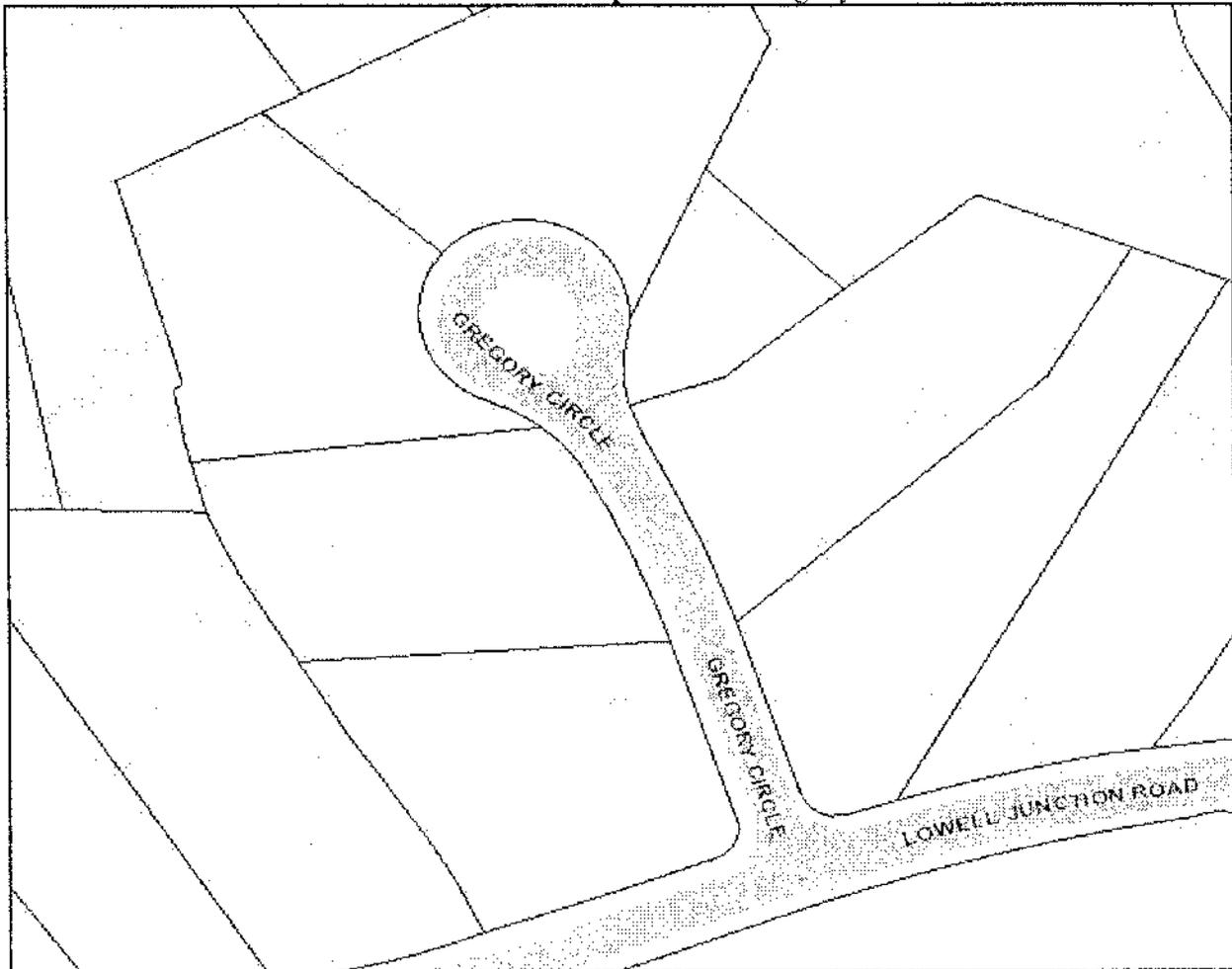
On request of the Director of Municipal Services



## STREET ACCEPTANCE OF GREGORY CIRCLE

**ARTICLE 62.** To see if the Town will vote to accept and name Gregory Circle as a public way and to acquire the fee or other interest in such roadway and any related easements and open space as shown on a plan entitled "Property Line Plan 'Gregory Circle' Andover, Mass." Date: October 13, 2003, revised through 12-15-03, Scale: 1"=40', Owner & Applicant: Fieldstone Meadows Development Corp., Prepared By: Andover Consultants, Inc., "which plan is recorded with the Essex North District Registry of Deeds as Plan Number 15228, and "Plan of Land in Andover, Mass." Prepared for: Fieldstone Meadows Development Corp. Date: September 7, 2011, Scale: 1"=40' Prepared By: Andover Consultants, Inc., which plan is recorded with the Essex North District Registry of Deeds as Plan Number 16545 and on Street Acceptance Plan entitled "Street Acceptance Plan, Gregory Circle, Andover, Mass., Prepared for Fieldstone Meadows Development Corp., Date: October 31, 2013, Scale 1"=40'" Prepared by Andover Consultants, Inc. which plan is on file with the Office of the Town Clerk, or take any other action related thereto.

### Article 62 – Street Acceptance of Gregory Circle



The BOARD OF SELECTMEN voted 4-0-1 to recommend approval.

YES         

The PLANNING BOARD voted 4-0 to recommend disapproval.

NO         

On request of the Board of Selectmen

**WATER TREATMENT PLANT MAINTENANCE**

**ARTICLE 63.** To see if the Town will vote to appropriate the sum of \$300,000 in the Water Enterprise Fund for the purpose of paying various maintenance costs related to the water distribution system and the Water Treatment Plant, including any other costs incidental and related thereto, or take any other action related thereto.

~~~~~  
A recent inventory and assessment of the Water Treatment Plant assets was conducted resulting in short and long range projections of maintenance and replacement projects needed over the next twenty years. Life spans of assets can range from four (4) years to forty-five (45) years. Like the Capital Projects Fund voted in Article 5, this annual appropriation pays for capital projects in a separate article so funds can be carried over to subsequent fiscal years to allow time for project completion. It is considered to be part of the Water Department FY2018 budget.  
~~~~~

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES

**The FINANCE COMMITTEE voted 6-0 to recommend approval.** NO

On request of the Director of Municipal Services

**AMEND SECTION 7.4.3.10 OF THE ZONING BYLAW**

**ARTICLE 64.** To see if the Town will vote to amend Section 7.4.3.10 Open Space of the Town’s Zoning Bylaw as follows: In the last sentence after “conservation restriction” add: “as approved by Town Counsel and the Executive Secretary of Energy and Environmental Affairs pursuant to Massachusetts General Laws Chapter 184 Section 32” so that the sentence will now state:

“A permanent conservation restriction as approved by Town Counsel and the Executive Secretary of Energy and Environmental Affairs pursuant to Massachusetts General Laws Chapter 184 Section 32 shall be recorded for the common open space area and shall include restrictions that the land be retained in perpetuity for conservation and/or passive recreation.”

~~~~~  
With the goal of streamlining the review and approval of various conservation restrictions in relation to projects permitted by the Planning Board, this “housekeeping” amendment is being submitted to clarify that all conservation restrictions contained within said section of the zoning bylaw are required to be presented to the appropriate state agency for further approval, which in turn would allow the restriction to be in perpetuity. Currently the existing zoning bylaw is silent on this requirement.  
~~~~~

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 4-0-1 to recommend approval.** YES

**The PLANNING BOARD voted 4-0 to recommend approval.** NO

**The CONSERVATION COMMISSION will make its recommendation at Town Meeting.**

On request of the Director of Planning

**AMEND SECTION 8.8.5.7 OF THE ZONING BYLAW**

**ARTICLE 65.** To see if the Town will vote to amend Section 8.8.5.7 Protected Open Space of the Town’s Zoning Bylaw as follows: In the second sentence of the second paragraph after “as approved by Town Counsel” add: “and approved by the Executive Secretary of Energy and Environmental Affairs pursuant to Massachusetts General Laws Chapter 184 Section 32” so that the sentence will now state:

“In any case where such land is not conveyed to the Town a restriction enforceable by the Town of Andover as approved by Town Counsel and approved by the Executive Secretary of Energy and Environmental Affairs pursuant to Massachusetts General Laws Chapter 184 Section 32 shall be recorded by the applicant prior to the issuance of a building permit, providing that such land shall be kept in an open or natural state in perpetuity and not be built upon or developed for accessory uses such as parking or roadway.”

~~~~~  
With the goal of streamlining the review and approval of various conservation restrictions that may be contemplated within the Senior Residential Community Overlay District, this “housekeeping” amendment is being submitted to clarify that all conservation restrictions contained within said section of the zoning bylaw are required to be presented to the appropriate state agency for further approval, which in turn would allow the restriction to be in perpetuity. Currently the existing zoning bylaw is silent on this requirement.

~~~~~  
*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 4-0-1 to recommend approval. YES \_\_\_\_\_**

**The PLANNING BOARD voted 4-0 to recommend approval. NO \_\_\_\_\_**

**The CONSERVATION COMMISSION will make its recommendation at Town Meeting.**

On request of the Director of Planning

**AMEND SECTION 8.8.5.8.h OF THE ZONING BYLAW**

**ARTICLE 66.** To see if the Town will vote to amend the last sentence of Section 8.8.5.8.h of the Zoning Bylaw by inserting “including an affordability restriction executed by the Commonwealth’s Director of Housing and Community Development pursuant to Massachusetts General Laws Chapter 184, Section 32” after “affordability” so that the sentence will now state:

“No clearance certificate shall be issued for any units until (a) all documents necessary to ensure compliance with this subsection including, without limitation, the documents referred to in this Section regarding affordability, including an affordability restriction executed by the Commonwealth’s Director of Housing and Community Development pursuant to Massachusetts General Laws Chapter 184, Section 32, have been executed and recorded at the Registry of Deeds; and (b) any required cash or other contribution has been made to the Town or its designee.”

~~~~~  
With the goal of streamlining the review and approval of various affordability restrictions in relation to projects permitted by the Planning Board within the Senior Residential Community Overlay District, this “housekeeping” amendment is being submitted to clarify that all affordability restrictions contained within said section of the bylaw are required to be presented to the appropriate state agency for further approval. Currently the existing zoning bylaw is silent on this requirement.  
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*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 4-0-1 to recommend approval. YES \_\_\_**

**The PLANNING BOARD voted 4-0 to recommend approval. NO \_\_\_**

On request of the Director of Planning

**ADD NEW SECTION 4.1.4.3.h TO THE ZONING BYLAW**

**ARTICLE 67.** To see if the Town will vote to amend the Zoning Bylaws by adding a new Section 4.1.4.3.h as follows:

h. Multiple Buildings: In the IA, ID and ID2 Districts more than one building may be erected on a single lot.

~~~~~  
The Economic Development Council has submitted this article to clarify the allowance of multiple buildings on a single lot in the industrial districts IA, ID and ID2. Presently the Zoning Bylaw does not prohibit multiple buildings on one lot in these industrial districts. This amendment would put language into the Zoning Bylaw to specifically permit for such allowance, clarifying the intent of the Zoning Bylaw and assisting in streamlining permitting.  
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*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES \_\_\_**

**The PLANNING BOARD voted 4-0 to recommend approval. NO \_\_\_**

**The ECONOMIC DEVELOPMENT COUNSEL voted 6-0-1 to recommend approval.**

On request of the Economic Development Council

**AMEND ID2 ZONING DISTRICT – RESIDENTIAL USE**

**ARTICLE 68.** To amend the ID2 zone to allow, with the granting of a special permit for same from the Planning Board, and in accordance with the density and regulations for same adopted by the Planning Board, residential use in unison with commercial use for a mixed use development.

**The following explanation was provided by Petitioner:**

This article will be withdrawn at Town Meeting. The petitioner has submitted the following revised article which was crafted after receiving feedback from town officials and town boards as well as input from many Andover residents. We thank them for all the help they gave us.

*Requires a two-thirds (2/3) vote*

On petition of Stephen Stapinski and others

**AMEND ID2 ZONING DISTRICT – RESIDENTIAL USE**

**ARTICLE 69.** To see if the Town will vote to amend the Andover Zoning Bylaw, Article VIII as follows: To amend the Andover Zoning Bylaw Section 9.4.10 (Special Permit in the ID2 District) by adding in the first paragraph after the words: "Commercial Recreation Establishment" the words "Mixed Use" and to add after section 9.4.10.d the following new paragraph (sequentially):

"In the case of Mixed Use Development, no more than three square feet of net residential area shall be permitted for every one square foot of net commercial area provided, no residential unit shall be constructed that is greater than 1,100 square feet net floor area in size, be greater than 2 bedrooms in size, and no more than 25% of the residential units shall be 2 bedrooms in size. The Planning Board as part of the evaluation of traffic impacts may grant a special permit to reduce the number of required residential parking spaces if it can be shown that residential parking will occur off peak from the parking for the commercial uses being proposed."

And to further amend Andover Bylaw Appendix A, Table 1 Section 3.1.3 – Table of Use Regulations, section 3.1.3.A.4.c by adding after the words "see Section 7.2" the words "and Section 9.4.10" and replacing the "N" in the ID2 column with "PB."

**The following explanation was provided by Petitioner:**  
The ID 2 Zoning District was created in 2013 to provide more flexibility in uses in the River Road area on the west side of Route 93 and the land south of Dascomb Road and West of I-93 at the Dascomb Rd interchange. Currently the Planning Board may issue a special permit for the following uses: a Personal Service Establishment, Retail Sales Establishment, Convenience Store, Grocery Store, Dry Cleaning Operation, Restaurant (sit down), Restaurant (fast food) and an Indoor Commercial Recreation Establishment. New residential uses are not permitted. This article allows the Planning Board to grant a special permit for a mixed use residential/commercial development. The intent of this article is to allow residential development to help drive the commercial development in this zoning district.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting.    YES \_\_\_\_\_**

**The PLANNING BOARD will make its recommendation at Town Meeting.    NO \_\_\_\_\_**

On petition of Stephen Stapinski and others

**AMEND ID2 ZONING DISTRICT – RESTAURANT DRIVE-THRU**

**ARTICLE 70.** To amend the ID2 zone to allow, with the granting of a special permit for same from the Planning Board, and in accordance with regulations for same adopted by the Planning Board, a drive up window for restaurants.

**The following explanation was provided by Petitioner:**

This article will be withdrawn at Town Meeting. The petitioner has submitted the following revised article which was crafted after receiving feedback from town officials and town boards as well as input from many Andover residents. We thank them for all the help they gave us.

*Requires a two-thirds (2/3) vote*

On petition of Stephen Stapinski and others

**AMEND ID2 ZONING DISTRICT – RESTAURANT DRIVE-THRU**

**ARTICLE 71.** To see if the Town will vote to amend the Andover Zoning Bylaw, Article VIII as follows: To amend the Andover Zoning Bylaw Section 10.1 Definitions, adding the following definition after “Removal”:

“Restaurant, Coffee Shop. A restaurant whose principal product of sale, for consumption and off premises is coffee and other related beverages with breakfast pastries and sandwiches being the accessory, not principal, sale product. The building cannot exceed 1,400 square feet in size and may not have more than 20% of all building facades constructed of glass windows or doors and the building may have a Drive Thru Window.”

And further amend the Andover Zoning Bylaw Section 9.4.10 (Special Permit in the ID2 District) by adding in the first paragraph after the words: Restaurant (fast food)” the words “Restaurant, Coffee Shop” and to add a new section sequentially after section 9.4.19.d as follows:

“In the case of a Restaurant, Coffee Shop the building design and the drive thru design lane shall be subject to the Design Review Requirements of this by law and subject to the review and approval by the Planning Board”

And to further amend Andover Bylaw Appendix A, Table 1 Section 3.1.3 – Table of Use Regulations, section 3.1.3.C.12 “Restaurants” by adding after section 3.1.3.C.12.c a new section 3.1.3.C.12.d.

“3.1.3.C.12.d Restaurant, Coffee Shop” and by inserting ‘N’ in columns SRA, SRB, SRC, APT, LS, OP, GB, MU IG, IA, ID and inserting “PB” in column ID2.”

And further amend Andover Zoning Bylaw Appendix A, Table 3 Section 5.1.4-Table of Off-Street Parking Requirements by adding in Section 5.1.4.C.12 “Restaurants,” a new section c:

“5.1.4.C.12.c Restaurant, Coffee Shop: Required Parking Spaces: “One parking space for each two seats, plus 1.5 parking spaces for each 2 employees.”  
Or take any other action thereto.

**The following explanation was provided by Petitioner:**

The ID 2 Zoning District was created in 2013 to provide more flexibility in uses in the River Road area on the west side of Route 93 and the land south of Dascomb Road and West of I-93 at the Dascomb Rd interchange. Currently the Planning Board may issue a special permit to allow uses that include: a Personal Service Establishment, Retail Sales Establishment, Convenience Store, Grocery Store, Dry Cleaning Operation, Restaurant (sit down), Restaurant (fast food), and an Indoor Commercial Recreation Establishment. This article creates a new use category *Restaurant, Coffee Shop* and allows the Planning Board to grant a special permit in the ID 2 zoning district to allow a Coffee Shop with a drive thru window. The Coffee Shop cannot exceed 1,400 square feet and may not have more than 20% of all building facades constructed of glass window or doors. In these areas of Andover there are numerous office parks but limited food establishments serving coffee, breakfast pastries and sandwiches. This article seeks to meet this need by allowing the Planning Board to grant a special permit to allow a drive-thru window to make it convenient for customers to purchase food.

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_\_\_

**The PLANNING BOARD will make its recommendation at Town Meeting. NO** \_\_\_\_\_

On petition of Stephen Stapinski and others

**MARIJUANA MORATORIUM BYLAW – AMEND ZONING**

**ARTICLE 72.** To see if the Town will vote to amend the Town of Andover Zoning Bylaw by adding a new Section 8.10: TEMPORARY MORATORIUM ON MARIJUANA ESTABLISHMENTS, MARIJUANA RETAILERS AND OTHER SALE OR DISTRIBUTION OF MARIJUANA AND MARIJUANA PRODUCTS WHICH ARE NOT INCLUDED IN THE DEFINITION OF MEDICAL MARIJUANA TREATMENT CENTERS, as follows:

**Section 8.10.1. PURPOSE**

By vote at the State election on November 8, 2016, the voters of the Commonwealth approved a law entitled the Regulation and Taxation of Marijuana Act (the “Act”), regulating the control and production and distribution of marijuana under a system of licenses and regulations. Currently under the Zoning Bylaw, a Marijuana Retailer or Establishment is not a permitted use in the Town and any regulations promulgated by the Cannabis Control Commission under the Act are expected to provide guidance to the Town in regulating marijuana sales and distribution. The regulation of marijuana raises novel and complex legal, planning, and public safety issues and the Town needs time to study and consider the regulation of Marijuana Retail or Distribution centers and Marijuana Establishments and address such novel and complex issues, as well as to address the potential impact of the State regulations on local zoning and to undertake a planning process to consider amending the Zoning Bylaw regarding regulation of Marijuana Retail sales and distribution and other uses related to the regulation of marijuana. The Town intends to adopt a temporary moratorium on the use of land and structures in the Town for Marijuana Retail and Distribution so as to allow the Town sufficient time to engage in a planning process to address the effects of such structures and uses in the Town and to enact bylaws in a manner consistent with sound land use planning goals and objections.

**Section 8.10.2. DEFINITIONS**

“Marijuana,” “Marijuana Establishment,” “Marijuana Product,” and “Marijuana Retailer” shall have the meaning as set forth in the Act.

**Section 8.10.3. TEMPORARY MORATORIUM**

For the reasons set forth above and notwithstanding any other provision of the Zoning Bylaw to the contrary, the Town hereby adopts a temporary moratorium on the use of land or structures for a “Marijuana Establishment” and “Marijuana Retailer” which are not included in the definitions for Medical Marijuana Treatment Center or Registered Marijuana Dispensary. The moratorium shall be in effect through December 1, 2018. During the moratorium period, the Town shall undertake a planning process to address the potential impacts of marijuana in Town, consider the Cannabis Control Commission regulations regarding “Marijuana,” “Marijuana Establishment,” “Marijuana Product,” and “Marijuana Retailer” and related uses, and shall consider adopting new Zoning Bylaws to address the impact and operation of Marijuana Establishments and Marijuana Retailers and related uses.

**8.10.3.1. INTERIM RESTRICTION**

The use of land or structures for a “Marijuana Establishment” or “Marijuana Retailer” which are not included in the definition of Medical Marijuana Treatment Center or Registered Marijuana Dispensary shall not be permitted in any zoning district in the Town of Andover so long as this Section 8.10 is effective, as set forth in Section 8.10.4 below. Use variances shall be strictly prohibited.

**Section 8.10.4. EXPIRATION**

The Moratorium shall be in effect through December 1, 2018 so that the Town of Andover can enact superseding zoning regulations that set forth requirements applicable to marijuana uses.

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The purpose for this article is to provide restrictions that will allow the Town adequate time to undertake a comprehensive planning process to address the potential impacts to the Town of the retail sale of recreational marijuana as approved by the Commonwealth on November 8, 2016 in a law entitled “Regulation and Taxation of Marijuana Act.” This moratorium would be in effect through December 1, 2018.  
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*Requires a two-thirds (2/3) vote*

The BOARD OF SELECTMEN voted 5-0 to recommend approval. YES     

The PLANNING BOARD voted 4-0 to recommend approval. NO     

On request of the Director of Planning

**AMEND ARTICLE VIII OF THE ZONING BYLAW**

**ARTICLE 73.** To see if the Town will amend Article VIII of the Zoning Bylaw in the following ways:

1.) To see if the Town will amend Article VIII, Section 7.3.8, replace the term “Design Advisory Group” with the term “Design Review Board” and shall read as follows “7.3.8. Board Review. Before acting upon the application, the Planning Board shall submit it to the following boards and agencies which may review it jointly or separately: the Board of Health, the Conservation Commission, the Department of Public Works, the Design Review Board and other boards or agencies the Planning Board may deem appropriate. Any such agency to which applications are referred for review shall submit such recommendations as it deems appropriate to the Planning Board. Failure to make recommendations within 20 days of receipt shall be deemed lack of comment or opposition.”

2.) To see if the Town will amend Article VIII, 7.4 ELDERLY HOUSING, Section 7.4.2. Applicability. The Planning Board may grant a special permit for elderly housing as described in Section 7.4. by inserting in 7.4.2. Applicability “2. Before acting on the application, the Planning Board shall submit it to the Design Review Board, which shall submit such recommendations as it deems appropriate to the Planning Board. Failure to make recommendations within 30 days of receipt shall be deemed lack of comment or opposition. For DRB review of elderly housing in General Business and Mixed Use districts, see also Sections 9.6.2 and 9.6.3.”

3.) To see if the Town will amend Article VIII, by replacing “9.4.8. Major Non-Residential Projects. For any Major Non-Residential Project as defined in Section 10.0:

- a. the provisions of subsections 9.5.3 and 9.5.4.1 and 2 shall apply;
- b. the Planning Board may require the applicant to submit more information about the proposed development within the purposes and guidelines of Section 9.5., or based on the comments of the reviewing boards and agencies. Additional information shall be submitted to the Planning Board within 10 days of written request by the Board.
- c. in reviewing the application, the Planning Board shall, as a minimum, consider staff comments and the items in subsections 9.5.4.3.a through k.
- d. the special permit criteria of subsection 9.4 shall be met.

with the following “9.4.8. Major Non-Residential Projects. For any Major Non-Residential Project as defined in Section 10.0:

- a. the provisions of subsections 9.5.3 and 9.5.4.1 and 2 shall apply;
- b. the Planning Board may require the applicant to submit more information about the proposed development within the purposes and guidelines of Section 9.5., or based on the comments of the reviewing boards and agencies. Additional information shall be submitted to the Planning Board within 10 days of written request by the Board.
- c. For projects in LS, OP, and IG districts, the Planning Board may at its discretion require the applicant to submit to the Design Review Board, pursuant to Section 9.6.3. of the Zoning Bylaw, for the Design Review Board Report. For DRB review in General Business and Mixed Use districts, see Sections 9.6.2. and 9.6.3. For DRB review in ID2 Districts, see Section 9.4.10.
- d. In reviewing the application, the Planning Board shall, as a minimum, consider staff comments and the items in subsections 9.5.4.3.a through k.
- e. the special permit criteria of subsection 9.4 shall be met.”

4.) To see if the Town will amend Article VIII, by replacing “9.6.3. Mandatory Review. Whether or not requested by the applicant, the DRB shall review all applications for building permits, special permits or variances for proposals located in areas zoned for General Business

and Mixed Use if involving new construction, exterior alteration or a sign larger than four square feet, a new structure built by or for the use of the Town of Andover in any district; provided, however, that the lack of a report from the DRB shall not be sufficient reason to delay action on a proposal which otherwise could be acted upon by the Building Inspector, Special Permit Granting Authority or Board of Appeals. An extra copy of all usual submittals required for such proposals shall be provided to the DRB through the Inspector of Buildings. The DRB review shall preferably be done in consultation with the applicant and his designer. The DRB shall provide a report in writing to the applicant and as follows:

1. For building permits: to the Inspector of Buildings regarding any relevant changes.
2. For special permits: to the Special Permit Granting Authority (SPGA) as provided in Section 9.4.2.
3. For variances: to the Board of Appeals as provided in Section 9.2.2.2.”

with the following “9.6.3. Application Review. Whether or not requested by the applicant, the DRB shall review all applications for building permits, special permits or variances for proposals located in areas zoned for General Business and Mixed Use if involving new construction, exterior alteration or a sign larger than four square feet, a new structure built by or for the use of the Town of Andover in any district; provided, however, that the lack of a report from the DRB shall not be sufficient reason to delay action on a proposal which otherwise could be acted upon by the Building Inspector, Special Permit Granting Authority or Board of Appeals. In addition, the DRB shall review applications for outdoor dining in GB and MU districts, private property on Town sidewalks on or near Main Street, special permits for attached clusters, development projects in the Historic Mill District, and elderly housing. At the discretion of the Planning Board, the DRB shall also review applications for special permits in the ID2 district as well as major non-residential projects in LS, OP, and IG districts. An extra copy of all usual submittals required for such proposals shall be provided to the DRB through the Inspector of Buildings. The DRB review shall preferably be done in consultation with the applicant and his designer. The DRB shall provide a report in writing to the applicant and as follows:

1. For building permits: to the Inspector of Buildings regarding any relevant changes.
2. For special permits: to the Special Permit Granting Authority (SPGA) as provided in Section 9.4.2.
3. For variances: to the Board of Appeals as provided in Section 9.2.2.2.”

And further that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

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The proposed changes to the Zoning Bylaw, Article VIII update several areas: two “housekeeping” items include updating Section 7.3.8. “Design Advisory Group,” the DRB’s predecessor, to the current name “Design Review Board”. This amendment will also provide a listing of all DRB areas of jurisdiction in one location, thus streamlining the review process for applicants and Town Departments. The Design Review Board (DRB) presently reviews assisted living residences and congregate care facilities when these are located in General Business and Mixed Use districts. This amendment will allow the DRB to also review projects within the Single Residential A and Single Residential B Districts. Similarly, the DRB already reviews major non-residential projects if these are located in GB and MU districts and involve new construction or exterior alterations. It also reviews special permit applications in the Industrial D2 district at the discretion of the Planning Board. The DRB feels that expanding its jurisdiction to include discretionary review of major non-residential projects in Limited

Service and Office Park districts and in Industrial G district would benefit the Town by ensuring timely professional evaluation of large and highly visible projects.

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*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_\_\_

**The PLANNING BOARD voted 4-0 to recommend approval. NO** \_\_\_\_\_

On request of the Design Review Board

**STREAMGAGE STATION ON THE SHAWSHEEN RIVER**

**ARTICLE 74.** To see if the Town will appropriate from free cash the sum of \$75,000 for the purpose of operating and maintaining a Streamgage Station on the Shawsheen River in the vicinity of Balmoral Street and further to authorize the Town Manager to enter into an agreement for the same with the United States Geological Survey.

**The following explanation was submitted by Petitioner:**

The Shawsheen River has overflowed its banks several times over the last decade causing significant property loss as well as endangering public safety. In 2007 the gage at the Balmoral river site was placed in operation with funding by local residents, businesses, as well as federal subsidies. In 2013 through a town meeting warrant the Town of Andover took over the funding that will expire this year. Over these past ten years the USGS and hydrologist at NOAA's Northeast National Weather service in Taunton, MA have collected and analyzed data which has resulted in a 72 hour forecast of all stages of flooding that includes FEMA flood maps showing areas of imminent flooding. It is obvious from climate change predictions that flooding will continue into the future and so we need to be prepared for the inevitable. With 72 hours of forecasting the community will have preparation time that will reduce property damage, reduce the cost of public safety and emergency response activities during flooding, and possibly prevent the needless loss of life. Studies have shown that with as little as 1 hour lead time can result in a 10% reduction in flood damages. With the removal of the Balmoral and Steven St. dams, the gage will also be a key resource for residents who want to safely canoe, kayak and fish on the river. Please visit the following site for complete details:  
<http://water.weather.gov/ahps2/hydrograph.php?gage=andm3&wfo=box>

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES** \_\_\_\_\_

**The FINANCE COMMITTEE voted 8-1 to recommend disapproval. NO** \_\_\_\_\_

**The CONSERVATION COMMISSION will make its recommendation at Town Meeting.**

On petition of John Mahoney and others

**RESOLUTION ON ANTI-CORRUPTION LAWS**

**ARTICLE 75.** Whereas, the current and increasing role of money in politics threatens the democratic ideals upon which our republic was founded; and

Whereas, the Town holds an important position in the historical development of this republic; and

Whereas, it is incumbent upon the inheritors of that history to speak out when this republic is threatened by the accelerated advance of oligarchy, as opposed to government of the people, by the people and for the people.

Now, therefore, be it resolved it is the position of the Town of Andover, Massachusetts, that, in order to ensure our elected officials represent us all, tough, new, anti-corruption laws must be passed by Congress and the Massachusetts General Court, including:

- 1) Legislation to prohibit politicians from taking campaign money from industries they regulate;
- 2) Put limits on unregulated SuperPacs and other groups;
- 3) Increase transparency for campaign funding;
- 4) Stop elected representatives and senior staff from negotiating jobs while in office and bar them from all lobbying activity for 5 years once they leave;
- 5) Empower all voters through a \$100 or more tax rebate voucher to contribute to the candidates they support;
- 6) Strengthen agencies and ethics committees to enforce the rules against politicians and special interests that break campaign finance law.

**The following explanation was provided by Petitioner:**

This article calls for new state and federal anti-corruption legislation that will prohibit funding dependencies that cause elected officials to represent a minority of wealthy interests over the interests of the majority of citizens. Politicians betray their Constitutional commitment to representative democracy when they take campaign money from industries they regulate, serve as lobbyists directly upon leaving office, and benefit from unlimited SuperPAC funding. This article would communicate Andover's support of such laws to be passed in Congress and the Massachusetts General Court.

On petition of Thomas Hartwell and others

**LEDGE ROAD LANDFILL POST CLOSURE USE**

**ARTICLE 76.** To see if the Town will vote to prohibit the Post Closure Use of the Ledge Road landfill property to include Department of Municipal Services Public Works and/or Plant and Facilities Material Handling Operations and/or Materials/Vehicle/Equipment storage facility following completion of the Ledge Road Landfill Closure Project.

**The following explanation was provided by Petitioner:**

The Town promised residents at several 2015 public meetings that recommendations for post-closure use at Ledge Road Landfill would need to be authorized by Town Meeting vote. Currently CDM Smith, Town's consultant, is designing and permitting to cap landfill, remove arsenic impacted soil from wetlands and construct an estimated \$0.8 million six acre DPW materials handling facility area atop the landfill as post-closure use. This proposed new development will also include storage of seasonal equipment and supplies as well as a staging/laydown area for town projects all within the Town's Watershed Protection Overlay District (WPOD). The purpose of this article is to allow citizens the right to deliberate and vote on permanent post-closure uses at Ledge Road Landfill, which will shape our Town's future and make a difference in our neighborhoods and communities.

The BOARD OF SELECTMEN voted 5-0 to recommend disapproval.

YES \_\_\_\_\_

NO \_\_\_\_\_

On petition of Joe Albuquerque and others

**LEDGE ROAD LANDFILL EMISSIONS STANDARDS**

**ARTICLE 77.** To see if the Town will vote to require the Department of Municipal Services and all Contractors on the Ledge Road Landfill Closure Project to use construction equipment with engines manufactured to Tier 4 federal emissions standards or that have been retrofitted with the best available after-engine emission control technology, such as oxidation catalysts or diesel particulate filters.

**The following explanation was provided by Petitioner:**

An affirmative vote at Town Meeting would ensure that both diesel exhaust mitigation measures are implemented and that diesel emissions meet the most stringent federal standards during the construction activities necessary to complete the Ledge Road Landfill project. This measure is critical as the project site is entirely located within a residential area of town inhabited by numerous children (including infants) and older residents, whom are the most susceptible to the adverse impacts of outdoor air pollutants. Outdoor air pollution is now recognized as an important problem both nationally and worldwide.

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_\_\_

NO \_\_\_\_\_

On petition of Brad Wright and others

**AGGREGATE ELECTRICAL LOAD**

**ARTICLE 78.** To see if the Town will initiate the process to aggregate electrical load pursuant to Section 134 of Chapter 164 of the Massachusetts General Laws, and grant the Board of Selectmen authority to research, develop, and participate in a contract or contracts to aggregate the electricity load of the residents and businesses in the Town, independently, or in joint action with other municipalities, retaining the right of individual residents and businesses to opt out of the aggregation, or take any other action relative thereto.

**The following explanation was provided by Petitioner:**

Electrical aggregation is a community-based effort to combine the electrical loads of its residents and businesses to investigate options for lower cost electrical supply via bulk purchasing on the competitive market. Additional renewable energy options can also be created. Individual participation is voluntary. This article allows the Town to seize the opportunity under the statute to seek these proposals for cheaper and/or cleaner sources of power for its residents and businesses. Electrical aggregation is increasingly being adopted across the state of Massachusetts with over 100 communities with approved plans or approvals-in-process and over 40 communities moving forward in 2016 alone. Passage of this warrant article simply allows the Board of Selectmen to initiate the process of investigating aggregation opportunities and soliciting proposals for a Municipal Aggregation Plan. It does commit the Town to any plan or action, and additional approvals would be needed before proceeding further. Please see: <http://www.mass.gov/eea/energy-utilities-clean-tech/electric-power/electric-marketinfo/muni-agg.html>

The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES \_\_\_\_\_

NO \_\_\_\_\_

On petition of Keith Saxon and others

### ELECTED BOARD OF WATER COMMISSIONERS

**ARTICLE 79.** To see if the Town will vote to accept the provisions of Section 39A of Chapter 40 of Massachusetts General Laws to elect a Board of Water Commissioners in accordance with Section 69A of Chapter 41 of the Massachusetts General Laws at the next local election and cease having its Board of Selectmen act as such upon election of said Commissioners.

**The following explanation was provided by Petitioner:**

Andover's water supply system will be facing major challenges in the immediate future beyond its known substantial infrastructure repair requirements (\$34.5M) and need to protect its watershed from intensive development activity. North Reading's water purchase agreement with Andover ends in 2019, as that town connects into the MWRA water supply system (per its January, 2017 legislative approval and 2016 Town Meeting votes.) The result is an approximate 20% reduction in revenues with only a corresponding 4% reduction in expenses. Just as significant, the town's 20-year state Water Management Act approval is up for renewal in November, 2018. Necessary water system and user performance requirements have increased exponentially since the permit was last issued, and the impact of newly mandated measures will be magnified as the town is well below current state performance standards. Unaccounted for water or UAW (treated clean water not accounted for through meter reading or estimated unmetered municipal uses) has averaged 25% over the last 5 years (2011-2015) while the standard is 10%. Residential Gallons Per Capita Day (RGPCD) has averaged 78 over the last 3 years (2013-2015) while the standard is 65. The purpose of this article is to establish a dedicated Board of Water Commissioners to provide additional resources that can spend significantly more time and focus to address these upcoming challenges and needs than is reasonably available to the Board of Selectmen (who currently serve in that role in addition to all their other responsibilities.) The Board is elected per statute so as to consist of the ratepayers and residents subject to its policies as implemented.

The BOARD OF SELECTMEN voted 5-0 to recommend disapproval. YES \_\_\_\_\_

NO \_\_\_\_\_

On petition of Keith Saxon and others

### ABANDONMENT OF SEWER EASEMENT

**ARTICLE 80.** To see if the Town will vote to authorize, but not require, the Board of Selectmen acting as Selectmen and as Water and Sewer Commissioners to abandon all of the Town's right, title and interest in a fifteen (15) foot wide easement for sewer purposes reserved in a deed by the Inhabitants of the Town of Andover in a conveyance to the American Woolen Company recorded at the Essex North District Registry of Deeds at Book 502, Page 516 and further shown as "Town of Andover Sewer" on a "Plan of Land in Shawsheen Village, Andover, Mass" drawn by John Franklin, C.E. dated May 1924 and recorded at the Essex North District Registry of Deeds as Plan No. 558, but not to abandon the thirty (30) foot wide right of way which is reserved in said Deed and shown as "Right of Way" on said Plan, upon terms and conditions that the Selectmen determine are in the best interest of the Town.

**The following explanation was provided by Petitioner:**

This article authorizes the Board of Selectmen, acting as Selectmen and as Water and Sewer Commissioners, to abandon a sewer easement that crosses property off of Fleming Avenue. This sewer easement was created in 1924 and has not been used by the Town for over 50 years. The Department of Public Works is in favor of the abandonment of this sewer easement.

*Requires a two-thirds (2/3) vote*

**The BOARD OF SELECTMEN voted 5-0 to recommend approval.** YES \_\_\_\_\_

**The PLANNING BOARD voted 4-0 to recommend approval.** NO \_\_\_\_\_

On petition of Mark B. Johnson and others

**TOWN YARD FENCE**

**ARTICLE 81.** To see if the Town will vote to raise by taxation, transfer from available funds, borrowing or by any combination thereof and appropriate the sum of \$4,000 for the purpose of paying the cost to construct a solid stockade fence approximately 131 feet in length to serve as a visual barrier, provide buffering and screening, and provide safety to children, between the recently expanded municipal town yard property and operation located at 15 Buxton Court and adjacent residential property located at 98 North Main Street, more specifically shown on Assessors Map 38, Lot 32 and Assessors Map 38, Lot 31 respectively, or take any other action related thereto.

**The following explanation was provided by Petitioner:**

The Town's Parks Department building had long served as a visual barrier and buffer between the far rear area of the existing Town Yard property and my residence where I have lived for 20 years. During planning to replace this aging structure, the Town and I executed a land swap in 2005 to straighten out the lot lines to account for a 10-foot setback requirement and to facilitate a more efficient layout for the new building to be built in essentially the same location. The old building was then torn down but unfortunately the planned replacement was never built. Thus, the buffer and visual barrier that existed between the properties and that was the basis for the land swap was eliminated. Fortunately for most of this time this "back 40" area was used infrequently, with little activity beyond intermittent storage. In January 2016, however, the use significantly changed. Numerous concrete bins were built for transfer and storage of items such as junk scrap metal, cold patch asphalt, street waste, concrete debris, soil, etc.. Moreover, the activity level has risen exponentially with personnel and trucks moving and dumping material throughout the day. The purpose of this article is to restore the much needed barrier and buffer between my family residence and this industrial type activity, which will continue for at least 18-36+ months until the new Town Yard is built and all operations have moved out.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting.** YES \_\_\_\_\_

**The FINANCE COMMITTEE voted 9-0 to recommend disapproval.** NO \_\_\_\_\_

On petition of Monica Morell and others

**AMEND GENERAL LAWS ARTICLE XII, SECTION 11 - DOGS**

**ARTICLE 82.** To see if the Town will vote to amend Article XII, Section 11 (Dogs) of the general bylaws by adding subsection (q) as follows:

- (q) Spring Grove Cemetery. Dogs are prohibited in Spring Grove Cemetery. This regulation relating to Spring Grove Cemetery shall not apply to a dog accompanying any handicapped person who, by reason of his/her handicap, is physically unable to comply with the requirements of this regulation or to any individual who utilizes a guide dog.

And further that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES\_\_\_\_\_**

**NO\_\_\_\_\_**

On request of the Town Manager

**AMEND GENERAL LAWS ARTICLE XII, SECTION 11 - DOGS**

**ARTICLE 83.** To see if the Town will vote to amend Article XII, Section 11 (Dogs) of the general bylaws by adding subsection (q) as follows:

- (q) Spring Grove Cemetery. Dogs under restraint shall be permitted in Spring Grove Cemetery subject to the provisions of this bylaw regarding the removal and disposal of canine waste.

And further that non-substantive changes to the numbering of this bylaw be permitted in order that it be in compliance with the numbering format of the Andover Code of Bylaws, or take any other action related thereto.

**The BOARD OF SELECTMEN will make its recommendation at Town Meeting. YES\_\_\_\_\_**

**NO\_\_\_\_\_**

On request of the Town Manager

**TOWN OF ANDOVER**  
**2016 ANNUAL REPORT SUMMARY**



# TOWN OF ANDOVER

Board of Selectmen's Office  
36 Bartlet Street  
Andover, MA 01810  
(978) 623-8210  
[www.andoverma.gov](http://www.andoverma.gov)

Dear Fellow Citizens,

I have been so honored to serve as the Chairman of the Board of Selectmen once again in my third term. It is such a pleasure to serve in a community where its citizens are so involved with town government, energy conservation, education, the elderly, veterans, youth services...the list goes on and on. We are an energized and involved citizenry that loves to work and volunteer to make Andover a better place.

2016/2017 was a transformational year for our community. This fall, Town Manager Andrew Flanagan with Deputy Town Manager John Mangiaratti, launched a new website ([Andoverma.gov](http://Andoverma.gov)) which has given all our citizens a much deeper look into how town government works. This simple, easy portal lets you see all the boards and committees in town, their meeting dates, agendas as well as live broadcasts and video achieves. You can report your concerns to our public works department or easily request information from any of our departments and committees. And, of course, it will give complete transparency on how your tax dollars are being spent. This informational and interactive resource is updated in "real time" and will allow so many more ways for you to stay in touch with your community. I urge you to use this valuable interactive and informational resource.

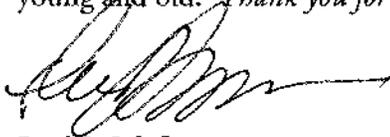
Andover has once again been designated as a AAA bond rated community. This designation recognizes Andover's commitment to excellence in municipal finance and, in turn, allows us to borrow at a much more favorable interest rate which ultimately maximizes how we use your tax dollars.

Andover has taken a leadership roll in addressing the opioid crisis that is plaguing communities across the nation. In his first full year, our Community Support Coordinator Sobhan Namvar under the direction of Chief Patrick Keefe has achieved real, measurable results for people struggling with addiction in our town. While many of our neighboring communities are experiencing a rise in addiction incidents, our incidents are significantly down and Andover's program has become a model for like communities across the commonwealth. Our town should be proud of these results and we should all support these ongoing efforts in the year to come.

Though Andover's successes are many, there is still much work to be done. We have taken some important initial steps to address our long term liabilities for both OPEB (Other Post Employment Benefits) and employee retirement. For these significant liabilities to become more manageable, it will take hard work and the sacrifices of many. With an open mindedness and a willingness to solve the problem, we will collectively be able to achieve meaningful change. We owe this to future generations of Andover's citizens. This year we completed a detailed study of all of our town and school buildings which you can see at [andoverma.gov](http://andoverma.gov). We now have a "Facilities Master Plan" which revealed a long list of deferred maintenance items and a number of deficiencies. The town manager, board of selectmen, school superintendent and school committee are working, in concert, on a multi-year program to implement a plan of action as well as how to fund our town's ongoing facility needs.

A top priority of the Andover Board of Selectmen is to keep our residential tax rate as stable and as low as possible. Controlled spending and a brisk program of sensible economic development are key components in that endeavor. The Board of Selectmen, EDC (Economic Development Council) and the Andover Planning Department are focused on attracting projects that will expand our commercial/industrial tax base while keeping a watchful eye on preserving our classic New England downtown, not overburdening our schools and being sensitive to our residential neighborhoods. In this year's town meeting warrant there are zoning articles that will promote economic development. The Historic Mill District, Dascomb Road and River Road are prime areas of town that will continue to give us the solid commercial tax base we need to help slow the growth of your residential tax bill while providing exciting new services so that our citizens can "work – live – play" right here in their home town.

In closing, I would like to thank the hundreds of our town employees and citizens that volunteer on boards and committees, work for our youth, seniors and veterans. You man our fire trucks and police cruisers that keep us safe. You plow our roads, teach our children, keep our library vibrant. You keep our water safe and clean and you make sure we enjoy the many wonderful amenities that Andover offers all its citizens young and old. *Thank you for all you do.*



Paul J. Salafia  
*Chairman,*  
Andover Board of Selectmen



Andrew P. Flanagan  
*Town Manager*

# TOWN OF ANDOVER

TOWN MANAGER'S OFFICE  
36 BARTLET STREET  
ANDOVER, MA 01810  
(978) 623-8200  
WWW.ANDOVERMA.GOV

April 7, 2017

TO: The Honorable Board of Selectmen and the Citizens of the Town of Andover

Over the past eighteen months it has been my privilege to be introduced to the community including meeting residents, business owners and our regional partners. Andover defines the concept of "sense of community." The quality of the Town and the success of the municipal organization is clearly reflected by the level of citizen engagement and participation and the common goal of moving Andover forward.

I am pleased to report that 2016 was a year of extraordinary progress for the Town of Andover that included investment in our infrastructure, improvements to our financial and budgeting processes, historical economic development and steps to continue to promote an organizational culture of excellence, professionalism and efficiency.

In January 2016, I declared that 2016 would be the year of the downtown. Building off the progress of the establishment of the Historic Mill District, the Town was provided with the opportunity to truly move forward with establishing mechanisms that will make our downtown a destination.

Moving forward with a Town Yard project has continued to be a priority of the Town and the Board of Selectmen for the past decade. The 2016 Annual Town Meeting voted to take the following steps towards realizing the construction of a new Municipal Services Facility and creating an historic economic development opportunity for the downtown:

1. Appropriated \$2,250,000 from Free Cash to purchase 5 Campanelli Drive.
2. Supported sending a Home Rule Petition to the Legislature that will establish a Municipal Services Facility Mitigation Fund for the purposes of using specific revenues from the future reuse of the site of the current Town Yard (11 Lewis Street) to mitigate the financial impact of constructing a new facility at 5 Campanelli Drive. The Home Rule Petition has been approved by the legislature.
3. Appropriated \$900,000 from General Fund Taxation (Capital Projects Fund) to fund the design and engineering phase of the Municipal Services Facility Project which has been completed.

The plan presented to Town Meeting included that the capital capacity (\$900,000) associated with funding the design phase in FY2017 would be shifted from General Taxation to Non-Exempt Debt Service in FY2018. This will offset the costs associated with the construction phase of the project and allow the overall project to be funded within the levy and limitations of Proposition 2 ½ and will not require a debt exclusion vote. I am pleased to report that the project is on track and consistent with the commitments made to Town Meeting in 2016.

Furthermore, the Town successfully supported the efforts to remove both the Balmoral and Stevens Street Dams. The removal of these dams will present the Town with an historic opportunity to reintroduce the river to Downtown Andover and provide residents with access for recreational activities. In addition, these two important projects will have a significant environmental impact and improve the quality of the watershed.

Andover was selected as one of four municipalities internationally to participate in a peer consultancy project with the International City/County Management Association (ICMA) to launch the “Imagine Andover” project. The Town was able to leverage expertise and best practices from around the country and facilitated a community dialogue about the future of Downtown Andover. The product of this effort was the development of a road map and “playbook” of best practices to further enhance the vibrancy of Downtown Andover.

In July of 2016, I moved forward with reorganizing the Town’s service divisions (Recreation, Youth Services, Elder Services and Veterans Services) as a single Department of Community Services. The goal and objective of the reorganization was to streamline operations, establish efficiencies and expand service delivery by functioning as one department. I am grateful to the leadership of the new Director of Community Services, Joseph Connelly, who has been instrumental in the successful implementation of the reorganization. Mr. Connelly came to Andover and joined the Senior Management Team with 22 years of experience as a department head and having served four municipalities.

For the first time in the history of our Town, Andover was awarded the Distinguished Budget Presentation Award from the Government Finance Officers Association of the United States and Canada (GFOA). The award is reflective of “the commitment of the governing body and staff to meeting the highest principles of governmental budgeting.” The award is consistent with the objectives and principles of my Administration to establish both transparency and accountability within our budgeting systems and reporting.

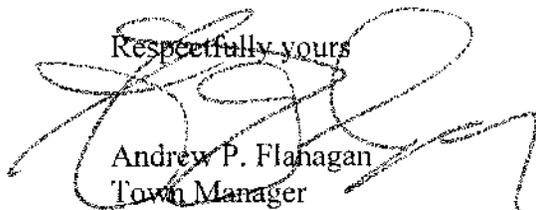
In 2016 we welcomed John Mangiaratti as Andover’s new Deputy Town Manager. Mr. Mangiaratti came to Andover having served as the Assistant Town Manager in Westford for the past 11 years. John’s guidance, leadership and contributions to the strategic goals of the Board of Selectmen over the past year has contributed extensively to the collective successes of the organization.

I would like to thank the Board of Selectmen for its leadership and policy direction during the past year. I want to recognize the Town’s Department and Division Heads for their professionalism and commitment to our organization. Their input and institutional knowledge of their departments and the organization has proved to be invaluable.

I also want to recognize Executive Assistant Wendy Adams for all of her assistance and support in facilitating the work that goes into developing the Town Report.

In closing, I want to thank the residents for their input, collaboration and passion for Andover. I look forward to working with you over the next year as we move forward with what will be an exciting period for our Town.

Respectfully yours



Andrew P. Flanagan  
Town Manager

TOWN OF ANDOVER, MASSACHUSETTS

BALANCE SHEET

JUNE 30, 2016

|                                 | GENERAL FUND  | ENTERPRISE   |               | CAPITAL PROJECT | SPECIAL REVENUE | INTERNAL SERVICE FD | EXPENDABLE TRUST | LT DEBT        | GRAND TOTAL    |
|---------------------------------|---------------|--------------|---------------|-----------------|-----------------|---------------------|------------------|----------------|----------------|
|                                 |               | WATER        | SEWER         |                 |                 |                     |                  |                |                |
| <b>ASSETS</b>                   |               |              |               |                 |                 |                     |                  |                |                |
| Cash and Equivalents            | 17,091,056.06 | 4,087,229.73 | 2,471,233.06  | 25,289,561.45   | 7,596,531.31    | 2,778,758.29        | 16,047,464.16    |                | 75,361,834.06  |
| Property Taxes                  |               |              |               |                 |                 |                     |                  |                | 135,238.09     |
| Personal Property               | 135,238.09    |              |               |                 |                 |                     |                  |                | 1,743,969.13   |
| Real Estate                     | 1,743,969.13  |              |               |                 |                 |                     |                  |                | 513,771.32     |
| Motor Vehicle Excise            | 513,771.32    |              |               |                 |                 |                     |                  |                | 1,751,667.86   |
| User Fees                       |               | 945,292.81   | 806,375.05    |                 |                 |                     |                  |                | 6,398,339.22   |
| Special Assessments             | 8,943.57      |              | 6,389,395.65  |                 |                 |                     |                  |                | 1,779,529.79   |
| Tax Liens                       | 1,679,890.42  | 57,641.56    | 41,997.81     |                 |                 |                     |                  |                | 258,513.86     |
| Deferred Tax                    | 237,390.23    |              | 21,123.63     |                 |                 |                     |                  |                | 259,091.68     |
| Tax Foreclosure                 | 259,091.68    |              |               |                 |                 |                     |                  |                | 1,336,818.64   |
| Other Receivables               | 390,385.60    |              | 644,188.81    |                 | 202,244.23      |                     |                  |                | 89,438,773.65  |
| Total Cash & Receivables        | 22,059,736.10 | 5,090,164.10 | 10,374,314.01 | 25,289,561.45   | 7,798,775.54    | 2,778,758.29        | 16,047,464.16    | 0.00           |                |
| Other Assets                    |               |              |               |                 |                 |                     |                  |                |                |
| Amounts to be Provided for:     |               |              |               |                 |                 |                     |                  |                |                |
| Long Term Debt                  |               |              |               |                 |                 |                     |                  | 100,969,386.00 | 100,969,386.00 |
| Total Assets                    | 22,059,736.10 | 5,090,164.10 | 10,374,314.01 | 25,289,561.45   | 7,798,775.54    | 2,778,758.29        | 16,047,464.16    | 100,969,386.00 | 190,408,159.65 |
| <b>LIABILITIES AND RESERVES</b> |               |              |               |                 |                 |                     |                  |                |                |
| Warrants Payable                | 1,247,367.64  | 78,360.59    | 18,018.59     | 899,811.55      | 180,793.76      | 113,582.05          | 737.00           |                | 2,538,671.18   |
| Accrued Payroll                 | 4,920,926.39  |              |               |                 | 129,548.70      |                     |                  |                | 5,050,475.09   |
| Liabilities Due Depositors      | 518,202.17    |              | 9,921.00      |                 | 0.00            |                     |                  |                | 528,123.17     |
| Tailings                        | 26,065.45     |              |               |                 | 0.00            |                     |                  |                | 26,065.45      |
| Reserve for Abatements          | 2,341,894.51  |              |               |                 | 0.00            |                     |                  |                | 2,341,894.51   |
| Deferred Revenue                | 2,616,486.55  | 1,002,934.37 | 7,903,080.95  |                 | 202,244.23      |                     |                  |                | 11,724,746.10  |
| Bond Anticipation Notes Payable | 0.00          |              |               | 5,468,000.00    | 0.00            |                     |                  |                | 5,468,000.00   |
| WPAT                            | 0.00          |              |               | (0.10)          | 0.00            |                     |                  |                | 100,969,386.00 |
| Total Liabilities               | 11,670,942.71 | 1,081,294.96 | 7,931,020.54  | 6,367,811.45    | 512,586.69      | 113,582.05          | 737.00           | 100,969,386.00 | 128,647,361.40 |
| Fund Balances                   |               |              |               |                 |                 |                     |                  |                |                |
| Unreserved                      | 8,100,071.11  | 3,667,836.38 | 2,332,620.56  | 13,913,078.22   | 6,541,581.47    | 2,350,119.09        | 14,797,219.03    | 0.00           | 51,702,525.86  |
| Reserved for:                   |               |              |               |                 |                 |                     |                  |                |                |
| Continued Appropriations        | 35,824.26     |              |               |                 |                 |                     |                  |                | 35,824.26      |
| Encumbrances                    | 1,470,371.93  | 341,032.76   | 110,672.91    | 5,008,671.78    | 744,607.38      | 315,057.15          | 0.00             |                | 7,990,413.91   |
| Res for Debt Service            | 782,526.09    |              |               |                 |                 |                     |                  |                | 782,526.09     |
| FB Designated for Principal     |               |              |               |                 |                 |                     | 1,249,508.13     |                | 1,249,508.13   |
| Total Fund Balances             | 10,388,793.39 | 4,008,869.14 | 2,443,293.47  | 18,921,750.00   | 7,286,188.85    | 2,665,176.24        | 16,046,727.16    | 0.00           | 61,760,798.25  |
| Total Liab. & Fund Balance      | 22,059,736.10 | 5,090,164.10 | 10,374,314.01 | 25,289,561.45   | 7,798,775.54    | 2,778,758.29        | 16,047,464.16    | 100,969,386.00 | 190,408,159.65 |

**TOWN OF ANDOVER, MASSACHUSETTS**  
**COMBINED STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**ALL GOVERNMENTAL FUND TYPES AND EXPENDABLE TRUST FUNDS**  
**FOR THE FISCAL YEAR ENDING JUNE 30, 2016**

|                                                                                                     | General Fund          | Water Enterprise      | Sewer Enterprise      | Capital Projects     | Special Revenue      | Internal Service     | Expendable Trusts     | Total                 |
|-----------------------------------------------------------------------------------------------------|-----------------------|-----------------------|-----------------------|----------------------|----------------------|----------------------|-----------------------|-----------------------|
| <b>Revenues</b>                                                                                     |                       |                       |                       |                      |                      |                      |                       |                       |
| Motor Vehicle Excise                                                                                | 5,700,797.87          |                       |                       |                      |                      |                      |                       | 5,700,797.87          |
| Meals Taxes                                                                                         | 570,251.91            |                       |                       |                      |                      |                      |                       | 570,251.91            |
| Hotel/Motel Taxes                                                                                   | 1,747,841.43          |                       |                       |                      |                      |                      |                       | 1,747,841.43          |
| Penalties and Interest on Taxes and Excises                                                         | 400,651.04            |                       |                       |                      |                      |                      |                       | 400,651.04            |
| Payments in Lieu of Taxes                                                                           | 314,016.00            |                       |                       |                      |                      |                      |                       | 314,016.00            |
| Fees                                                                                                | 97,796.80             |                       |                       |                      |                      |                      |                       | 97,796.80             |
| Charges for Services - Water                                                                        |                       | 8,054,053.78          |                       |                      |                      |                      |                       | 8,054,053.78          |
| Charges for Services - Sewer                                                                        |                       |                       | 3,810,667.98          |                      |                      |                      |                       | 3,810,667.98          |
| Departmental Revenue - School                                                                       | 446,507.39            |                       |                       |                      |                      |                      |                       | 446,507.39            |
| Departmental Revenue - Library                                                                      | 1,953.89              |                       |                       |                      |                      |                      |                       | 1,953.89              |
| Other Departmental Revenue                                                                          | 266,150.97            |                       |                       |                      |                      |                      |                       | 266,150.97            |
| Utility Liens                                                                                       |                       | 135,641.40            | 97,772.22             |                      |                      |                      |                       | 233,413.62            |
| Licenses and Permits                                                                                | 3,084,252.78          |                       |                       |                      |                      |                      |                       | 3,084,252.78          |
| Special Assessments                                                                                 | 4,208.05              |                       | 1,348,736.48          |                      |                      |                      |                       | 1,352,944.53          |
| Fines and Forfeits                                                                                  | 308,378.00            |                       |                       |                      |                      |                      |                       | 308,378.00            |
| Investment Income                                                                                   | 72,163.23             | 18,571.52             | 17,742.66             |                      |                      | 3,054.40             |                       | 111,531.81            |
| Other                                                                                               |                       | 3,165.04              | 1,300.21              |                      |                      |                      |                       | 4,465.25              |
| Intra-governmental                                                                                  | 12,798,509.00         |                       |                       |                      |                      |                      |                       | 12,798,509.00         |
| Real/Personal Property Taxes                                                                        | 126,291,942.30        |                       |                       |                      |                      |                      |                       | 126,291,942.30        |
| Tax Titles                                                                                          | 112,923.09            |                       |                       |                      |                      |                      |                       | 112,923.09            |
| Other                                                                                               |                       |                       |                       |                      |                      |                      |                       |                       |
| Transfer from Bond Premium Stabilization                                                            | 200,000.00            |                       |                       |                      |                      |                      | (200,000.00)          |                       |
| Offset                                                                                              |                       |                       |                       |                      |                      |                      |                       |                       |
| DCS                                                                                                 | 521,759.79            |                       |                       |                      |                      |                      |                       | 521,759.79            |
| Elder Services                                                                                      | 107,089.13            |                       |                       |                      |                      |                      |                       | 107,089.13            |
| Rentals                                                                                             | 102,906.36            |                       |                       |                      |                      |                      |                       | 102,906.36            |
| Off Duty Admin Fee                                                                                  | 107,397.21            |                       |                       |                      |                      |                      |                       | 107,397.21            |
| Cemetery Interment Fees                                                                             | 69,025.00             |                       |                       |                      |                      |                      |                       | 69,025.00             |
| Ambulance Fees                                                                                      | 1,426,816.02          |                       |                       |                      |                      |                      |                       | 1,426,816.02          |
| Trust Fund and other                                                                                |                       |                       |                       | 237,524.05           | 17,491,825.99        | 25,934,252.58        | 241,980.30            | 41,905,612.92         |
| <b>Total Revenues</b>                                                                               | <b>154,753,337.36</b> | <b>8,211,461.74</b>   | <b>5,285,219.55</b>   | <b>237,524.05</b>    | <b>17,491,825.99</b> | <b>25,934,252.58</b> | <b>41,980.30</b>      | <b>209,958,685.87</b> |
| <b>Expenditures</b>                                                                                 |                       |                       |                       |                      |                      |                      |                       |                       |
| General Government                                                                                  | 7,507,797.65          |                       |                       | 10,212,279.21        | 6,651,256.56         | 23,892,573.69        | 141,157.23            | 48,405,064.34         |
| Community Services                                                                                  | 1,975,774.96          |                       |                       |                      |                      |                      |                       | 1,975,774.96          |
| Municipal Maintenance                                                                               | 10,549,803.54         |                       |                       |                      |                      |                      |                       | 10,549,803.54         |
| Public Safety                                                                                       | 15,553,538.78         |                       |                       |                      |                      |                      |                       | 15,553,538.78         |
| Water Enterprises                                                                                   |                       | 4,622,905.42          |                       |                      |                      |                      |                       | 4,622,905.42          |
| Sewer Enterprise                                                                                    |                       |                       | 2,179,783.23          |                      |                      |                      |                       | 2,179,783.23          |
| Library                                                                                             | 2,715,685.87          |                       |                       |                      |                      |                      |                       | 2,715,685.87          |
| School                                                                                              | 73,179,621.69         |                       |                       |                      | 10,661,141.27        |                      |                       | 83,840,762.96         |
| Technical Schools                                                                                   | 569,335.00            |                       |                       |                      |                      |                      |                       | 569,335.00            |
| Insurance                                                                                           | 728,555.97            |                       |                       |                      |                      |                      |                       | 728,555.97            |
| Health Insurance                                                                                    | 17,052,416.00         |                       |                       |                      |                      |                      |                       | 17,052,416.00         |
| Debt Service                                                                                        | 15,296,303.94         |                       |                       |                      |                      |                      |                       | 15,296,303.94         |
| Retirement                                                                                          | 7,929,291.00          |                       |                       |                      |                      |                      |                       | 7,929,291.00          |
| State and County Assessments                                                                        | 649,170.00            |                       |                       |                      |                      |                      |                       | 649,170.00            |
| OPFB Trust Fund Appropriation                                                                       |                       |                       |                       |                      |                      |                      |                       |                       |
| Trust Fund                                                                                          |                       |                       |                       |                      |                      |                      |                       |                       |
| <b>Total Expenditures</b>                                                                           | <b>151,707,294.40</b> | <b>4,622,905.42</b>   | <b>2,179,783.23</b>   | <b>10,212,279.21</b> | <b>17,312,397.83</b> | <b>23,892,573.69</b> | <b>141,157.23</b>     | <b>212,068,391.01</b> |
| <b>Other Financing Sources (Uses)</b>                                                               |                       |                       |                       |                      |                      |                      |                       |                       |
| Long Term Bond Issuance                                                                             |                       |                       |                       | 675,000.00           |                      |                      |                       | 675,000.00            |
| Tax cash to Capital Projects                                                                        | (2,450,000.00)        |                       |                       | 2,450,000.00         |                      |                      |                       |                       |
| Art 41, 2015 Annual Laptop Replacement                                                              | (111,360.00)          |                       |                       | 402,393.60           | (291,033.60)         |                      |                       |                       |
| Art 4, 2016 Technology Debt                                                                         | 325,438.00            |                       |                       |                      | (325,438.00)         |                      |                       |                       |
| Art 4, 2016 Transfer to OPEB Trust Fund                                                             | (500,000.00)          | (250,000.00)          | (49,000.00)           |                      |                      |                      | 790,000.00            |                       |
| Art 20, 2015 Spring Grove Cemetery Maintenance                                                      |                       |                       |                       | 6,000.00             |                      |                      | (6,000.00)            |                       |
| Art 21, 2016 Transfer to Bond Stabilization Fund                                                    | (268,000.00)          |                       |                       |                      |                      |                      | 268,000.00            |                       |
| Art 25, 2016 Transfer Ledge Rd Landfill                                                             |                       |                       |                       | 3,043,556.00         |                      |                      | (3,043,556.00)        |                       |
| Art 31, 2016 Acquisition of 5 Campanelli Dr                                                         | (2,250,000.00)        |                       |                       | 2,250,000.00         |                      |                      |                       |                       |
| Art 35, 2016 1:1 Student Learning Initiative                                                        | (400,000.00)          |                       |                       | 400,000.00           |                      |                      |                       |                       |
| Art 36, 2016 Elementary School Propertors                                                           | (200,000.00)          |                       |                       | 200,000.00           |                      |                      |                       |                       |
| Art 38, 2016 Town and School Energy Initiatives                                                     | (400,000.00)          |                       |                       | 400,000.00           |                      |                      |                       |                       |
| Art 39, 2016 Water & Sewer Vehicles                                                                 |                       | (33,000.00)           |                       | 33,000.00            |                      |                      |                       |                       |
| Art 41, 2016 Water Main Replacement                                                                 |                       | (500,000.00)          |                       | 500,000.00           |                      |                      |                       |                       |
| Art 42, 2016 WTP GAC Replacement                                                                    |                       | (250,000.00)          |                       | 250,000.00           |                      |                      |                       |                       |
| Art 45, 2016 WTP Window Replacement                                                                 |                       | (80,000.00)           |                       | 80,000.00            |                      |                      |                       |                       |
| Art 55, 2016 Deyermont Park Ball Field Lighting                                                     | (275,000.00)          |                       |                       | 275,000.00           |                      |                      |                       |                       |
| Deposits to Unemployment Trust                                                                      | (158,000.00)          |                       |                       |                      |                      | 158,000.00           |                       |                       |
| Deposits to Workers Comp Trust Fund                                                                 | (3,997.03)            |                       |                       |                      |                      |                      | 3,997.03              |                       |
| Water Enterprise Indirects                                                                          | 2,746,220.00          | (2,746,220.00)        |                       |                      |                      |                      |                       |                       |
| Sewer Enterprise Indirects                                                                          | 2,983,871.00          |                       | (2,983,871.00)        |                      |                      |                      |                       |                       |
| Wetland Filing Fees                                                                                 | 25,000.00             |                       |                       |                      | (25,000.00)          |                      |                       |                       |
| Parking Fees                                                                                        | 210,000.00            |                       |                       |                      | (210,000.00)         |                      |                       |                       |
| <b>Net Other Financing Sources and Uses</b>                                                         | <b>(725,828.03)</b>   | <b>(3,859,220.00)</b> | <b>(3,023,871.00)</b> | <b>10,964,949.00</b> | <b>(851,471.00)</b>  | <b>158,000.00</b>    | <b>(1,987,558.97)</b> | <b>675,000.00</b>     |
| <b>Excess (Deficiency) of Revenues over (under) Expenditures and Other Financing Sources (Uses)</b> | <b>329,214.83</b>     | <b>(270,663.68)</b>   | <b>81,565.32</b>      | <b>990,193.84</b>    | <b>(672,042.84)</b>  | <b>202,763.29</b>    | <b>(2,086,735.90)</b> | <b>(1,434,705.14)</b> |
| Fund Balance July 1, 2015                                                                           | 10,058,578.56         | 4,279,532.82          | 2,361,728.15          | 17,931,556.16        | 7,958,231.69         | 2,462,412.95         | 18,133,465.06         | 63,195,603.39         |
| Fund Balance June 30, 2016                                                                          | 10,388,793.39         | 4,008,869.14          | 3,443,293.47          | 18,921,750.00        | 7,286,188.85         | 2,665,176.24         | 16,046,727.16         | 61,760,798.25         |

**TOWN OF ANDOVER, MASSACHUSETTS  
RECAP OF GENERAL FUND - BUDGET - FUND LEVEL  
FISCAL YEAR ENDED JUNE 30, 2016**

|                                   | RES FOR<br>ENCUM | APPROP<br>(ORIGINAL) | APPROPRIATION<br>TRANSFER | COMP<br>FUND | RESERVE<br>ACCOUNTS | OTHER<br>(STIM) | ATM SUPPL<br>& OTHER | TOTAL<br>AVAILABLE | EXPENDED       | RES FOR<br>ENCUM | TRANS TO<br>UNRE PD BL |
|-----------------------------------|------------------|----------------------|---------------------------|--------------|---------------------|-----------------|----------------------|--------------------|----------------|------------------|------------------------|
| <b>GENERAL GOVERNMENT</b>         |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | 136,300.00       | 5,506,687.00         | -                         | 229,000.00   | -                   | -               | -                    | 5,871,987.00       | 5,697,068.75   | 174,689.00       | 219.25                 |
| Other Expenses                    | 144,841.75       | 2,029,073.00         | -                         | -            | -                   | -               | -                    | 2,173,914.75       | 1,795,738.90   | 83,795.06        | 294,380.79             |
|                                   | 281,141.75       | 7,535,760.00         | -                         | 229,000.00   | -                   | -               | -                    | 8,045,901.75       | 7,492,807.65   | 258,494.06       | 294,600.04             |
| <b>COMMUNITY SERVICES</b>         |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 1,378,547.00         | -                         | 96,200.00    | 17,000.00           | -               | -                    | 1,491,747.00       | 1,449,612.65   | 33,561.00        | 8,573.35               |
| Other Expenses                    | 12,739.35        | 319,350.00           | -                         | -            | -                   | -               | -                    | 532,089.35         | 516,381.50     | 4,204.55         | 11,503.24              |
|                                   | 12,739.35        | 1,897,897.00         | -                         | 96,200.00    | 17,000.00           | -               | -                    | 2,023,836.35       | 1,965,994.21   | 37,765.55        | 20,076.59              |
| <b>MUNICIPAL MAINTENANCE</b>      |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 3,402,950.00         | -                         | 61,600.00    | -                   | -               | -                    | 3,464,550.00       | 3,445,196.29   | -                | 19,353.71              |
| Other Expenses                    | 254,973.56       | 1,589,095.00         | -                         | -            | -                   | -               | -                    | 1,844,068.56       | 1,670,974.72   | 81,261.12        | 91,833.12              |
|                                   | 254,973.56       | 4,992,045.00         | -                         | 61,600.00    | -                   | -               | -                    | 5,308,618.56       | 5,116,170.61   | 81,261.12        | 111,186.83             |
| <b>PUBLIC SAFETY</b>              |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 14,014,669.00        | -                         | 176,000.00   | -                   | -               | -                    | 14,190,669.00      | 14,089,528.22  | 48,681.97        | 52,438.81              |
| Other Expenses                    | 110,799.49       | 1,590,676.00         | -                         | -            | -                   | -               | -                    | 1,701,475.49       | 1,464,010.56   | 108,570.50       | 128,894.43             |
|                                   | 110,799.49       | 15,605,345.00        | -                         | 176,000.00   | -                   | -               | -                    | 15,882,144.49      | 15,553,538.78  | 157,252.47       | 181,333.24             |
| <b>DEPARTMENT OF PUBLIC WORKS</b> |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 1,784,699.00         | -                         | 65,000.00    | -                   | -               | -                    | 1,849,699.00       | 1,863,438.24   | -                | (13,739.24)            |
| Other Expenses                    | 159,810.32       | 4,056,214.00         | -                         | -            | -                   | -               | -                    | 4,216,024.32       | 3,570,194.69   | 437,080.53       | 208,749.10             |
|                                   | 159,810.32       | 5,840,913.00         | -                         | 65,000.00    | -                   | -               | -                    | 6,065,723.32       | 5,433,632.93   | 437,080.53       | 195,009.86             |
| <b>LIBRARY</b>                    |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 2,011,983.00         | -                         | 70,000.00    | -                   | -               | -                    | 2,081,983.00       | 2,067,102.21   | 12,088.00        | 2,792.79               |
| Other Expenses                    | 7,542.18         | 659,359.00           | -                         | -            | -                   | -               | -                    | 676,901.18         | 648,583.66     | 1,045.26         | 27,272.26              |
|                                   | 7,542.18         | 2,681,342.00         | -                         | 70,000.00    | -                   | -               | -                    | 2,758,884.18       | 2,715,685.87   | 13,133.26        | 30,065.05              |
| <b>SCHOOL</b>                     |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | 189,147.62       | 59,210,775.00        | -                         | -            | -                   | -               | -                    | 59,399,922.62      | 59,508,117.69  | -                | (108,195.07)           |
| Other Expenses                    | 157,624.38       | 14,085,816.38        | -                         | -            | -                   | -               | -                    | 14,243,440.76      | 13,671,504.00  | 463,741.69       | 108,195.07             |
|                                   | 346,772.00       | 73,296,591.38        | -                         | -            | -                   | -               | -                    | 73,643,363.38      | 73,179,621.69  | 463,741.69       | 0.00                   |
| <b>UNCLASSIFIED</b>               |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Compensation Fund                 | -                | 950,000.00           | -                         | (697,800.00) | -                   | -               | -                    | 252,200.00         | -              | -                | 252,200.00             |
| Reserve Fund                      | -                | 200,000.00           | -                         | -            | (76,333.00)         | -               | -                    | 123,665.00         | -              | -                | 123,665.00             |
|                                   | -                | 1,150,000.00         | -                         | (697,800.00) | (76,333.00)         | -               | -                    | 375,865.00         | -              | -                | 375,865.00             |
| <b>FIXED EXPENSES</b>             |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| GLUTRIES                          | -                | 510,000.00           | -                         | -            | 59,335.00           | -               | -                    | 569,335.00         | 569,335.00     | -                | -                      |
| Debt Service                      | -                | 15,443,134.00        | -                         | -            | -                   | -               | -                    | 15,443,134.00      | 15,296,303.94  | -                | 146,830.06             |
| Stabilization                     | -                | -                    | -                         | -            | -                   | -               | -                    | -                  | -              | -                | -                      |
| Insurance                         | -                | 732,553.00           | -                         | -            | -                   | -               | -                    | 732,553.00         | 732,553.00     | -                | -                      |
| OPPE                              | -                | 500,000.00           | -                         | -            | -                   | -               | -                    | 500,000.00         | 500,000.00     | -                | -                      |
| Health Insurance Fund             | -                | 17,052,416.00        | -                         | -            | -                   | -               | -                    | 17,052,416.00      | 17,052,416.00  | -                | -                      |
| Unemployment Comp                 | -                | 158,000.00           | -                         | -            | -                   | -               | -                    | 158,000.00         | 158,000.00     | -                | -                      |
| Retirement                        | -                | 7,946,015.00         | -                         | -            | -                   | -               | -                    | 7,946,015.00       | 7,929,291.00   | 16,724.00        | -                      |
|                                   | -                | 42,342,118.00        | -                         | (697,800.00) | 59,335.00           | -               | -                    | 42,213,893.00      | 42,213,893.00  | 16,724.00        | 146,830.06             |
| <b>TOTAL</b>                      | 1,497,830.24     | 155,342,011.38       | -                         | -            | -                   | -               | -                    | 156,515,790.03     | 155,695,350.68 | 1,465,452.68     | 1,354,986.67           |
| <b>SEWER SYSTEM</b>               |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 295,150.00           | -                         | -            | -                   | -               | -                    | 295,150.00         | 307,369.47     | -                | (12,219.47)            |
| Other Expenses                    | 53,499.32        | 2,179,900.00         | -                         | -            | -                   | -               | -                    | 2,235,399.32       | 4,896,284.76   | 110,672.91       | (2,771,558.35)         |
|                                   | 53,499.32        | 2,475,050.00         | -                         | -            | -                   | -               | -                    | 2,530,549.32       | 5,203,654.23   | 110,672.91       | (2,783,777.82)         |
| <b>WATER DEPARTMENT</b>           |                  |                      |                           |              |                     |                 |                      |                    |                |                  |                        |
| Personal Services                 | -                | 1,908,276.00         | -                         | -            | -                   | -               | -                    | 1,908,276.00       | 2,025,064.49   | 10,327.00        | (127,115.49)           |
| Other Expenses                    | 268,572.27       | 2,846,350.00         | -                         | -            | -                   | -               | 402,667.00           | 3,517,589.27       | 6,757,060.93   | 330,705.76       | (3,570,177.42)         |
|                                   | 268,572.27       | 4,754,626.00         | -                         | -            | -                   | -               | 402,667.00           | 5,435,865.27       | 8,782,125.42   | 341,032.76       | (3,607,232.91)         |
| <b>TOTAL ENTERPRISE</b>           | 324,071.59       | 7,229,676.00         | -                         | -            | -                   | -               | 402,667.00           | 7,956,414.59       | 13,985,779.65  | 451,705.67       | (6,481,070.73)         |
| <b>GRAND TOTAL</b>                | 1,497,830.24     | 162,571,687.38       | -                         | -            | -                   | -               | 402,667.00           | 164,472,044.62     | 167,681,150.33 | 1,917,158.35     | (5,126,084.06)         |

**TOWN OF ANDOVER  
GENERAL FUND SPECIAL ARTICLES  
JUNE 30, 2016**

| ORG<br>CODE | OBI<br>CODE | ARTICLE<br>NUMBER | ARTICLE<br>TITLE                   | CONTINUED<br>APPROPRIATION | OTHER<br>ACCOUNTS | APPROPRIATION | TRANSFER<br>FROM<br>OTHER | TOTAL<br>AVAILABLE | EXPENDED   | OTHER<br>FINANCING<br>USES | ENCUMB   | CONTINUED<br>APPROPRIATION |
|-------------|-------------|-------------------|------------------------------------|----------------------------|-------------------|---------------|---------------------------|--------------------|------------|----------------------------|----------|----------------------------|
| 02133       | 571064      | ANNUAL            | FIREWORKS FUND                     | 4,500.00                   |                   | 14,000.00     |                           | 18,500.00          | 11,750.00  |                            |          | 6,750.00                   |
| 02133       | 571083      | ANNUAL            | SUPPORT FOR CIVIC EVENTS           | 1,537.86                   |                   | 5,000.00      |                           | 6,537.86           | 3,240.00   |                            |          | 3,297.86                   |
|             |             |                   |                                    | 6,037.86                   | 0.00              | 19,000.00     | 0.00                      | 25,037.86          | 14,990.00  | 0.00                       | 0.00     | 10,047.86                  |
| 02133       | 571072      | ANNUAL            | OPER FUNDING                       | 0.00                       | 0.00              | 0.00          | 0.00                      | 0.00               | 0.00       | 0.00                       | 0.00     | 0.00                       |
|             |             |                   |                                    | 0.00                       | 0.00              | 0.00          | 0.00                      | 0.00               | 0.00       | 0.00                       | 0.00     | 0.00                       |
| 02133       | 571085      | ANNUAL            | LEDGIE ROAD LANDFILL STABILIZATION | 0.00                       | 0.00              | 0.00          | 0.00                      | 0.00               | 0.00       | 0.00                       | 0.00     | 0.00                       |
|             |             |                   |                                    | 0.00                       | 0.00              | 0.00          | 0.00                      | 0.00               | 0.00       | 0.00                       | 0.00     | 0.00                       |
| 02133       | 571086      | ANNUAL            | BOND PREMIUM STABILIZATION FUND    | 0.00                       | 0.00              | 268,000.00    | 0.00                      | 268,000.00         | 268,000.00 | 0.00                       | 0.00     | 0.00                       |
|             |             |                   |                                    | 0.00                       | 0.00              | 268,000.00    | 0.00                      | 268,000.00         | 268,000.00 | 0.00                       | 0.00     | 0.00                       |
| 02141       | 571065      | ART 56, 2013      | PROPERTY VALUATION                 | 13,028.00                  | 0.00              | 0.00          | 0.00                      | 13,028.00          | 0.00       | 0.00                       | 200.00   | 12,828.00                  |
|             |             |                   |                                    | 13,028.00                  | 0.00              | 0.00          | 0.00                      | 13,028.00          | 0.00       | 0.00                       | 200.00   | 12,828.00                  |
| 02171       | 571012      | ART 57, 1995      | WETLAND BYLAW                      | 0.19                       | 0.00              | 0.00          | 0.00                      | 0.19               | 0.00       | 0.00                       | 0.00     | 0.19                       |
|             |             |                   |                                    | 0.19                       | 0.00              | 0.00          | 0.00                      | 0.19               | 0.00       | 0.00                       | 0.00     | 0.19                       |
| 02541       | 571080      | ANNUAL            | ELDERLY DISABLED TRANSPORT (T)     | 15,448.21                  | 0.00              | 12,000.00     | 0.00                      | 27,448.21          | 9,780.75   | 0.00                       | 4,719.25 | 12,948.21                  |
|             |             |                   |                                    | 15,448.21                  | 0.00              | 12,000.00     | 0.00                      | 27,448.21          | 9,780.75   | 0.00                       | 4,719.25 | 12,948.21                  |
|             |             |                   | TOTAL GENERAL FUND                 | 34,514.26                  | 0.00              | 299,000.00    | 0.00                      | 333,514.26         | 292,770.75 | 0.00                       | 4,919.25 | 35,824.26                  |

| TOWN OF ANDOVER                    |                           |             |                    |          |                |                 |                   |                |                    |     |             |                           |
|------------------------------------|---------------------------|-------------|--------------------|----------|----------------|-----------------|-------------------|----------------|--------------------|-----|-------------|---------------------------|
| SPECIAL REVENUE GRANTS ROLLFORWARD |                           |             |                    |          |                |                 |                   |                |                    |     |             |                           |
| FISCAL YEAR ENDING JUNE 30, 2016   |                           |             |                    |          |                |                 |                   |                |                    |     |             |                           |
| FUND/TITLE                         | Available Balance 6/30/15 | Encumbrance | Inter-governmental | Interest | Deport- Mental | Total Available | Personal Services | Other Expenses | Total Expenditures | OTU | Encumbrance | Available Balance 6/30/16 |
| FBI TRAFFIC ENFORCEMENT            | 6,435,260                 |             | 9,536,298          |          |                | 15,971,558      | 7,413,337         |                | 7,413,337          |     |             | (1,309,657)               |
| UNDERAGE ALCOHOL                   | 352,711                   |             | 2,950,048          |          |                | 3,302,759       | 2,922,044         |                | 2,922,044          |     |             | 350,715                   |
| FEDERAL PUBLIC SAFETY GRANTS       | (3,162,553)               |             | 12,459,925         |          |                | 9,297,372       | 10,575,411        |                | 10,575,411         |     |             | (982,943)                 |
| SPEED ENFORCEMENT                  | 1,085,831.00              |             | 1,085,831.00       |          |                | 2,171,662.00    | 1,212,889.70      |                | 1,212,889.70       |     | 2,100.00    | (152,932.70)              |
| EARLY CHILDHOOD EDUCATION          | 343,380.00                |             | 343,380.00         |          |                | 686,760.00      | 184,238.59        | 9,061.00       | 193,299.59         |     |             | 493,460.41                |
| EARLY CHILDHOOD ALLOCATION         | 15,553.82                 |             | 15,553.82          |          |                | 31,107.64       | 22,781.89         |                | 22,781.89          |     |             | 8,325.75                  |
| SPEED IMPROVEMENT                  | 418.19                    |             | 7,331.00           |          |                | 7,749.19        | 418.19            |                | 418.19             |     |             | 7,330.99                  |
| SEC SPEED IMPROVEMENT              | (7,000.00)                |             | 7,000.00           |          |                | 0.00            |                   | 2,100.00       | 2,100.00           |     |             | 5,371.00                  |
| SEC SPEED IMPROVEMENT 2%           |                           |             | 2,500.00           |          |                | 2,500.00        | 2,170.33          |                | 2,170.33           |     | 76.66       | 400.00                    |
| SEC SPEED IMPROVEMENT 2%           |                           |             | 2,500.00           |          |                | 2,500.00        | 2,204.80          |                | 2,204.80           |     | 295.20      | 2,214.80                  |
| TITLE I HELP REPORT 100            | 288.13                    |             | 722.00             |          |                | 1,010.13        | 15,946.30         |                | 15,946.30          |     | 508.83      | 2,181.44                  |
| TITLE I READING                    | (7,083.25)                |             | 18,059.00          |          |                | 10,975.75       | 1,377.66          |                | 1,377.66           |     |             | 9,598.09                  |
| TITLE I                            |                           |             | 43,351.00          |          |                | 43,351.00       | 1,174.85          |                | 1,174.85           |     |             | 42,176.15                 |
| PROFESSIONAL DEVELOPMENT           |                           |             | 140,360.00         |          |                | 140,360.00      | 26,477.00         |                | 26,477.00          |     |             | 113,883.00                |
| PROF DRB TEACHER QUALITY 140       | 45,212.46                 |             | 19,400.00          |          |                | 64,612.46       | 16,557.52         |                | 16,557.52          |     |             | 48,054.94                 |
| ARTS IN EDUCATION                  | 182,975.62                |             | 31,409.48          |          |                | 214,385.10      | 316,147.07        |                | 316,147.07         |     | 13,623.59   | 100,714.54                |
| FEDERAL EDUCATION GRANTS           | (79,235.63)               |             | 51,309.68          |          |                | (27,925.95)     | 405,204.26        |                | 405,204.26         |     | 46,750.58   | (27,925.95)               |
| HEALTHY COMMUNITY                  | 7,584.00                  |             | 35,609.00          |          |                | 43,193.00       | 66,813.61         |                | 66,813.61          |     | 991.43      | 37,391.57                 |
| POP REG EMERG PREPAREDNESS         | 4,610.72                  |             | 13,776.36          |          |                | 18,387.08       | 17,794.61         |                | 17,794.61          |     | 2,157.14    | 16,232.94                 |
| NATL ASSN EMERGENCY HEALTHY        | 11,663.28                 |             | 3,222.00           |          |                | 14,885.28       | 423.00            |                | 423.00             |     |             | 14,462.28                 |
| LETA INNOVATIVE GRANT ALU/ISM      |                           |             |                    |          |                |                 |                   |                |                    |     |             |                           |
| FEDERAL OTHER GRANTS               | 21,664.08                 |             | 42,384.84          |          |                | 64,048.92       | 87,117.62         |                | 87,117.62          |     | 3,138.71    | 60,911.21                 |
| TEMA COM LEMERG MUMC               | 71,716.23                 |             | 3,300.00           |          |                | 75,016.23       | 75,716.23         |                | 75,716.23          |     |             | (650.00)                  |
| SHILLET VENT PARTNERSHIP           | 15,149.47                 |             | 3,097.00           |          |                | 18,246.47       | 20,189.47         |                | 20,189.47          |     |             | (1,942.99)                |
| STUDENT AWARE OF PREP EDUCATION    | 2,382.40                  |             | 3,097.00           |          |                | 5,479.40        | 2,713.83          |                | 2,713.83           |     |             | 2,765.57                  |
| FY09-11 ASYS SUPPORT               | (79,935.26)               |             | 19,574.25          |          |                | (60,361.01)     | 46,504.72         |                | 46,504.72          |     | 4,691.16    | (11,856.29)               |
| DEPARTMENT TRAINING GRANT          | (61,199.70)               |             | 12,244.57          |          |                | (48,955.13)     | 8,393.90          |                | 8,393.90           |     |             | (40,561.23)               |
| PSAP TR ADDRESSHIP SCHOOLSHIP      | 0.28                      |             | 0.28               |          |                | 0.56            |                   |                |                    |     |             | 0.28                      |
| PEDSTRIAN BIKE TRAFFIC ENFORCEMENT | 3,664.09                  |             | 1,214.64           |          |                | 4,878.73        | 1,737.02          |                | 1,737.02           |     |             | 3,141.71                  |
| UNASSYER REDEMPTIONS               | 2,875.93                  |             | 12,559.64          |          |                | 15,435.57       | 12,559.64         |                | 12,559.64          |     |             | 2,875.93                  |
| ALLIANCE STATE SENSITIZING         | 200.00                    |             |                    |          |                | 200.00          |                   |                |                    |     |             | 200.00                    |
| SENIOR AWARENESS FIRE EDU          | 1,200.00                  |             | 3,115.00           |          |                | 4,315.00        | 2,541.23          |                | 2,541.23           |     |             | 1,773.77                  |
| STATE PUBLIC SAFETY GRANTS         | 13,591.34                 |             | 37,672.27          |          |                | 51,263.61       | 107,558.86        |                | 107,558.86         |     | 4,601.16    | 46,652.45                 |
| CHAPTER 90                         | 49,416.19                 |             | 1,533,285.73       |          |                | 1,582,701.92    | 1,566,025.62      |                | 1,566,025.62       |     | 274,025.71  | (15,673.70)               |
| AW-20                              | 95,123.24                 |             | 208,025.08         |          |                | 293,148.32      | 1,500.00          |                | 1,500.00           |     |             | 291,648.32                |
| WRITER RAPID RECOVERY ROAD PKG     | (28,112.33)               |             | 1,900.00           |          |                | (26,212.33)     | 1,500.00          |                | 1,500.00           |     |             | (24,712.33)               |
| SMALL SCALE INITIATIVE GRANT       |                           |             | 1,900.00           |          |                | 1,900.00        |                   |                |                    |     |             | 1,900.00                  |
| SIDEWALK FUND PLANNING BOARD       | 59,556.60                 |             |                    |          |                | 59,556.60       | 18,256.00         |                | 18,256.00          |     |             | 41,300.60                 |
| STATE PUBLIC WORKS GRANTS          | (7,332.07)                |             | 1,343,518.73       |          |                | 1,336,186.66    | 1,336,494.67      |                | 1,336,494.67       |     | 272,025.71  | (62,308.01)               |
| LIBRARY AID OR SEC 19A             | 148,941.15                |             | 619.26             |          |                | 149,560.41      | 61,574.30         |                | 61,574.30          |     | 2,775.96    | 137,210.15                |
| LIBRARY AID CH 19                  | 29.83                     |             |                    |          |                | 29.83           |                   |                |                    |     |             | 29.83                     |
| STATE LIBRARY GRANTS               | 148,970.98                |             | 619.26             |          |                | 149,590.24      | 61,574.30         |                | 61,574.30          |     | 2,775.96    | 137,210.15                |



| TOWN OF ANDOVER                       |                            |             |                    |              |          |                 |                   |                |                    |      |              |                          |
|---------------------------------------|----------------------------|-------------|--------------------|--------------|----------|-----------------|-------------------|----------------|--------------------|------|--------------|--------------------------|
| SPECIAL REVENUE/GRANTS ROLL-FORWARD   |                            |             |                    |              |          |                 |                   |                |                    |      |              |                          |
| FISCAL YEAR ENDING JUNE 30, 2016      |                            |             |                    |              |          |                 |                   |                |                    |      |              |                          |
| FUND/TITLE                            | Available Balance 06/30/15 | Encumbrance | Inter Governmental | Request      | Disposal | Total Available | Personal Services | Other Expenses | Total Expenditures | OTFL | Encumbrances | Total Available 06/30/16 |
| C444 SEC 5B U2 LEGAL NOTICES          | 32,372.82                  |             |                    | 36,315.00    |          | 26,697.87       |                   | 14,588.38      | 14,588.38          |      |              | 14,999.49                |
| C444 SEC 5B U2 DC'S BEHAVIORS         | 340,970.00                 | 724.89      |                    | 954,572.53   |          | 266,303.20      | 237,145.42        | 104,572.14     | 421,677.56         |      |              | 264,625.64               |
| C444 SEC 5B U2 YOUTH SERVICES         | 250,439.28                 | 4,108.92    |                    | 327,625.01   |          | 482,153.66      | 151,023.80        | 248,370.26     | 490,020.09         |      |              | 185,179.66               |
| C444 SEC 5B U2 YOUTH SERVICES         | 144,327.28                 | 7,338.91    |                    | 183,746.37   |          | 405,589.96      | 138,704.84        | 139,771.44     | 138,536.28         |      |              | 160,171.01               |
| C444 SEC 5B U2 YOUTH SERVICES         | 24,214.28                  |             |                    | 67,657.05    |          | 91,171.63       | 15,240.30         | 55,832.84      | 55,832.84          |      |              | 26,348.86                |
| C444 SEC 5B U2 YOUTH SERVICES         | 12,385.02                  |             |                    | 82,212.08    |          | 208,137.07      | 75,508.09         | 25,500.00      | 25,500.00          |      |              | 182,048.54               |
| C444 SEC 5B U2 POLICE TRAINING        | 25,148.75                  |             |                    | 6,271.26     |          | 26,667.20       |                   | 34,820.50      | 34,820.50          |      |              | 28,367.29                |
| C444 SEC 5B U2 SALD BELL COMP         | 25,059.78                  |             |                    | 44,871.09    |          | 65,966.78       | 14.37             | 51,865.35      | 51,865.35          |      |              | 35,110.25                |
| C444 SEC 5B U2 DPW CR/HRW             | 21,027.71                  |             |                    | 11,965.09    |          | 35,992.71       |                   | 16,372.93      | 16,372.93          |      |              | 17,744.78                |
| C444 SEC 5B U2 FIRE                   | 69,243.59                  |             |                    | 37,789.27    |          | 81,199.26       |                   | 75,537.97      | 75,537.97          |      |              | 1,566.80                 |
| C444 SEC 5B U2 UNDAMAGED BOOKS        | 19,434.06                  |             |                    | 4,891.00     |          | 24,328.60       |                   | 2,971.42       | 2,971.42           |      |              | 10,356.78                |
| C444 SEC 5B U2 COPY CENTER REVOLVING  | 16,088.94                  |             |                    | 2,496.43     |          | 18,995.17       |                   | 2,971.42       | 2,971.42           |      |              | 18,595.37                |
| REVOLVING CHAPTER 44 5B U2            | 1,079,192.51               | 12,441.97   |                    | 1,335,820.76 |          | 2,258,265.18    | 145,817.74        | 739,923.02     | 1,185,731.41       |      | 6,624.16     | 1,073,999.39             |
| TOWN DAMAGE RESTITUTION               | 18,914.39                  |             |                    |              |          | 18,914.39       |                   |                |                    |      |              | 18,914.39                |
| FRONTAGE ROAD                         | 3,835.66                   |             |                    |              |          | 3,835.66        |                   |                |                    |      |              | 3,835.66                 |
| PUBLIC SAFETY DAMAGE REST             | 8,761.00                   |             |                    |              |          | 8,761.00        |                   |                |                    |      |              | 8,761.00                 |
| PUBLIC WORKS DAMAGE REST              | 25,895.62                  |             |                    |              |          | 25,895.62       |                   |                |                    |      |              | 25,895.62                |
| RECYCLABLE BATTERY PROGRAM            | 1,733.84                   |             |                    |              |          | 1,733.84        |                   |                |                    |      |              | 1,733.84                 |
| ENERGY RERATE FUND                    | 51,164.00                  |             |                    | 66,016.40    |          | 118,180.40      |                   | 62,090.68      | 62,090.68          |      |              | 1,921.43                 |
| P&T DAMAGE RESTITUTION                | 35,282.45                  | 2,073.62    |                    | 62,999.15    |          | 100,353.20      |                   | 67,918.03      | 67,918.03          |      |              | 12,437.17                |
| OTHER REVOLVING FUNDS                 | 147,327.34                 | 2,073.62    |                    | 129,015.53   |          | 278,246.21      |                   | 131,617.21     | 131,617.21         |      |              | 53,539.25                |
| CORPORATE GRANTS                      | 27,913.01                  |             |                    | 26,586.33    |          | 57,499.54       |                   | 6,700.00       | 6,700.00           |      |              | 40,799.54                |
| AHS BAND AND CHOIR GRANTS             | 633.38                     |             |                    | 4,750.00     |          | 5,383.38        |                   | 4,600.00       | 4,600.00           |      |              | 633.38                   |
| OTHER GRANTS                          | 20,918.68                  |             |                    | 30,768.10    |          | 51,686.78       |                   | 26,242.95      | 26,242.95          |      |              | 25,693.62                |
| GENERAL GRANT                         | 466.39                     |             |                    |              |          | 466.39          |                   |                |                    |      |              | 466.39                   |
| GENS GRANT                            | 197.22                     |             |                    |              |          | 197.22          |                   |                |                    |      |              | 197.22                   |
| ASIA SOCIETY GRANT                    | 7,084.27                   |             |                    | 11,494.00    |          | 18,578.27       |                   | 3,182.15       | 3,182.15           |      |              | 15,396.12                |
| CIRCUIT BREAKER                       | 1,391,186.51               |             |                    | 1,695,420.00 |          | 3,086,606.51    |                   | 1,520,050.05   | 1,520,050.05       |      |              | 1,566,556.46             |
| ACADMIC SUPPORT                       | 2,693.29                   |             |                    |              |          | 2,693.29        |                   |                |                    |      |              | 2,693.29                 |
| ESSENTIAL SCHOOL HEALTH SERV          | 2,693.29                   |             |                    |              |          | 2,693.29        |                   |                |                    |      |              | 2,693.29                 |
| ESSENTIAL SCHOOL HEALTH FEAS          | 120,080.00                 |             |                    |              |          | 120,080.00      |                   | 76,516.17      | 76,516.17          |      |              | 43,563.83                |
| OTHER SPECIAL REVENUE FUNDS EDUCATION | 1,807,835.00               |             |                    | 81,098.00    |          | 1,888,933.00    |                   | 381,011.40     | 381,011.40         |      | 1,270.20     | 1,507,921.60             |
|                                       | 1,551,563.76               |             |                    |              |          | 1,551,563.76    |                   | 1,025,991.30   | 1,025,991.30       |      | 1,270.20     | 5,792,607.90             |

| TOWN OF ANDOVER<br>SPECIAL REVENUE/GRANTS ROLL-FORWARD<br>FISCAL YEAR ENDING JUNE 30, 2016 |                   |             |              |              |      |          |          |       |                   |                      |                    |                   |
|--------------------------------------------------------------------------------------------|-------------------|-------------|--------------|--------------|------|----------|----------|-------|-------------------|----------------------|--------------------|-------------------|
| FUND TITLE                                                                                 | Available Balance | Encumbrance | Reserve      | Capital      | Debt | Interest | Transfer | Other | Personal Services | Capital Expenditures | Other Expenditures | Available Balance |
| PREMIUM ON BOND ISSUE                                                                      |                   |             |              |              |      |          |          |       |                   |                      |                    | 16,249.48         |
| CAMBIEROCKUP                                                                               |                   |             |              |              |      |          |          |       |                   |                      |                    | 1,121.00          |
| VETERANS SERVICE GIFTS                                                                     | 3,181.04          |             |              |              |      |          |          |       |                   |                      |                    | 3,181.04          |
| CABLE TV COMMUNITY ACCTS                                                                   | 590,096.13        | 19,133.85   | 2,044.43     | 2,044.43     |      |          |          |       |                   |                      |                    | 570,962.28        |
| CABLE TV VERBON                                                                            | 823,868.67        | 6,310.06    | 3,233.98     | 3,233.98     |      |          |          |       |                   |                      |                    | 817,634.69        |
| GIFT - FIREWORKS                                                                           | 35,428.47         |             | 662,238.35   | 662,238.35   |      |          |          |       |                   |                      |                    | 697,666.82        |
| GIFT - FIREWORKS                                                                           | 7,263.81          |             | 397,115.67   | 397,115.67   |      |          |          |       |                   |                      |                    | 404,379.48        |
| SPEED CONTRIBUTIONS                                                                        | 426.84            |             | 1,276.06     | 1,276.06     |      |          |          |       |                   |                      |                    | 1,702.90          |
| OLD TOWN HALL RESTORATION                                                                  | 4,111.37          |             | 1,032.75     | 1,032.75     |      |          |          |       |                   |                      |                    | 5,144.12          |
| TOWN GIFT & DONATIONS                                                                      | 290.63            |             | 121.45       | 121.45       |      |          |          |       |                   |                      |                    | 412.08            |
| CONSERVATION GIFT                                                                          | 8.30              |             | 8.30         | 8.30         |      |          |          |       |                   |                      |                    | 16.60             |
| CONSERVATION TRAIL ACCOUNT                                                                 | 6,513.76          |             | 41,143.25    | 41,143.25    |      |          |          |       |                   |                      |                    | 47,657.01         |
| DCS-GIFT                                                                                   | 13,017.66         |             | 12,766.20    | 12,766.20    |      |          |          |       |                   |                      |                    | 25,783.86         |
| YOUTH SERVICES GIFTS CONTRIBUTIONS                                                         | 1,145.87          |             | 58,994.30    | 58,994.30    |      |          |          |       |                   |                      |                    | 60,140.17         |
| COA SENIOR CONNECTIONS                                                                     | 3,648.75          |             | 3,648.75     | 3,648.75     |      |          |          |       |                   |                      |                    | 7,297.50          |
| COA SCHOLARSHIPS                                                                           | 101,034.06        |             | 6,942.95     | 6,942.95     |      |          |          |       |                   |                      |                    | 107,977.01        |
| LIBRARY GIFTS & DONATIONS                                                                  | 24,765.64         |             | 7,452.00     | 7,452.00     |      |          |          |       |                   |                      |                    | 32,217.64         |
| HOME FOR THE AGED-GIFT                                                                     | 185.27            |             | 418.96       | 418.96       |      |          |          |       |                   |                      |                    | 604.23            |
| DPA ADMIN GIFT                                                                             | 418.96            |             | 6,305.23     | 6,305.23     |      |          |          |       |                   |                      |                    | 6,724.19          |
| ECOLOGICAL SCHEDING                                                                        | 6,505.72          |             | 5,009.60     | 5,009.60     |      |          |          |       |                   |                      |                    | 11,515.32         |
| POLE GIFTS AND DONATIONS                                                                   | 1,090.00          |             | 7,927.10     | 7,927.10     |      |          |          |       |                   |                      |                    | 9,017.10          |
| LOWELL SUSHAWBORN FRAISEL MILEGATIONS                                                      | 7,037.45          |             | 2,640.60     | 2,640.60     |      |          |          |       |                   |                      |                    | 9,678.05          |
| SINGLES PREV VACCINATION                                                                   | 178,036.01        |             | 1,010.01     | 1,010.01     |      |          |          |       |                   |                      |                    | 179,046.02        |
| GIFTS FIRE DEPARTMENT                                                                      | 75.00             |             | 11,733.56    | 11,733.56    |      |          |          |       |                   |                      |                    | 11,808.56         |
| YOUTH FOUNDATION GIFT                                                                      | 5,580.00          |             | 3,827.69     | 3,827.69     |      |          |          |       |                   |                      |                    | 9,407.69          |
| YOUTH FOUNDATION GIFT                                                                      | 40,934.60         |             | 11,733.56    | 11,733.56    |      |          |          |       |                   |                      |                    | 52,668.16         |
| CHS SEC 530 PAPER PRESINO                                                                  | 24,067.10         |             | 1,862,146.01 | 1,862,146.01 |      |          |          |       |                   |                      |                    | 1,886,213.11      |
| TIMOTHY HORNE GIFTAYS                                                                      | 403.46            |             | 11,866.40    | 11,866.40    |      |          |          |       |                   |                      |                    | 12,269.86         |
| MAIN ST UPKEEP GIFT                                                                        | 131,849.18        |             | 2,233.72     | 2,233.72     |      |          |          |       |                   |                      |                    | 134,082.90        |
| CHS SEC 530 PAPER PRESINO                                                                  | 49,635.26         |             | 734.86       | 734.86       |      |          |          |       |                   |                      |                    | 50,370.12         |
| SOUTH STREET SOLAR -NHPSP                                                                  | 10,210.58         |             | 156.05       | 156.05       |      |          |          |       |                   |                      |                    | 10,366.63         |
| PERFORMANCE CHARARTRE                                                                      | 52,019.16         |             | 33,290.16    | 33,290.16    |      |          |          |       |                   |                      |                    | 85,309.32         |
| ELECTION DT USANT                                                                          | 7,985.00          |             | 11,911.00    | 11,911.00    |      |          |          |       |                   |                      |                    | 19,896.00         |
| LOCK BOX DONATIONS                                                                         | 5,000.00          |             | 3,000.00     | 3,000.00     |      |          |          |       |                   |                      |                    | 8,000.00          |
| SNOW & ICE DEFICIT                                                                         | 1,571,006.90      |             | 27,180.38    | 27,180.38    |      |          |          |       |                   |                      |                    | 1,608,187.28      |
| OTHER SPECIAL REVENUE FUNDS                                                                | 342,076.51        |             | 3,732,593.24 | 3,732,593.24 |      |          |          |       |                   |                      |                    | 4,074,669.75      |
| OTHER SPECIAL REVENUE FUNDS SCHOOL LUNCH                                                   | 342,076.51        |             | 271,121.54   | 271,121.54   |      |          |          |       |                   |                      |                    | 613,198.05        |
| MPALSTAY CAFETERIA                                                                         | 747.43            |             | 4,605.18     | 4,605.18     |      |          |          |       |                   |                      |                    | 5,352.61          |
| FOOD OFF PARTY                                                                             | 1,450,934.13      |             | 1,249,583.15 | 1,249,583.15 |      |          |          |       |                   |                      |                    | 2,700,517.28      |
| FIRE OFF DUTY                                                                              | 2,329.50          |             | 51,347.30    | 51,347.30    |      |          |          |       |                   |                      |                    | 53,676.80         |
| FIRE-TRAV PERMITS                                                                          | 2,648.00          |             | 14,937.50    | 14,937.50    |      |          |          |       |                   |                      |                    | 17,585.50         |
| AMBIANCE AGENCY ACCOUNTS                                                                   | 43.43             |             | 30,336.75    | 30,336.75    |      |          |          |       |                   |                      |                    | 30,380.18         |
| HEALTH TAXI/AGENCY SERVICES                                                                | 388.54            |             | 3,182.72     | 3,182.72     |      |          |          |       |                   |                      |                    | 3,571.26          |
| SUBP WORKERS                                                                               | 3,511.12          |             | 187,668.06   | 187,668.06   |      |          |          |       |                   |                      |                    | 191,179.18        |
| LOWA-RESIDENTIAL                                                                           | 3,511.12          |             | 3,511.12     | 3,511.12     |      |          |          |       |                   |                      |                    | 7,022.24          |
| SUBSIDY OFF FALU                                                                           | 626,209.28        |             | 1,537.05     | 1,537.05     |      |          |          |       |                   |                      |                    | 627,746.33        |
| AGENT ACCOUNTS                                                                             | 1,099,760.08      |             | 1,726,233.26 | 1,726,233.26 |      |          |          |       |                   |                      |                    | 2,825,993.34      |
| GRAND TOTAL                                                                                | 27,453.20         |             | 1,146,685.51 | 1,146,685.51 |      |          |          |       |                   |                      |                    | 2,314,368.71      |

**Town of Andover  
Capital Projects Fund  
Fiscal 2016**

| DESCRIPTION                                 | 07/01/15<br>Balance   | ENCUMB            | LTBOND<br>PROCEEDS | OF(S)             | TOTAL<br>AVAILABLE  | TOTAL<br>EXP      | ENCUMB            | 06/30/16<br>Balance |
|---------------------------------------------|-----------------------|-------------------|--------------------|-------------------|---------------------|-------------------|-------------------|---------------------|
| ART 17 06 SCHOOL ROOF REPLACEMENTS          | 9,304.00              |                   |                    |                   | 9,304.00            |                   |                   | 9,304.00            |
| ART 15 07 SCHOOL ROOF REPLACE               | 1,320.00              |                   |                    |                   | 1,320.00            |                   |                   | 1,320.00            |
| ART 28 07 SCHOOL BUILDING MAINTENANCE       | 288.95                |                   |                    |                   | 288.95              | 288.95            |                   | (0.00)              |
| ART 27 08 SCHOOL BLDG MAINT/RENOV           | 47,225.45             |                   |                    |                   | 47,225.45           | 23.56             |                   | 47,201.89           |
| ART 56 09 SCHOOL BLDG MAINT/REPAIR          | 3,772.95              |                   |                    |                   | 3,772.95            |                   |                   | 3,772.95            |
| ART 41 10 SCHOOL MAINT & RENOVATION         | 32,484.57             |                   |                    |                   | 32,484.57           | 32,484.57         |                   |                     |
| ART 25 12 SCHOOL BLDG/MAINT RENOV           | 58,915.43             | 9,782.41          |                    |                   | 108,697.64          | 58,882.04         |                   | 48,815.90           |
| ART 38 12 WEST MIDDLE SCHOOL REPAIR         | 6,759.36              |                   |                    |                   | 6,759.36            |                   |                   | 6,759.36            |
| ART 32 13 AHS TENNIS COURTS                 | 6,000.00              |                   |                    |                   | 6,000.00            |                   |                   | 6,000.00            |
| ART 18 13 DOHERTY MIDDLE SITE IMPROVEMENTS  | 62,647.12             | 9,091.00          |                    |                   | 71,738.12           | 9,091.00          |                   | 62,647.12           |
| ART 36 13 SCHOOL BLDG MAINT & IMPROVE       | 79,954.23             | 20.00             |                    |                   | 79,974.23           | 41,290.91         | 33,881.00         | 4,802.32            |
| ART 38 13 WEST MIDDLE SCHOOL HEATING        | 16,824.74             |                   |                    |                   | 16,824.74           | 4,824.28          |                   | 11,900.46           |
| B39 15 SCHOOL BLDG MAINT AND RENOVATION     |                       |                   |                    |                   |                     | 60,420.94         | 175,938.83        | (236,357.77)        |
| ART 37 15 AHS TRACK REPLACEMENT (Fire Cash) | 250,000.00            |                   |                    |                   | 250,000.00          | 14,950.00         | 235,050.00        |                     |
| AHS BASEBALL FIELD RENOVATION (State Funds) |                       |                   |                    | 35,000.00         | 35,000.00           | 35,000.00         |                   |                     |
| AHS MEDIA CENTER RENOVATION (State Funds)   |                       |                   |                    | 200,000.00        | 200,000.00          |                   | 178,500.00        | 21,500.00           |
| ART 29 16 COLLINS CTR FAÇADE REPLACEMENT    |                       |                   |                    |                   |                     |                   |                   |                     |
| ART 30 16 LOVELY FIELD TURF REPLACEMENT     |                       |                   |                    |                   |                     | 219,310.48        | 280,689.52        | (500,000.00)        |
| ART 34 16 SCHOOL BLDG MAINT AND IMPROVE     |                       |                   |                    |                   |                     | 7,980.00          | 32,526.34         | (40,506.34)         |
| <b>TOTAL SCHOOL</b>                         | <b>615,476.80</b>     | <b>18,893.41</b>  |                    | <b>235,000.00</b> | <b>869,370.21</b>   | <b>485,626.73</b> | <b>936,583.69</b> | <b>(552,840.21)</b> |
| BANCROFT REPLACEMENT                        |                       |                   |                    |                   |                     |                   |                   |                     |
| ART 59 09 FEASIBILITY STUDY BANCROFT SCH    | 16,030.17             |                   |                    |                   | 16,030.17           |                   |                   | 16,030.17           |
| STM 3 10 BANCROFT SCHOOL REPLACE            | (1,062,427.82)        | 763,973.63        |                    |                   | (318,454.19)        | 278,428.63        | 149,022.54        | (745,905.36)        |
| <b>TOTAL BANCROFT RERPLACEMENT</b>          | <b>(1,066,397.65)</b> | <b>763,973.63</b> |                    |                   | <b>(302,424.02)</b> | <b>278,428.63</b> | <b>149,022.54</b> | <b>(729,875.19)</b> |
| B3 12 STM YOUTH CENTER                      | 1,116.82              | 357,666.43        |                    |                   | 368,783.25          | 358,328.93        |                   | 454.32              |
| A2 13 STM YOUTH CTR-WOOD TRUST              |                       |                   |                    | 2,524.05          | 2,524.05            |                   |                   | 2,524.05            |
| <b>TOTAL YOUTH CENTER</b>                   | <b>1,116.82</b>       | <b>357,666.43</b> |                    | <b>2,524.05</b>   | <b>361,307.30</b>   | <b>358,328.93</b> |                   | <b>2,978.37</b>     |

**Town of Andover  
Capital Projects Fund  
Fiscal 2016**

| DESCRIPTION                                | 07/01/15<br>Balance | ENCUMB            | LTBOND<br>PROCEEDS | OF(US)              | TOTAL<br>AVAILABLE  | TOTAL<br>EXP        | ENCUMB            | 08/30/16<br>Balance |
|--------------------------------------------|---------------------|-------------------|--------------------|---------------------|---------------------|---------------------|-------------------|---------------------|
| ART 5 2004 2005 CIP (Effective 07/01/2004) | 0.01                |                   |                    |                     | 0.01                |                     |                   | 0.01                |
| ART 5 2006 2007 CIP (Effective 07/01/2006) | 0.01                |                   |                    |                     | 0.01                |                     |                   | (0.00)              |
| ART 5 2007 2008 CIP (Effective 07/01/2007) | 9,440.47            |                   |                    |                     | 9,440.47            | 8,424.93            |                   | 1,015.54            |
| ART 8 2006 2009 CIP (Effective 07/01/2008) | 29,973.63           | 7,800.00          |                    |                     | 37,773.63           |                     |                   | 37,773.63           |
| ART 5 2009 2010 CIP (Effective 07/01/2009) | 19,114.13           |                   |                    |                     | 19,114.13           | 6,752.38            | 9,900.00          | 2,461.75            |
| ART 5 2010 2011 CIP (Effective 07/01/2010) | 30,393.67           | 7,968.90          |                    |                     | 38,362.57           | 13,905.89           | 1,877.65          | 22,569.04           |
| ART 5 2011 2012 CIP (Effective 07/01/2011) | 13,968.96           | 4,969.32          |                    |                     | 18,938.28           | 2,580.78            | 2,441.10          | 13,316.40           |
| ART 5 2012 2013 CIP (Effective 07/01/2012) | 357,537.56          | 121,247.06        |                    |                     | 478,784.62          | 253,651.92          | 86,318.48         | 136,614.22          |
| ART 5 2013 2014 CIP (Effective 07/01/2013) | 608,063.05          | 125,420.93        |                    |                     | 733,483.98          | 539,234.43          | 74,812.73         | 119,436.82          |
| ART 5 2014 2015 CIP (Effective 07/01/2014) | 1,896,734.66        | 202,270.67        |                    |                     | 1,899,005.33        | 1,191,607.10        | 251,461.74        | 455,936.49          |
| ART 5 2015 2016 CIP (Effective 07/01/2015) |                     |                   |                    | 2,450,000.00        | 2,450,000.00        | 692,803.48          | 323,585.70        | 1,433,610.82        |
| <b>TOTAL ARTICLE 5 CIP</b>                 | <b>2,764,626.15</b> | <b>469,666.88</b> | <b>-</b>           | <b>2,450,000.00</b> | <b>5,684,239.03</b> | <b>2,709,160.91</b> | <b>752,397.40</b> | <b>2,222,734.72</b> |
| ART 31 98 SEWER PLANS- SO                  | 188,964.13          |                   |                    |                     | 188,964.13          |                     |                   | 188,964.13          |
| ART 34 98 SEWER PLAN ROGERS                | 32,528.44           |                   |                    |                     | 32,528.44           |                     |                   | 32,528.44           |
| ART 42 99 ROGERS BROOK SEWER               | 26,516.30           |                   |                    |                     | 26,516.30           |                     |                   | 26,516.30           |
| ART 41 99 SEWER CONST MAIN ST              | 84,744.96           |                   |                    |                     | 84,744.96           |                     |                   | 84,744.96           |
| ART 44-3 02 SANITARY SEWER INFILTRATION    | 18,610.32           |                   |                    |                     | 18,610.32           |                     |                   | 18,610.32           |
| ART 25 04 SEWER METER                      | 37,676.55           |                   |                    |                     | 37,676.55           | 11,501.22           |                   | 26,175.33           |
| ART 2A 04 SOUTH MAIN STREET AREA SEWER     | 341,844.44          |                   |                    |                     | 341,844.44          |                     |                   | 341,844.44          |
| ART 33 06 REPAIR/REPLACE SANITARY SEWER    | 114,238.74          |                   |                    |                     | 114,238.74          | 49,360.31           |                   | 64,878.43           |
| ART 36 07 DASCAMBOSOOD SEWER               | 45,257.64           |                   |                    |                     | 45,257.64           |                     |                   | 45,257.64           |
| ART 41 07 KIRKLAND ST SEWER (BETTERMENTS)  | 39,702.65           |                   |                    |                     | 39,702.65           |                     |                   | 39,702.65           |
| ART 64 07 SHAWSHOEN PUMP STATION           | 302,217.90          |                   |                    |                     | 302,217.90          |                     |                   | 302,217.90          |
| ART 33 06 SHAWSHOEN RIVER OUTFALL SEWER    | 322,253.11          | 3,438.60          |                    |                     | 325,691.71          |                     |                   | 325,691.71          |
| ART 51 08 SEWER MAIN CONSTRUCTION          |                     |                   |                    |                     |                     |                     |                   |                     |
| ART 32 10 SEWER MAIN CONST & RECONST       | 500,000.00          |                   |                    |                     | 500,000.00          |                     |                   | 500,000.00          |
| ART 46 10 SEWER LINE EXT LINCOLN ST        | 56,540.08           |                   |                    |                     | 56,540.08           |                     |                   | 56,540.08           |
| ART 37 12 SEWER MAINTENANCE VEHICLE        | 3,783.14            |                   |                    |                     | 3,783.14            | 1,216.00            |                   | 2,567.14            |
| ART 44 13 SEWER VEHICLES                   | 59,705.00           | 24,322.00         |                    | 16,500.00           | 100,527.00          | 80,088.37           |                   | 20,438.63           |
| ART 60 14 SEWER MASTER PLAN STUDY          | (177.00)            | 75,572.28         |                    |                     | 75,395.28           | 67,548.20           | 7,967.08          | 180.00              |
| <b>TOTAL SEWER</b>                         | <b>2,174,406.40</b> | <b>103,332.86</b> | <b>-</b>           | <b>16,500.00</b>    | <b>2,294,239.28</b> | <b>209,714.10</b>   | <b>7,667.08</b>   | <b>2,076,838.10</b> |

**Town of Andover  
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| DESCRIPTION                                 | 07/01/15<br>Balance | ENCUMB            | LTBOND<br>PROCEEDS | OFU(S)              | TOTAL<br>AVAILABLE  | TOTAL<br>EXP      | ENCUMB            | 06/30/16<br>Balance |
|---------------------------------------------|---------------------|-------------------|--------------------|---------------------|---------------------|-------------------|-------------------|---------------------|
| ART 32-2 00 CONSERV MAINT/IMP               | 1,337.44            |                   |                    |                     | 1,337.44            | 1,122.00          |                   | 215.44              |
| ART 12 01 LAND ACQ LOWELL JCT ROAD          | (11,118.42)         |                   |                    |                     | (11,118.42)         |                   |                   | (11,118.42)         |
| ART 23 02 CONSERVATION FUND                 | 19,295.75           |                   |                    |                     | 19,295.75           | 3,600.00          |                   | 15,695.75           |
| ART 33_13 LAND ACQ 14 CHANDLER RD           | 46,436.27           |                   |                    |                     | 46,436.27           |                   |                   | 46,436.27           |
| A60 13 STREAMGAUGING SYSTEM                 | 37,500.00           |                   |                    |                     | 37,500.00           | 18,750.00         | 7,500.00          | 11,250.00           |
| ART 55 14 OPEN SPACE MANAGEMENT             | 10,361.85           |                   |                    |                     | 10,361.85           | 3,661.97          |                   | 6,699.88            |
| <b>TOTAL CONSERVATION</b>                   | <b>103,812.89</b>   | <b>-</b>          | <b>-</b>           | <b>-</b>            | <b>103,812.89</b>   | <b>27,133.97</b>  | <b>7,500.00</b>   | <b>69,178.92</b>    |
| ART 44 99 LANDFILL CLOSURE                  | 418,752.39          | 284,261.54        |                    |                     | 713,013.93          | 353,264.61        | 369,742.39        | 6.83                |
| ART 43 06 LANDFILL CAP LEDGE ROAD           | 89,900.00           | 5,963.90          |                    |                     | 95,863.90           |                   | 95,863.90         |                     |
| ART 31 08 LEDGE ROAD LANDFILL CLOSURE       | (642,363.92)        |                   | 675,000.00         |                     | 32,636.08           | 4,663.16          | 155,347.00        | (127,574.08)        |
| ART 25 16 LEDGE ROAD LANDFILL STABILIZATION | -                   |                   |                    | 3,043,556.00        | 3,043,556.00        | 615.60            |                   | 3,042,940.40        |
| <b>TOTAL LAND FILL STUDY</b>                | <b>(133,711.53)</b> | <b>300,225.44</b> | <b>675,000.00</b>  | <b>3,043,556.00</b> | <b>3,866,069.91</b> | <b>358,743.37</b> | <b>610,953.29</b> | <b>2,915,373.25</b> |
| ART 74 99 MAIN ST STREETScape               | -                   |                   |                    |                     |                     |                   |                   |                     |
| ART 48 02 MAIN ST IMPROVEMENTS              | 13,586.90           |                   |                    |                     | 13,586.90           | 2,622.00          |                   | 10,964.90           |
| A25 14 BALLARD FS LAND PURCHS               | 198,150.00          |                   |                    |                     | 198,150.00          |                   |                   | 198,150.00          |
| ART 26 14 BALLARDVALE ADDITION              | 192,266.80          |                   |                    |                     | 192,266.80          |                   |                   | 192,266.80          |
| A27 14 SR CITIZENS NEEDS STUDY              | -                   | 10,000.00         |                    |                     | 10,000.00           | 10,000.00         |                   | -                   |
| A21 14 GIS DATA UPDATE                      | 30,000.00           |                   |                    |                     | 30,000.00           |                   |                   | 30,000.00           |
| <b>TOTAL OTHER</b>                          | <b>435,003.70</b>   | <b>10,000.00</b>  | <b>-</b>           | <b>-</b>            | <b>445,003.70</b>   | <b>12,622.00</b>  | <b>-</b>          | <b>432,381.70</b>   |
| ART 27 96 REPAIR WATER                      | 37,862.97           |                   |                    |                     | 37,862.97           |                   |                   | 37,862.97           |
| ART 30 00 WATER MAIN DISTRIBUTION           | 3,308.41            |                   |                    |                     | 3,308.41            |                   |                   | 3,308.41            |
| ART 18 03 WATER STORAGE TANK REHAB          | 80,000.00           |                   |                    |                     | 80,000.00           | 39,613.12         | 37,786.88         | 2,600.00            |
| ART 20 03 WATER PLANT IMPROVEMENTS          | 268,784.81          | 20,050.17         |                    |                     | 288,834.98          | 88,772.57         | 53,119.00         | 146,943.41          |
| ART 25 04 WATER METERS                      | 316.60              |                   |                    |                     | 316.60              |                   | 202.74            | 113.86              |
| ART 36 05 WATER DISTRIBUTION IMPROVEMENTS   | 162.03              |                   |                    |                     | 162.03              | 162.03            |                   | (0.00)              |
| ART 55 05 HAGGERTSFISHBROOK SALT ST         | (0.02)              |                   |                    |                     | (0.02)              | (0.02)            |                   | 0.00                |
| ART 32 06 WATER METERS                      | 207,871.71          |                   |                    |                     | 207,871.71          | 183.49            |                   | 207,688.22          |
| ART 46 07 WATER DISTRIBUTION                | -                   | 26,868.51         |                    |                     | 26,868.51           | 23,523.83         |                   | 3,344.68            |
| ART 47 07 WATER PLANT PUMPS                 | 4,397.58            |                   |                    |                     | 4,397.58            |                   |                   | 4,397.58            |
| ART 30 09 WATER SUPPLY IMPROVEMENTS         | 144,790.25          |                   |                    |                     | 144,790.25          |                   |                   | 144,790.25          |
| ART 65 09 WATER PLANT ROOF REPLACE          | 161,721.15          |                   |                    |                     | 161,721.15          |                   |                   | 161,721.15          |
| ART 31 10 WATER MAIN COST & RECONST         | -                   | 240,949.80        |                    |                     | 240,949.80          | 240,949.80        |                   | -                   |
| ART 33 10 WATER PLANT GAC REPLACE           | (560.00)            |                   |                    |                     | (560.00)            | (660.00)          |                   | -                   |
| ART 34 10 WATER PLANT HVAC & EQUIP          | 224,753.16          |                   |                    |                     | 224,753.16          | 180,331.86        | 35,064.00         | 89,357.30           |

**Town of Andover  
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| DESCRIPTION                                   | 07/01/15     | ENCUMB     | LTBOND<br>PROCEEDS | OFU(S)     | TOTAL        | TOTAL<br>EXP | ENCUMB       | 06/30/16     |
|-----------------------------------------------|--------------|------------|--------------------|------------|--------------|--------------|--------------|--------------|
|                                               | Balance      |            |                    |            | AVAILABLE    |              |              | Balance      |
| ART 42 11 WATER MAIN CONST/RECONST            | 282,118.38   |            |                    |            | 282,118.38   | 13,135.83    | 850.00       | 268,332.45   |
| ART 44 11 VARIABLE SPEED UMP                  | 371,742.67   | 63,662.54  |                    | 16,500.00  | 435,405.21   | 291,734.74   | 102,927.80   | 40,742.67    |
| ART 35 12 MAJOR WATER MAIN REPLACEMENT        | 538,785.89   | 108,210.24 |                    |            | 646,996.13   | 156,163.12   | 108,113.60   | 382,719.41   |
| ART 36 12 WATER PLANT BACKWASH TANK           |              |            |                    |            |              |              |              |              |
| ART 43 12 WATER DISTRIBUTION MAINTENANCE      | 500,000.00   |            |                    |            | 500,000.00   |              | 499,787.10   | 212.90       |
| ART 44 13 WATER VEHICLES                      | 59,705.00    | 24,322.00  |                    |            | 100,527.00   | 80,086.38    |              | 20,438.62    |
| ART 45 13 WATER DIST FLUSHING PROGRAM         | 5,363.05     | 42,961.02  |                    |            | 48,324.07    | 37,426.63    | 5,745.81     | 5,151.63     |
| ART 41 13 MAJOR WATER MAIN REPLACEMENT        | 999,562.60   |            |                    |            | 999,562.60   | 937,133.81   |              | 62,428.79    |
| ART 42 13 WATER DISTRIBUTION MAINT            | 500,000.00   |            |                    |            | 500,000.00   |              | 500,000.00   | -            |
| ART 26 13 HYDRANT INFRASTRUCTURE              | 76,103.08    | 88,808.51  |                    |            | 164,911.59   | 15,469.89    |              | 149,441.90   |
| A58 14 WATER/SEWER RATE STUDY                 | 100,000.00   |            |                    |            | 100,000.00   | 40,287.03    | 4,437.50     | 55,275.47    |
| ART 56 WATER MAIN REPLACEMENT PROJECTS        |              |            |                    |            |              |              |              |              |
| ART 57 15 WATER PLANT GAC REPLACEMENT         | 499,886.71   |            |                    | 250,000.00 | 749,886.71   | 386,066.56   | 113,820.15   | 250,000.00   |
| ART 41 16 WATER MAIN REPLACEMENT              |              |            |                    |            |              |              |              |              |
| ART 44 16 WATER STORAGE TANK REPAIR           |              |            |                    |            |              |              |              |              |
| ART 45 16 WTP WINDOW REPLACEMENT              |              |            |                    | 80,000.00  | 80,000.00    |              |              | 80,000.00    |
| ART 41 16 WATER MAIN REPLACEMENT              |              |            |                    | 500,000.00 | 500,000.00   |              |              | 500,000.00   |
| TOTAL WATER                                   | 5,066,676.03 | 615,832.79 | -                  | 846,500.00 | 6,529,008.82 | 2,450,482.57 | 1,461,654.58 | 2,616,871.87 |
| ART 32 01 TOWN/SCHOOL PROJECTS                | 719.02       |            |                    |            | 719.02       | 719.02       |              | 0.00         |
| ART 33-5 01 WEST FIRE STATION - LONG TERM     | 17,326.54    |            |                    |            | 17,326.54    |              | 5,227.00     | 12,099.54    |
| ART 28-1 02 TOWN BUILDING IMPROVEMENTS        | 956.02       |            |                    |            | 956.02       | 956.02       |              | 0.00         |
| ART 32 04 SENIOR CTR PLANS                    | 1,715.75     |            |                    |            | 1,715.75     |              |              | 1,715.75     |
| ART 48 06 LAND TRANSFER BUXTON CT             | 200.00       |            |                    |            | 200.00       | 200.00       |              | -            |
| ART 27 07 TOWN BLDG RENOVATION                | 121,344.97   |            |                    |            | 121,344.97   | 1.94         |              | 121,343.03   |
| ART 51 07 ACQ BLANCHARD ST                    | 28,767.03    |            |                    |            | 28,767.03    |              |              | 28,767.03    |
| ART 44 08 WM WOOD MEMORIAL                    | 3,902.43     |            |                    |            | 3,902.43     |              |              | 3,902.43     |
| ART 49 08 PARKS & GROUNDS BUILDING            | 276,691.00   |            |                    |            | 276,691.00   |              |              | 276,691.00   |
| ART 28 08 TOWN BLDG RENOVATION                | (0.44)       |            |                    |            | (0.44)       | (0.44)       |              | 0.00         |
| ART 36 08 FIRE DPW VEHICLES                   | 7,761.00     |            |                    |            | 7,761.00     |              |              | 7,761.00     |
| ART 16 09 TOWN YARD LEWIS T                   | (0.00)       |            |                    |            | (0.00)       |              |              | (0.00)       |
| ART 17 09 CAMPENILLI DRIVE (RIGHT OF REFUSAL) | 9,111.80     |            |                    |            | 9,111.80     | 5,000.00     |              | 4,111.80     |
| ART 18 09 SITE EVALUATION TOWN YARD           | (235.00)     |            |                    |            | (235.00)     | (235.00)     |              | -            |
| ART 34 09 B'VALLE FIRE REPLACEMENT            | 66,095.20    |            |                    |            | 66,095.20    |              |              | 66,095.20    |
| ART 55 09 TOWN BLDG MAINT/IMPROVE             | 5,881.54     |            |                    |            | 5,881.54     |              |              | 5,881.54     |
| ART 57 09 BLANCHARD ST BALLFIELDS             | (0.18)       |            |                    |            | (0.18)       | (0.18)       |              | 0.00         |
| ART 42 10 TOWN BLDG MAINTENANCE               | 1,500.00     |            |                    |            | 1,500.00     |              |              | 1,500.00     |
| ART 34 11 TOWN BUILDING MAINTENANCE           | 46,530.84    |            |                    |            | 46,530.84    | 8,900.00     | 96,770.12    | 860.72       |

**Town of Andover  
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| DESCRIPTION                                     | 07/01/16     | ENCUMB       | L TBOND<br>PROCEEDS | OFU(S)       | TOTAL        | TOTAL<br>EXP | ENCUMB     | 06/30/16     |
|-------------------------------------------------|--------------|--------------|---------------------|--------------|--------------|--------------|------------|--------------|
|                                                 | Balance      |              |                     |              | AVAILABLE    |              |            | Balance      |
| ART 18 11 MUNICIPAL SERVICE FACILITY            | 1,683.00     |              |                     |              | 1,683.00     |              |            | 1,683.00     |
| ART 38 11 SPRING GROVE MAINT                    | 19,000.00    |              |                     | 6,000.00     | 25,000.00    |              |            | 25,000.00    |
| ART 22 12 TECH INFRASTRUCTURE                   | 249,877.28   | 146,472.67   |                     |              | 396,349.95   | 434,516.34   | 36,904.47  | (75,070.66)  |
| ART 23 12 TOWN PLAYGROUND                       | -            | 120,555.60   |                     |              | 120,555.60   | 120,555.60   |            | -            |
| ART 24 12 TOWN BLDG MAINTENANCE                 | 76,019.42    | 27,881.00    |                     |              | 103,900.42   | 50,035.90    |            | 53,864.52    |
| ART 28 12 BALMOAL REPAIRS                       | 33,029.65    |              |                     |              | 33,029.65    |              |            | 33,029.65    |
| ART 37 13 ANNUAL COMPUTER REPLACEMENT           | 179,095.99   | 4,625.00     |                     | 402,393.00   | 586,113.99   | 390,371.54   |            | 195,742.45   |
| ART 45 13 PAY AND DISPLAY                       | 13,588.05    | 8,004.35     |                     |              | 26,592.40    | 8,099.35     |            | 18,493.05    |
| A22 13 MONUMENT DEVERMOND                       | 2.45         |              |                     |              | 2.45         |              |            | 0.00         |
| B39 14 TOWN & SCHOOL ENERGY                     | 54,378.41    | 4,979.97     |                     |              | 59,358.38    | 22,335.05    | 21,204.93  | 15,818.39    |
| B43 14 BUILD & FACILITY MAINT                   | 253,310.61   | 10,197.50    |                     |              | 263,508.11   | 133,847.00   | 22,196.22  | 107,364.89   |
| B52 14 SCHOOL BLDG MAINT/RENOV                  | 398,009.51   | 815,083.00   |                     |              | 1,213,092.51 | 1,039,569.41 | 39,149.94  | 134,373.16   |
| ART 29 15 PUB SAFETY COMM UPGRADES              | 150,000.00   |              |                     |              | 150,000.00   | 108,202.27   | 955.25     | 40,842.48    |
| B38 15 SAFETY & SECURITY COMM UPGRADES          | -            |              |                     |              | -            | 51,752.89    | 107,237.70 | (158,990.59) |
| B46 15 TOWN BLDG AND FACILITY MAINT             | -            |              |                     |              | -            | 331,738.87   | 634,806.54 | (966,545.41) |
| ART 31 15 TOWN & SCHOOL ENERGY INITIATIVES (FC) | 337,000.00   |              |                     |              | 337,000.00   | 38,647.87    | 37,000.00  | 261,352.13   |
| ART 31 16 AOC CAMPANELLI DRIVE (Free Cash)      | -            |              |                     | 2,250,000.00 | 2,250,000.00 |              |            | 2,250,000.00 |
| ART 38 16 TOWN & SCHOOL ENERGY INITIATIVES (FC) | -            |              |                     | 400,000.00   | 400,000.00   |              |            | 400,000.00   |
| ART 35 16 1:1 LEARNING INITIATIVE (Free Cash)   | -            |              |                     | 400,000.00   | 400,000.00   |              |            | 400,000.00   |
| ART 36 16 SCHOOL PROJECTORS (Free Cash)         | -            |              |                     | 200,000.00   | 200,000.00   | 85,000.00    |            | 315,000.00   |
| ART 28 16 TOWN BLDG AND FACILITY MAINTENANCE    | -            |              |                     | 200,000.00   | 200,000.00   |              |            | 200,000.00   |
| ART 57 16 MEMORIAL PLAYSTEAD                    | -            |              |                     |              | -            |              |            | -            |
| ART 55 16 DEVERMOND FIELD LIGHTS (Free Cash)    | -            |              |                     | 275,000.00   | 275,000.00   |              |            | 275,000.00   |
| TOTAL MUNI BUILDING                             | 2,358,261.89 | 1,137,799.09 | -                   | 3,933,393.00 | 7,429,453.98 | 2,830,315.91 | 941,452.17 | 3,657,885.90 |
| ART 46-3 98 TOWN CAPITAL                        | 6.76         |              |                     |              | 6.76         | 6.76         |            |              |
| ART 89 99 IMPROVE ESSEX/PEARSON                 | 3,500.00     |              |                     |              | 3,500.00     |              |            | 3,500.00     |
| ART 83 99 SALEM ST SIDEWALK                     | 46,482.27    |              |                     |              | 46,482.27    |              |            | 46,482.27    |
| ART 54 00 LINCOLN CIRCLE/KILIAN TER             | 9,673.99     |              |                     |              | 9,673.99     |              |            | 9,673.99     |
| ART 66 00 SIDEWALK RESTORATION                  | 6,987.78     |              |                     |              | 6,987.78     |              |            | 6,987.78     |
| ART 70 00 SIDEWALK CHESTNUT ST                  | 71,174.95    |              |                     |              | 71,174.95    |              |            | 71,174.95    |
| ART 22 01 SIDEWALK CROSS HIGH PLAIN             | 10,427.37    |              |                     |              | 10,427.37    |              |            | 10,427.37    |
| ART 28 01 ACQ SMITHSHIRE EST                    | 56,946.18    |              |                     |              | 56,946.18    |              |            | 56,946.18    |
| ART 33-1 01 GIS                                 | 106.00       |              |                     |              | 106.00       | 106.00       |            |              |
| ART 44-1 02 HYDRANT REPLACEMENT                 | 632.54       |              |                     |              | 632.54       | 632.54       |            |              |
| ART 44-2 02 GIS                                 | 29,903.58    |              |                     |              | 29,903.58    |              |            | 29,903.58    |
| ART 33 05 MORAIN ST                             | 6,152.90     |              |                     |              | 6,152.90     |              |            | 6,152.90     |
| ART 38 07 ACQUIRE GRANLI DRIVE                  | 1,653.84     |              |                     |              | 1,653.84     |              |            | 1,653.84     |

**Town of Andover  
Capital Projects Fund  
Fiscal 2016**

| DESCRIPTION                                | 07/01/15<br>Balance  | ENCUMB              | LTBOND<br>PROCEEDS | OFU(S)               | TOTAL<br>AVAILABLE   | TOTAL<br>EXP         | ENCUMB              | 06/30/16<br>Balance  |
|--------------------------------------------|----------------------|---------------------|--------------------|----------------------|----------------------|----------------------|---------------------|----------------------|
| ART 39 07 PEDESTRIAN FOOT BRIDGE           | 15,000.00            |                     |                    |                      | 15,000.00            |                      |                     | 15,000.00            |
| ART 52 07 BRIDGE REPAIRS                   | 24,144.35            |                     |                    |                      | 24,144.35            |                      |                     | 24,144.35            |
| ART 2A 07 ACQ 16 PEARSON ST                | 12,214.87            |                     |                    |                      | 12,214.87            |                      |                     | 12,214.87            |
| ART 3A 07 ACQ 18 PEARSON ST                | 479.67               |                     |                    |                      | 479.67               |                      |                     | (0.00)               |
| ART 4A 07 ACQ 37 PEARSON ST                | 27,393.41            |                     |                    |                      | 27,393.41            |                      |                     | 27,393.41            |
| ART 32 08 BRIDGE REPAIRS                   | 247,046.70           |                     |                    |                      | 247,046.70           |                      |                     | 247,046.70           |
| ART 52 10 REPAIRS TO PUBLIC WAYS           | 15,634.44            |                     |                    |                      | 15,634.44            |                      |                     | 15,634.44            |
| ART 50 08 STORM DRAINAGE IMPROVEMENTS      |                      | 9,501.74            |                    |                      | 9,501.74             | 6,292.00             |                     | 3,209.74             |
| ART 24 11 TOWN BRIDGE EVAL/REPAIR          | 78,878.00            | 2,920.42            |                    |                      | 81,798.42            |                      | 2,920.42            | 78,878.00            |
| ART 25 11 PEARSON ST PARKING LOT           | 2,253.20             |                     |                    |                      | 2,253.20             |                      |                     | 2,253.20             |
| ART 33 11 STORM DRAINAGE IMPROVE           | 3,653.95             |                     |                    |                      | 3,653.95             | 300.00               |                     | 3,353.95             |
| ART 42 12 HIGHPLAIN@FISHBROOK              | 135,192.63           | 44,239.00           |                    |                      | 179,431.63           | (4,034.85)           | 44,239.00           | 139,227.48           |
| B20 14 HOLT RD SIDEWALK CONSTR             | 137,662.50           |                     |                    |                      | 137,662.50           | 125,207.42           |                     | 12,455.08            |
| B22 14 HYDRANT MAINTENANCE                 | 500,000.00           |                     |                    |                      | 500,000.00           |                      |                     | 500,000.00           |
| ART 44 MINOR STORM DRAIN IMPROVEMENTS      |                      |                     |                    |                      |                      | 116,317.94           |                     | (116,317.94)         |
| ART 45 SIDEWALK CONSTRUCTION - WOBURN      |                      |                     |                    |                      |                      | 8,752.50             | 84,232.50           | (102,985.00)         |
| ART 62 SIDEWALK CONSTRUCTION - RIVER ST    |                      |                     |                    |                      |                      | 36,905.90            | 49.10               | (36,955.00)          |
| ART 60 15 FINISH CHARLES CIRCLE            | 66,000.00            |                     |                    |                      | 66,000.00            | 37,216.89            |                     | 28,784.11            |
| <b>TOTAL ROAD/STORM DRAIN</b>              | <b>1,509,201.88</b>  | <b>56,661.16</b>    |                    |                      | <b>1,565,863.04</b>  | <b>328,181.77</b>    | <b>141,441.02</b>   | <b>1,096,240.25</b>  |
| ART 56 97 PUBLIC SAFETY                    |                      |                     |                    |                      |                      |                      |                     |                      |
| ART 47 99 PUB SAF ANTENNAS                 | 3,920.50             |                     |                    |                      | 3,920.50             |                      |                     | 3,920.50             |
| ART 10-1 02 PUBLIC SAFETY ADDL CONTINGENCY | 355.01               |                     |                    |                      | 355.01               | 355.01               |                     | 0.00                 |
| ART 34-3 02 REVERSE 911                    | 726.30               |                     |                    |                      | 726.30               | 726.30               |                     |                      |
| B45 14 DPW VEHICLES                        | 89,582.00            |                     |                    |                      | 89,582.00            | 89,582.00            |                     |                      |
| ART 30 15 HIGHWAY VEHICLES                 | 175,000.00           |                     |                    |                      | 175,000.00           | 72,877.30            |                     | 102,123.00           |
| ART 26 16 PUBLIC WORKS VEHICLES            |                      |                     |                    |                      |                      |                      |                     |                      |
| ART 27 16 FIRE APPARATUS ENGINE            |                      |                     |                    |                      |                      |                      |                     |                      |
| <b>GRAND TOTAL</b>                         | <b>14,098,057.19</b> | <b>3,834,051.71</b> | <b>575,000.00</b>  | <b>10,527,473.05</b> | <b>29,134,581.95</b> | <b>10,212,279.20</b> | <b>5,008,674.77</b> | <b>13,913,630.98</b> |

**TOWN OF ANDOVER  
TRUST-CEMETERY-SPECIAL FUNDS  
IN CUSTODY OF TOWN TREASURER  
YEAR ENDING JUNE 30, 2016**

| FUND                | BALANCE                             |              |               |               | BALANCE<br>June 30, 2016 |               |
|---------------------|-------------------------------------|--------------|---------------|---------------|--------------------------|---------------|
|                     | PRINCIPAL                           | July 1, 2015 | DEPOSITS      | INCOME        |                          | DRAWN         |
| 80001 GL 40(5B)     | STABILIZATION                       |              | 6,106,735.45  |               | 94,917.42                | 6,201,652.87  |
| 80041               | C.D. WOOD                           |              | 0.00          |               |                          | 0.00          |
| 80051               | OPEB ART 21, 2010                   |              | 4,688,136.31  | 790,000.00    | -43,220.64               | 5,434,915.67  |
| 80061               | ESTATE S.P. WHITE                   | 5,766.63     | 16,416.36     |               | 69.29                    | 16,485.65     |
| 80071               | POLICE DRUG ACCOUNT                 |              | 3,430.75      | 52,126.06     | 44.43                    | 35,563.62     |
| 80091 C59 Acts 1998 | TOWN 400TH CELEBRATION              |              | 10,704.24     |               | 168.82                   | 10,873.06     |
| 80100               | SENIOR CENTER PROGRAMS              |              | 700,000.00    |               | 2,524.09                 | 702,524.09    |
| 80110               | STABILIZATION FUND - LEDGE ROAD     |              | 3,023,118.83  |               | 20,437.17                | 3,043,556.00  |
| 80120               | STABILIZATION FUND - BOND PREM      |              | 1,377,877.61  | 268,000.00    | 17,847.54                | 200,000.00    |
| 80141               | J. GREELEY                          | 5,000.00     | 8,851.88      |               | 139.96                   | 8,991.84      |
| 80161               | MARGARET G. TOWLE                   | 345,825.50   | 345,825.50    |               |                          | 345,825.50    |
| 80151               | MARGARET G. TOWLE                   |              | 79,471.24     |               | 6,697.72                 | 7,050.25      |
| 80171               | JOHN CORNELL                        | 5,000.00     | 59,285.66     |               | 936.89                   | 600.00        |
| 80181               | DAVID & LUCY SHAW                   | 10,000.00    | 57,336.52     |               | 904.71                   | 58,241.23     |
| 80191               | W.L. RAYMOND                        | 7,845.81     | 64,922.29     |               | 1,024.57                 | 65,946.86     |
| 80201               | A.J. LINCOLN                        | 5,000.00     | 24,077.04     |               | 101.52                   | 24,178.56     |
| 80211               | E.I. RAYMOND                        | 1,500.00     | 3,516.73      |               | 55.50                    | 3,572.23      |
| 80221               | TAYLOR                              | 300.00       | 2,486.28      |               | 39.25                    | 2,525.53      |
| 80231 GL 114(25)    | SPRING GROVE                        | 1,071,503.77 | 1,083,622.13  | 35,905.00     | 6,526.81                 | 6,000.00      |
| 80251               | SPRING GROVE FLOWERS                |              | 32,820.88     |               | 521.62                   | 1,475.00      |
| 80281               | EMILINE LINCOLN                     | 1,000.00     | 2,394.70      |               | 37.80                    | 2,432.50      |
| 80291               | EMMA J. LINCOLN                     |              | 1,311.93      |               | 20.70                    | 1,332.63      |
| 80301 GL 40(8C)     | CONSERVATION FUND                   |              | 78,114.82     |               | 34,435.72                | 39,162.36     |
| 80331               | SMART                               | 1,000.00     | 18,541.94     |               | 292.60                   | 15.00         |
| 80341               | FARRINGTON                          | 600.00       | 2,224.60      |               | 35.12                    | 15.00         |
| 80351               | BALLARDVALE                         | 532.88       | 1,493.96      |               | 23.64                    | 25.00         |
| 80361               | ALLEN                               | 200.00       | 191.88        |               | 3.07                     | 15.00         |
| 80391               | EMS BELL LIBRARY TRUST              |              | 66,805.83     |               | 1,055.25                 |               |
| 80411               | ELDERLY TAXATION FUND               |              | 21,233.65     |               | 1,171.67                 |               |
| 80421               | MUNICIPAL AFFORDABLE HOUSING        |              | 106,242.89    |               | 1,623.50                 |               |
| 80431               | POLICE FEDERAL DRUG ACCT            |              | 10,480.47     | 3,980.21      | 22.49                    |               |
| 82011               | DRAPER                              | 1,058.93     | 20,615.73     |               | 325.28                   |               |
| 82021               | RICHARDSON                          | 1,000.00     | 1,821.79      |               | 29.69                    |               |
| 82031               | A & AV LINCOLN                      | 500.00       | 1,360.78      |               | 21.36                    |               |
| 82051               | RAFTON (INTEREST)                   |              | 6,568.50      | 868.00        | 108.14                   |               |
| 82041               | RAFTON (PRINCIPAL)                  | 598.50       | 598.50        |               |                          |               |
| 82061               | CONROY                              | 291.71       | 2,094.42      |               | 33.05                    |               |
| 82071               | AMERICAN LEGION                     | 200.00       | 1,544.33      |               | 24.39                    |               |
| 82081               | CHRIS MAYNARD BOOKS                 | 5,087.68     | 5,120.44      | 4.45          | 81.62                    |               |
| 82091               | HOLT                                | 81.95        | 939.30        |               | 14.82                    |               |
| 80371 GL 40(13A)    | WORKERS COMPENSATION                |              | 95,126.90     | 3,997.03      |                          | 57,236.00     |
|                     |                                     | 1,469,893.36 | 18,133,463.06 | 1,154,880.75  | 149,096.58               | 3,390,713.23  |
|                     | <b>INTERNAL SERVICE FUNDS</b>       |              |               |               |                          |               |
| 80011 GL 40(13)     | INSURANCE                           |              | 176,496.78    |               | 674.43                   | 36,402.00     |
| 80021 GL 40(5E)     | UNEMPLOYMENT COMPENSATION           |              | 265,422.42    | 158,000.00    | 758.29                   | 148,686.19    |
| 80031               | TOWN INSURANCE HEALTH               |              | 2,020,493.75  | 23,934,282.58 | 1,621.68                 | 23,707,485.50 |
|                     | <b>TOTAL INTERNAL SERVICE FUNDS</b> |              | 2,462,412.95  | 24,092,282.58 | 3,054.40                 | 23,892,573.69 |
|                     | <b>GRAND TOTAL ALL TRUST FUNDS</b>  |              | 20,595,876.01 | 25,247,163.53 | 152,150.98               | 27,283,286.92 |
|                     |                                     |              | 18,711,903.40 |               |                          |               |

| TOWN OF ANDOVER, MASSACHUSETTS      |                |           |            |              |              |              |              |              |      |                 |
|-------------------------------------|----------------|-----------|------------|--------------|--------------|--------------|--------------|--------------|------|-----------------|
| DETAIL DEBT SCHEDULE BY FISCAL YEAR |                |           |            |              |              |              |              |              |      |                 |
| AS OF JUNE 30, 2016                 |                |           |            |              |              |              |              |              |      |                 |
| ISSUE                               | ARTICLE        | LOAN DATE | TOTAL LOAN | 2017         | 2018         | 2019         | 2020         | 2021         | 2022 | TOTAL ALL YEARS |
| EXEMPT DEBT                         |                |           |            |              |              |              |              |              |      |                 |
| SCHOOL                              |                |           |            |              |              |              |              |              |      |                 |
| EKEMPT ADVANCE REFUNDING (2006)     | ART 20-1, 1994 | 1/15/05   | 6,278,169  | 6,15,987.94  |              |              |              |              |      | 6,15,987.94     |
| SCHOOL BONDS EXEMPT REFI            | ART 20-2, 1994 | 1/15/05   | 506,373    | 47,039.86    |              |              |              |              |      | 47,039.86       |
| SCHOOL BONDS EXEMPT REFI            | ART 19, 1999   | 2/15/01   | 1,392,000  | 138,100.00   | 133,300.00   | 123,625.00   | 117,875.00   | 142,800.00   |      | 797,600.00      |
| SCHOOL BONDS EXEMPT REFI            | ART 9, 2000    | 2/15/01   | 1,342,000  | 182,825.00   | 180,775.00   | 180,100.00   | 159,100.00   | 348,137.50   |      | 2,547,420.75    |
| SCHOOL BONDS EXEMPT REFI            | ART 9, 2000    | 12/22/11  | 3,363,700  | 459,984.50   | 393,012.50   | 381,287.60   | 365,487.50   | 348,137.50   |      | 1,431,412.55    |
| BANGORFT FEASIBILITY                | ART 59, 2009   | 12/22/11  | 185,000    | 13,482.50    | 13,482.50    | 12,812.50    | 12,142.50    | 12,113.50    |      | 54,037.50       |
| MIDDLELEVEL SCHOOL Refi AC          | ART 9, 2000    | 12/19/12  | 1,800,000  | 220,875.00   | 215,100.00   | 208,500.00   | 197,000.00   | 175,000.00   |      | 1,015,875.00    |
| BANGORFT SCHOOL                     | ART 03, 2012   | 12/19/12  | 14,000,000 | 1,090,250.00 | 1,071,000.00 | 1,043,000.00 | 1,034,250.00 | 1,013,250.00 |      | 8,251,750.00    |
| BANGORFT SCHOOL                     | ART 03, 2012   | 3/8/14    | 13,052,000 | 1,145,562.50 | 1,112,612.50 | 1,040,062.50 | 1,047,312.50 | 1,014,562.50 |      | 7,362,500.00    |
| BANGORFT SCHOOL                     | ART 1, 2013    | 3/8/14    | 2,432,000  | 216,463.00   | 210,150.00   | 203,900.00   | 197,850.00   | 191,400.00   |      | 2,374,600.00    |
| BANGORFT SCHOOL                     | ART 3, 2010    | 6/19/15   | 100,000    | 8,182.50     | 7,962.50     | 7,742.50     | 7,522.50     | 7,302.50     |      | 35,715.00       |
| BANGORFT SCHOOL                     | ART 1, 2013    | 6/19/15   | 779,000    | 65,657.50    | 64,467.50    | 62,967.50    | 61,287.50    | 59,687.50    |      | 266,762.50      |
| TOTAL SCHOOL                        |                |           |            | 4,153,827.00 | 3,787,952.50 | 3,290,137.50 | 3,187,637.50 | 2,965,412.50 |      | 14,827,108.50   |
| PUBLIC SAFETY                       |                |           |            |              |              |              |              |              |      |                 |
| PUBLIC SAFETY CENTER REFI           | ART 16, 1999   | 2/15/01   | 2,807,000  | 332,850.00   | 316,725.00   | 300,850.00   | 287,350.00   | 270,300.00   |      | 1,508,075.00    |
| PUBLIC SAFETY CENTER REFI           | ART 40, 2001   | 2/15/01   | 107,500    | 12,300.00    | 11,850.00    | 11,550.00    | 11,050.00    | 10,500.00    |      | 67,700.00       |
| PUBLIC SAFETY CENTER REFI           | ART 16, 1999   | 2/15/01   | 2,553,500  | 289,625.00   | 280,225.00   | 270,825.00   | 259,075.00   | 243,600.00   |      | 1,572,650.00    |
| PUBLIC SAFETY CENTER                | ART 10-1, 2002 | 12/10/11  | 80,000     | 6,475.01     | 6,281.26     | 6,091.26     | 5,897.51     | 5,696.88     |      | 26,042.92       |
| PUBLIC SAFETY CENTER                | ART 10-1, 2002 | 3/15/09   | 428,000    | 33,473.00    | 32,810.00    | 31,795.00    | 29,750.00    | 28,379.68    |      | 136,807.66      |
| TOTAL PUBLIC SAFETY CENTER          |                |           |            | 674,773.01   | 647,971.26   | 621,011.26   | 593,112.51   | 569,176.56   |      | 2,503,992.74    |
| TOTAL EXEMPT                        |                |           |            | 4,828,400.01 | 4,026,953.76 | 3,901,148.76 | 3,780,750.01 | 3,524,589.06 |      | 16,031,841.54   |
| PUBLIC SERVICE ENTERPRISES          |                |           |            |              |              |              |              |              |      |                 |
| WATER DEBT                          |                |           |            |              |              |              |              |              |      |                 |
| WATER TREATMENT PLANT               | ART 42, 2002   | 12/22/11  | 475,000    | 69,230.00    | 69,230.00    | 57,490.00    | 50,580.00    | 49,230.00    |      | 286,780.00      |
| WATER SYSTEM                        | ART 20, 2003   | 12/15/11  | 997,400    | 122,597.96   | 119,597.50   | 116,007.96   | 112,007.50   | 109,007.50   |      | 589,718.42      |
| WATER MAINS REFINANCED              | ART 43, 2002   | 12/19/12  | 32,751.00  | 31,876.00    | 30,376.00    | 30,376.00    | 29,876.00    | 28,876.00    |      | 125,356.00      |
| WATER SYSTEM                        | ART 20, 2008   | 10/15/08  | 1,000,000  | 70,325.00    | 69,412.50    | 65,575.00    | 64,712.50    | 62,825.00    |      | 273,850.00      |
| WATER PLANT (WPA)                   | ART 34, 2005   | 12/14/08  | 4,686,635  | 283,575.88   | 283,575.00   | 263,576.36   | 263,575.68   | 263,575.34   |      | 1,138,881.26    |
| WATER PLANT (WPA)                   | ART 34, 2005   | 12/14/08  | 634,717    | 38,370.58    | 38,370.58    | 38,370.58    | 38,370.23    | 38,370.23    |      | 153,882.12      |
| WATER SYSTEM                        | ART 20, 2003   | 12/10/11  | 1,472,000  | 108,167.61   | 105,281.26   | 102,281.26   | 99,375.01    | 96,515.63    |      | 426,706.77      |
| WATER SYSTEM                        | ART 34, 2005   | 12/10/11  | 1,600,000  | 12,937.50    | 71,000.00    | 69,000.00    | 67,062.50    | 65,183.25    |      | 238,083.25      |
| WATER SYSTEM                        | ART 41, 2005   | 12/10/11  | 500,000    | 5,293.73     | 5,100.00     | 5,000.00     | 4,900.00     | 4,800.00     |      | 20,096.73       |
| WATER TREATMENT PLANT               | ART 34, 2010   | 12/22/11  | 250,000    | 20,550.00    | 20,100.00    | 19,575.00    | 18,975.00    | 18,525.00    |      | 87,725.00       |
| WATER TREATMENT PLANT               | ART 33, 2010   | 12/22/11  | 400,000    | 47,400.00    | 46,200.00    | 44,800.00    | 43,200.00    | 42,000.00    |      | 183,600.00      |
| WATER TREATMENT PLANT               | ART 31, 2010   | 12/19/12  | 300,000    | 35,700.00    | 34,800.00    | 33,600.00    | 32,400.00    | 31,200.00    |      | 137,700.00      |
| WATER TREATMENT PLANT PUMP          | ART 44, 2011   | 12/19/12  | 100,000    | 11,900.00    | 11,625.00    | 11,225.00    | 11,000.00    | 10,800.00    |      | 46,550.00       |
| WATER MAIN CONSTRUCTION             | ART 42, 2011   | 3/6/14    | 500,000    | 43,781.26    | 42,551.26    | 41,281.26    | 40,031.26    | 38,781.26    |      | 170,426.50      |
| HYDRANT REPLACEMENT                 | ART 35, 2012   | 3/6/14    | 1,439,000  | 128,837.50   | 125,087.50   | 121,937.50   | 117,587.50   | 113,937.50   |      | 506,487.50      |
| WATER MAIN REPLACEMENT              | ART 46, 2013   | 3/6/14    | 500,000    | 70,000.00    | 67,500.00    | 65,000.00    | 62,500.00    | 60,000.00    |      | 265,000.00      |
| WATER MAIN REPLACEMENT              | ART 41, 2013   | 3/6/14    | 1,600,000  | 87,562.50    | 85,062.50    | 82,562.50    | 80,062.50    | 77,562.50    |      | 337,215.00      |
| GAC REPLACEMENT                     | ART 33, 2010   | 3/6/14    | 110,000    | 14,000.00    | 13,500.00    | 13,000.00    | 12,500.00    | 12,000.00    |      | 55,000.00       |
| WATER DISTRIBUTION MAINTENANCE      | ART 43, 2012   | 6/19/15   | 600,000    | 67,500.00    | 66,000.00    | 64,500.00    | 63,000.00    | 61,500.00    |      | 262,500.00      |
| WATER DISTRIBUTION MAINT PROGRAM    | ART 42, 2013   | 6/19/15   | 300,000    | 67,500.00    | 66,000.00    | 64,500.00    | 63,000.00    | 61,500.00    |      | 262,500.00      |
| FIRE HYDRANT INFRAS: MAINT 1        | ART 46, 2016   | 6/19/15   | 500,000    | 67,500.00    | 66,000.00    | 64,500.00    | 63,000.00    | 61,500.00    |      | 262,500.00      |
| FIRE HYDRANT INFRAS: MAINT 2        | ART 22, 2014   | 6/19/15   | 500,000    | 67,500.00    | 66,000.00    | 64,500.00    | 63,000.00    | 61,500.00    |      | 262,500.00      |
| WATER TREATMENT PLANT EQUIPMENT     | ART 44, 2011   | 6/19/15   | 340,000    | 46,850.00    | 46,800.00    | 44,400.00    | 43,000.00    | 41,600.00    |      | 183,650.00      |
| TOTAL WATER                         |                |           |            | 1,631,797.20 | 1,597,810.08 | 1,534,197.96 | 1,431,853.44 | 1,486,050.21 |      | 6,181,918.95    |



| TOWN OF ANDOVER, MASSACHUSETTS<br>DETAIL DEBT SCHEDULE BY FISCAL YEAR<br>AS OF JUNE 30, 2016 |                 |           |               |              |              |              |              |              |              |               |
|----------------------------------------------------------------------------------------------|-----------------|-----------|---------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------|
| ISSUE                                                                                        | ARTICLE         | LOAN DATE | TOTAL LOAN    | 2017         | 2018         | 2019         | 2020         | 2021         | 2022         | TOTAL         |
|                                                                                              |                 |           |               |              |              |              |              |              |              |               |
| BANCROFT SCHOOL                                                                              | ART 1, 2013     | 3/6/14    | 927,000       | 84,596.25    | 79,956.28    | 72,056.25    | 69,806.25    | 67,556.25    | 65,306.25    | 1,171,190.68  |
| SCHOOL REPAIRS                                                                               | ART 26, 2013    | 3/6/14    | 900,000       | 76,555.25    | 74,305.25    | 72,055.25    | 69,805.25    | 67,555.25    | 65,305.25    | 1,044,693.69  |
| SCHOOL SITE IMP (DOHERTY)                                                                    | ART 18, 2013    | 3/6/14    | 2,400,000     | 210,150.00   | 189,150.00   | 192,150.00   | 189,150.00   | 189,150.00   | 189,150.00   | 2,945,850.00  |
| WEST MIDDLE HVAC                                                                             | ART 38, 2013    | 3/6/14    | 1,250,000     | 128,450.00   | 124,200.00   | 132,450.00   | 119,700.00   | 114,450.00   | 111,450.00   | 1,380,750.00  |
| SCHOOL BLDG MAINT & RENOVATION                                                               | ART 52, 2014    | 6/19/15   | 1,500,000     | 140,000.00   | 143,000.00   | 139,000.00   | 135,000.00   | 131,000.00   | 127,000.00   | 1,759,000.00  |
| BANCROFT SCHOOL                                                                              | ART 1, 2013     | 6/19/15   | 295,000       | 24,450.00    | 23,400.00    | 22,400.00    | 21,400.00    | 20,400.00    | 19,400.00    | 356,512.50    |
| TOTAL SCHOOL                                                                                 |                 |           | 2,214,078.82  | 2,142,411.52 | 2,067,243.82 | 1,807,223.82 | 1,732,868.79 | 1,657,512.50 | 1,582,156.25 | 23,329,837.00 |
| <b>STREET</b>                                                                                |                 |           |               |              |              |              |              |              |              |               |
| BRIDGE CONSTRUCTION                                                                          | ART 54, 2006    | 10/15/06  | 250,000       | 13,282.50    | 12,915.00    | 12,542.50    | 12,165.00    | 11,782.50    | 11,400.00    | 119,547.50    |
| STORM DRAINS                                                                                 | ART 50, 2006    | 3/15/09   | 190,000       | 7,557.50     | 7,337.50     | 7,117.50     | 6,897.50     | 6,677.50     | 6,457.50     | 84,468.80     |
| MANHOLE DEVELOPMENT                                                                          | ART 45, 2007    | 2/15/10   | 269,000       | 32,900.00    | 25,825.00    | 25,825.00    | 25,825.00    | 25,825.00    | 25,825.00    | 90,225.00     |
| BRIDGE CONSTRUCTION                                                                          | ART 52, 2007    | 2/24/11   | 100,000       | 7,775.00     | 7,625.00     | 7,475.00     | 7,325.00     | 7,175.00     | 7,025.00     | 91,293.76     |
| BRIDGE CONSTRUCTION                                                                          | ART 32, 2008    | 2/24/11   | 400,000       | 31,318.75    | 30,718.75    | 29,818.75    | 28,918.75    | 28,018.75    | 27,118.75    | 373,456.40    |
| BRIDGE REPAIR                                                                                | ART 24, 2011    | 12/22/11  | 100,000       | 7,312.50     | 6,943.75     | 6,575.00     | 6,206.25     | 5,837.50     | 5,468.75     | 63,878.25     |
| PARKING LOT                                                                                  | ART 25, 2011    | 12/22/11  | 85,000        | 6,543.75     | 6,218.75     | 5,893.75     | 5,568.75     | 5,243.75     | 4,918.75     | 57,575.00     |
| DRAINAGE                                                                                     | ART 33, 2011    | 12/22/11  | 200,000       | 14,625.00    | 14,325.00    | 14,025.00    | 13,725.00    | 13,425.00    | 13,125.00    | 157,575.00    |
| RAINAGE (HIGH PLAIN)                                                                         | ART 26, 2011    | 12/22/11  | 75,000        | 15,225.00    | 14,925.00    | 14,625.00    | 14,325.00    | 14,025.00    | 13,725.00    | 157,575.00    |
| SURFACE DRAIN CONSTRUCTION                                                                   | ART 50, 2008    | 2/24/11   | 280,000       | 23,137.50    | 22,687.50    | 22,237.50    | 21,787.50    | 21,337.50    | 20,887.50    | 267,300.00    |
| BRIDGE REPAIR                                                                                | ART 32, 2008    | 12/19/12  | 200,000       | 15,300.00    | 14,900.00    | 14,500.00    | 14,100.00    | 13,700.00    | 13,300.00    | 14,075.00     |
| STORM DRAINAGE                                                                               | ART 33, 2011    | 12/19/12  | 100,000       | 7,757.50     | 7,650.00     | 7,542.50     | 7,435.00     | 7,327.50     | 7,220.00     | 409,618.76    |
| HIGH FLOW/FISHHOOK                                                                           | ART 42, 2012    | 12/19/12  | 1,100,000     | 106,287.50   | 98,352.50    | 95,462.50    | 92,572.50    | 89,682.50    | 86,792.50    | 1,174,018.76  |
| SEWAGE CONSTRUCTION                                                                          | ART 20, 2014    | 6/19/15   | 138,000       | 33,900.00    | 27,000.00    | 26,000.00    | 25,000.00    | 24,000.00    | 23,000.00    | 114,900.00    |
| TOTAL STREET                                                                                 |                 |           | 3,177,990.82  | 2,907,995.82 | 2,777,402.82 | 2,466,692.82 | 2,315,383.78 | 2,164,078.78 | 2,012,773.78 | 23,969,032.25 |
| <b>MUNICIPAL FACILITIES</b>                                                                  |                 |           |               |              |              |              |              |              |              |               |
| TOWN BUILDINGS                                                                               | ART 28-1, 2002  | 12/22/11  | 40,000        | 8,440.00     | 8,160.00     | 7,880.00     | 7,600.00     | 7,320.00     | 7,040.00     | 25,280.00     |
| BRIDGES/BUILDINGS                                                                            | ART 32, 2001    | 12/22/11  | 365,000       | 81,085.00    | 78,845.00    | 76,605.00    | 74,365.00    | 72,125.00    | 69,885.00    | 229,300.00    |
| TOWN HVAC                                                                                    | ART 45, 2006    | 12/10/07  | 250,000       | 21,138.75    | 20,612.50    | 20,087.50    | 19,562.50    | 19,037.50    | 18,512.50    | 187,500.00    |
| TOWN BUILDING RENOVATION                                                                     | ART 27, 2007    | 3/15/09   | 258,000       | 21,262.50    | 20,812.50    | 20,362.50    | 19,912.50    | 19,462.50    | 19,012.50    | 181,943.75    |
| TOWN BUILDING RENOVATION                                                                     | ART 28, 2007    | 3/15/09   | 290,000       | 22,775.00    | 22,325.00    | 21,875.00    | 21,425.00    | 20,975.00    | 20,525.00    | 237,937.50    |
| PUBLIC SAFETY (TOWN EXEMPT FORTION)                                                          | ART 10, 2002    | 3/15/09   | 75,000        | 5,927.00     | 5,790.00     | 5,653.00     | 5,516.00     | 5,379.00     | 5,242.00     | 61,450.44     |
| TOWN BUILDINGS                                                                               | ART 27, 2007    | 2/15/10   | 400,000       | 30,500.00    | 29,000.00    | 27,500.00    | 26,000.00    | 24,500.00    | 23,000.00    | 328,600.00    |
| TOWN BUILDING REMODELING                                                                     | ART 55, 2009    | 2/24/11   | 650,000       | 53,600.00    | 52,750.00    | 51,900.00    | 51,050.00    | 50,200.00    | 49,350.00    | 615,912.50    |
| TOWN BUILDING REPAIRS                                                                        | ART 42, 2010    | 12/22/11  | 365,000       | 13,462.50    | 13,162.50    | 12,862.50    | 12,562.50    | 12,262.50    | 11,962.50    | 143,412.55    |
| TOWN BUILDING PLANNING                                                                       | ART 34, 2009    | 12/22/11  | 365,000       | 35,562.50    | 34,937.50    | 34,312.50    | 33,687.50    | 33,062.50    | 32,437.50    | 493,937.55    |
| FIRE STATION PLANNING                                                                        | ART 40, 2010    | 12/22/11  | 100,000       | 20,300.00    | 19,850.00    | 19,400.00    | 18,950.00    | 18,500.00    | 18,050.00    | 20,600.00     |
| TOWN BUILDING REPAIRS                                                                        | ART 27, 2007    | 12/22/11  | 126,000       | 25,375.00    | 24,925.00    | 24,475.00    | 24,025.00    | 23,575.00    | 23,125.00    | 25,375.00     |
| BLANCHARD BALL FIELDS                                                                        | ART 57, 2009    | 12/22/11  | 325,000       | 31,250.00    | 30,575.00    | 29,900.00    | 29,225.00    | 28,550.00    | 27,875.00    | 6,487.50      |
| BLANCHARD ST BALL FIELDS                                                                     | ART 57, 2009    | 12/22/11  | 100,000       | 15,600.00    | 15,150.00    | 14,700.00    | 14,250.00    | 13,800.00    | 13,350.00    | 58,580.50     |
| TOWN BUILDING RENOVATIONS                                                                    | ART 23, 2007    | 12/19/12  | 200,000       | 20,350.00    | 19,937.50    | 19,525.00    | 19,112.50    | 18,700.00    | 18,287.50    | 59,103.00     |
| PUMP/GROUND REPLACEMENTS                                                                     | ART 23, 2012    | 12/19/12  | 400,000       | 40,450.00    | 39,575.00    | 38,700.00    | 37,825.00    | 36,950.00    | 36,075.00    | 188,375.00    |
| TOWN BUILDING REMODELING                                                                     | ART 24, 2012    | 12/19/12  | 400,000       | 40,450.00    | 39,575.00    | 38,700.00    | 37,825.00    | 36,950.00    | 36,075.00    | 362,162.50    |
| SALMORAL FENCE/MASONRY                                                                       | ART 26, 2012    | 12/19/12  | 125,000       | 13,250.00    | 12,875.00    | 12,500.00    | 12,125.00    | 11,750.00    | 11,375.00    | 114,250.00    |
| FIRE COMMUNICATIONS                                                                          | ART 31, 2012    | 12/19/12  | 200,000       | 18,500.00    | 18,050.00    | 17,600.00    | 17,150.00    | 16,700.00    | 16,250.00    | 189,237.50    |
| TECHNOLOGY HARDWARE                                                                          | ART 22, 2012    | 12/19/12  | 1,000,000     | 213,567.50   | 208,637.50   | 203,707.50   | 198,777.50   | 193,847.50   | 188,917.50   | 1,833,912.50  |
| TECHNOLOGY SOFTWARE                                                                          | ART 22, 2012    | 12/19/12  | 400,000       | 102,750.00   | 100,450.00   | 98,150.00    | 95,850.00    | 93,550.00    | 91,250.00    | 1,027,500.00  |
| YOUTH CENTER                                                                                 | ART 3, 2011 STM | 3/6/14    | 2,000,000     | 175,155.00   | 170,125.00   | 165,095.00   | 160,065.00   | 155,035.00   | 150,005.00   | 2,451,875.00  |
| TOWN BUILDING RENOVATIONS                                                                    | ART 26, 2012    | 6/19/15   | 300,000       | 31,425.00    | 29,425.00    | 27,425.00    | 25,425.00    | 23,425.00    | 21,425.00    | 352,925.00    |
| TECHNOLOGY INFRASTRUCTURE                                                                    | ART 22, 2012    | 6/19/15   | 200,000       | 46,000.00    | 44,000.00    | 42,000.00    | 40,000.00    | 38,000.00    | 36,000.00    | 175,000.00    |
| TOWN & SCHOOL ENERGY INITIATIVES                                                             | ART 39, 2014    | 6/19/15   | 258,000       | 33,150.00    | 31,900.00    | 30,650.00    | 29,400.00    | 28,150.00    | 26,900.00    | 249,650.00    |
| TOWN BLDG & FACILITY MAINTENANCE                                                             | ART 43, 2014    | 6/19/15   | 407,000       | 66,100.00    | 64,600.00    | 63,100.00    | 61,600.00    | 60,100.00    | 58,600.00    | 496,100.00    |
| DPAV VEHICLES                                                                                | ART 45, 2014    | 6/19/15   | 260,000       | 62,650.00    | 60,650.00    | 58,650.00    | 56,650.00    | 54,650.00    | 52,650.00    | 224,650.00    |
| PLAYGROUND REPLC & HANDICAP ACCESS                                                           | ART 41, 2014    | 6/19/15   | 150,000       | 20,250.00    | 19,500.00    | 18,750.00    | 18,000.00    | 17,250.00    | 16,500.00    | 161,500.00    |
| TOTAL MUNICIPAL FACILITIES                                                                   |                 |           | 12,655,983.25 | 1,079,256.00 | 1,013,635.00 | 912,400.00   | 846,558.58   | 781,538.76   | 716,518.54   | 9,310,285.64  |

| TOWN OF ANDOVER, MASSACHUSETTS      |              |           |              |               |               |               |               |               |              |                 |  |  |
|-------------------------------------|--------------|-----------|--------------|---------------|---------------|---------------|---------------|---------------|--------------|-----------------|--|--|
| DETAIL DEBT SCHEDULE BY FISCAL YEAR |              |           |              |               |               |               |               |               |              |                 |  |  |
| AS OF JUNE 30, 2016                 |              |           |              |               |               |               |               |               |              |                 |  |  |
| ISSUE                               | ARTICLE      | LOAN DATE | TOTAL LOAN   | 2017          | 2018          | 2019          | 2020          | 2021          | 2022         | TOTAL ALL YEARS |  |  |
| PUBLIC SAFETY                       |              |           |              |               |               |               |               |               |              |                 |  |  |
| FIRE TRUCK REFINANCED               | ART 31, 2004 | 12/19/12  | 451,000.00   | 451,000.00    | 457,000.00    | 42,100.00     | 33,150.00     |               |              | 164,050.00      |  |  |
| FIRE TRUCK                          | ART 37, 2006 | 12/10/17  | 440,000.00   | 36,450.00     | 35,287.50     | 34,087.50     | 32,925.00     | 31,781.25     | 30,569.00    | 201,131.25      |  |  |
| TOTAL PUBLIC SAFETY                 |              |           |              | 81,550.00     | 78,987.50     | 76,187.50     | 66,075.00     | 31,781.25     | 30,600.00    | 365,181.25      |  |  |
| LAND ACQUISITION                    |              |           |              |               |               |               |               |               |              |                 |  |  |
| LAND ACQUISITION                    | ART 23, 2002 | 12/19/12  | 50,000.00    | 66,496.00     | 63,749.00     | 61,740.00     | 84,840.00     | 53,040.00     | 51,240.00    | 491,940.00      |  |  |
| LAND ACQUISITION                    | ART 32, 2006 | 12/19/12  |              | 96,385.00     | 86,870.00     | 85,073.00     | 83,270.00     | 80,470.00     | 77,570.00    | 676,770.00      |  |  |
| LAND ACQUISITION                    | ART 12, 2001 | 10/16/06  | 1,000,000.00 | 80,440.00     | 78,145.00     | 71,052.50     | 98,983.75     | 88,907.50     | 64,803.75    | 687,885.00      |  |  |
| LAND ACQUISITION                    | ART 23, 2002 | 10/16/06  | 100,000.00   | 19,200.00     |               |               |               |               |              | 10,000.00       |  |  |
| 18 PEARSON ST                       | ART 3A, 2007 | 12/10/17  | 455,000.00   | 34,625.01     | 33,656.26     | 32,656.26     | 31,656.26     | 30,734.38     | 29,750.00    | 309,499.42      |  |  |
| ART 4A, 2007                        |              |           | 29,350.00    | 27,575.00     | 26,775.00     | 25,000.00     | 25,737.50     | 24,450.00     |              | 266,587.50      |  |  |
| 37 PEARSON ST                       | ART 5A, 2007 | 12/10/17  | 500,000.00   | 35,637.51     | 34,468.76     | 33,468.76     | 32,500.01     | 31,648.88     | 30,567.96    | 235,734.43      |  |  |
| 15 BLANCHARD ST                     | ART 51, 2007 | 12/10/17  | 2,000,000.00 | 183,188.75    | 149,130.00    | 144,900.00    | 140,631.25    | 135,828.13    | 132,693.76   | 1,564,893.81    |  |  |
| LAND ACQUISITION                    | ART 12, 2001 | 2/24/11   | 100,000.00   | 7,775.00      | 7,825.00      | 7,425.00      | 7,225.00      | 7,025.00      | 6,825.00     | 91,293.76       |  |  |
| LAND ACQUISITION FOSTERS FOND       | ART 65, 2010 | 2/24/11   | 220,000.00   | 15,987.50     | 15,687.50     | 15,287.50     | 14,687.50     | 14,487.50     | 14,087.50    | 199,150.00      |  |  |
| LAND ACQUISITION BLANCHARD ST       | ART B1, 2011 | 2/24/11   | 290,000.00   | 23,543.76     | 23,093.76     | 22,493.76     | 21,893.76     | 21,293.76     | 20,693.76    | 262,381.39      |  |  |
| LAND ACQUISITION CHAMPLER RD        | ART 33, 2013 | 3/8/14    | 775,000.00   | 69,150.00     | 67,150.00     | 65,150.00     | 63,150.00     | 61,150.00     | 59,150.00    | 842,437.50      |  |  |
| TOTAL LAND ACQUISITION              |              |           | 6,205,623.00 | 589,111.26    | 566,988.78    | 545,268.78    | 523,720.65    | 502,126.27    | 480,582.80   | 5,839,282.80    |  |  |
| LANDFILL                            |              |           |              |               |               |               |               |               |              |                 |  |  |
| LANDFILL CLOSURE                    | ART 44, 1999 | 10/15/06  | 500,000.00   | 34,162.50     | 33,205.25     | 32,287.50     | 31,356.25     | 30,412.50     | 29,456.25    | 268,869.75      |  |  |
| LANDFILL                            | ART 44, 1999 | 12/22/11  | 300,000.00   | 21,937.50     | 21,467.50     | 20,962.50     | 20,362.50     | 19,912.50     | 19,462.50    | 296,362.50      |  |  |
| LANDFILL                            | ART 44, 1999 | 12/22/11  | 300,000.00   | 21,937.50     | 21,467.50     | 20,962.50     | 20,362.50     | 19,912.50     | 19,462.50    | 296,362.50      |  |  |
| LANDFILL                            | ART 44, 1999 | 12/22/11  | 100,000.00   | 7,312.50      | 7,162.50      | 6,987.50      | 6,787.50      | 6,637.50      | 6,487.50     | 98,787.56       |  |  |
| LANDFILL                            | ART 44, 1999 | 12/22/11  | 100,000.00   | 17,512.50     | 17,012.50     | 16,512.50     | 16,012.50     | 15,512.50     | 15,012.50    | 245,487.50      |  |  |
| DEPARTMENTAL EQUIPMENT              | ART 02, 2008 | 2/15/10   | 973,000.00   | 129,690.00    | 121,800.00    | #VALUE!       |               |               |              | 248,400.00      |  |  |
| DEPARTMENTAL EQUIP                  | ART 23, 2011 | 12/22/11  | 300,000.00   | 60,300.00     |               |               |               |               |              | 60,300.00       |  |  |
| REC PARK LIGHTING                   | ART 48, 2008 | 2/15/10   | 100,000.00   | 11,050.00     | 10,650.00     | 10,250.00     | 9,850.00      | 9,450.00      | 9,050.00     | 87,337.50       |  |  |
| CLOSING LANDFILL                    | ART 44, 1999 | 6/19/15   | 700,000.00   | 386,912.50    | 287,106.25    | 170,687.50    | 156,006.25    | 151,862.50    | 147,906.25   | 2,863,243.95    |  |  |
| TOTAL LANDFILL                      |              |           |              | 4,866,817.12  | 4,468,665.37  | 4,172,155.12  | 3,733,668.37  | 3,455,983.65  | 3,336,522.60 | 44,265,862.89   |  |  |
| TOTAL GENERAL FUND NON-EXEMPT       |              |           |              | 13,822,346.29 | 12,503,902.92 | 11,966,776.30 | 11,312,986.28 | 10,806,843.07 | 9,824,509.02 | 123,954,860.94  |  |  |
| GRAND TOTAL                         |              |           |              |               |               |               |               |               |              |                 |  |  |

**TOWN OF ANDOVER, MASSACHUSETTS**  
**ANALYSIS OF BONDS AUTHORIZED AND UNISSUED**  
**AS OF JUNE 30, 2016**

| ARTICLE                                  | PROJECT NAME                               | AUTHORIZATION<br>JULY 1, 2015 | NEW<br>AUTHORIZATIONS<br>FY2016 | BONDING | RESCIND | REMAINING<br>AUTHORIZATION<br>JUNE 30, 2016 |
|------------------------------------------|--------------------------------------------|-------------------------------|---------------------------------|---------|---------|---------------------------------------------|
| <b>SEWER ENTERPRISE</b>                  |                                            |                               |                                 |         |         |                                             |
| ART 64 2007                              | SHAWSHIEN PUMPING STATION                  | 350,000                       |                                 |         |         | 350,000                                     |
| ART 33 2008                              | SHAWSHIEN RIVER OUTFALL SEWER              | 2,200,000                     |                                 |         |         | 2,200,000                                   |
|                                          |                                            | 2,550,000                     | -                               | -       | -       | 2,550,000                                   |
| <b>WATER ENTERPRISE</b>                  |                                            |                               |                                 |         |         |                                             |
| ART 44 2011                              | WTP VARIABLE SPEED PUMP (Split Funding)    |                               |                                 |         |         | -                                           |
| ART 36 2012                              | WATER PLANT BACKWASH TANK                  | 300,000                       |                                 |         |         | 300,000                                     |
| ART 38 2015                              | WATER MAIN REPLACEMENT                     | 1,700,000                     |                                 |         |         | 1,700,000                                   |
| ART 41 2016                              | WATER MAIN REPLACEMENT                     |                               | 1,000,000                       |         |         | 1,000,000                                   |
| ART 44 2016                              | WATER STORAGE TANKS REPLACEMENT            |                               | 1,450,000                       |         |         | 1,450,000                                   |
|                                          |                                            | 2,000,000                     | 2,450,000                       | -       | -       | 4,450,000                                   |
| <b>GENERAL GOVERNMENT</b>                |                                            |                               |                                 |         |         |                                             |
| ART 44 1999                              | LANDFILL CLOSURE                           |                               |                                 |         |         | -                                           |
| ART 31 2008                              | LANDFILL CLOSURE                           | 7,370,000                     |                                 | 675,000 |         | 6,695,000                                   |
|                                          | (Note: Ledge Rd Stabilization Fund # 6503) | 7,370,000                     | -                               | 675,000 | -       | 6,695,000                                   |
| <b>SCHOOL</b>                            |                                            |                               |                                 |         |         |                                             |
| ART 59 2009                              | BANCROFT FEASIBILITY STUDY                 | 363,000                       |                                 |         |         | 363,000                                     |
| ART 3A 2010                              | BANCROFT SCHOOL PROJECT                    | 15,596,751                    |                                 |         |         | 15,596,751                                  |
| ART 1 2013 STM                           | BANCROFT SCHOOL PROJECT #2                 | 1,085,802                     |                                 |         |         | 1,085,802                                   |
| ART 17 2011                              | WEST MIDDLE SCHOOL GREEN REPAIR            | 595,000                       |                                 |         | 595,000 | -                                           |
| ART 39 2015                              | SCHOOL BUILDING MAINTENANCE & IMPROVE      | 455,000                       |                                 |         |         | 455,000                                     |
| ART 40 2015                              | SCHOOL SITE IMPROVEMENTS (HOLD)            | 319,000                       |                                 |         |         | 319,000                                     |
| ART 29 2016                              | COLLINS CENTER FAÇADE                      |                               | 2,000,000                       |         |         | 2,000,000                                   |
| ART 34 2016                              | SCHOOL BUILDING MAINTENANCE & IMPROVE      |                               | 500,000                         |         |         | 500,000                                     |
| ART 30 2016                              | LOVELY FIELD TURF REPLACEMENT              |                               | 500,000                         |         |         | 500,000                                     |
|                                          |                                            | 18,414,553                    | 3,000,000                       | -       | 595,000 | 20,819,553                                  |
| <b>ROAD AND DRAINAGE</b>                 |                                            |                               |                                 |         |         |                                             |
| ART 45 2015                              | WOBURN ST SIDEWALK CONSTRUCTION            | 113,000                       |                                 |         |         | 113,000                                     |
| ART 62 2015                              | RIVER ST SIDEWALK CONSTRUCTION             | 301,000                       |                                 |         |         | 301,000                                     |
| ART 44 2015                              | MINOR STORM DRAIN IMPROVEMENTS             | 300,000                       |                                 |         |         | 300,000                                     |
|                                          |                                            | -                             |                                 |         |         | -                                           |
|                                          |                                            | 714,000                       | -                               | -       | -       | 714,000                                     |
| <b>CONSERVATION AND LAND ACQUISITION</b> |                                            |                               |                                 |         |         |                                             |
| ART 12 2001                              | LAND ACQUISITION LOWELL JC RD              | 800,000                       |                                 |         |         | 800,000                                     |
| ART 23 2002                              | CONSERVATION FUND                          | 400,000                       |                                 |         |         | 400,000                                     |
|                                          |                                            | 1,200,000                     | -                               | -       | -       | 1,200,000                                   |
| <b>TECHNOLOGY</b>                        |                                            |                               |                                 |         |         |                                             |
| ART 22 2012                              | TECHNOLOGY AND INFRASTRUCTURE              | 300,000                       |                                 |         |         | 300,000                                     |
| ART 40 2014                              | TECHNOLOGY HARDWARE & SOFTWARE             | 200,000                       |                                 |         |         | 200,000                                     |
| ART 38 2015                              | SAFETY & SECURITY UPGRADES                 | 600,000                       |                                 |         |         | 600,000                                     |
|                                          |                                            | 1,100,000                     | -                               | -       | -       | 1,100,000                                   |
| <b>TOWN BUILDINGS</b>                    |                                            |                               |                                 |         |         |                                             |
| ART 46 2015                              | TOWN BUILDING AND FACILITY MAINTENANCE     | 1,200,000                     |                                 |         |         | 1,200,000                                   |
| ART 28 2016                              | TOWN BUILDING AND FACILITY MAINTENANCE     |                               | 700,000                         |         |         | 700,000                                     |
| ART 57 2016                              | MEMORIAL PLAYSTAD PLAYGROUND               |                               | 120,000                         |         |         | 120,000                                     |
|                                          |                                            | 1,200,000                     | 820,000                         | -       | -       | 2,020,000                                   |
| <b>MISCELLANEOUS</b>                     |                                            |                               |                                 |         |         |                                             |
| ART 26 2016                              | DPW VEHICLES                               |                               | 350,000                         |         |         | 350,000                                     |
| ART 27 2016                              | FIRE APPARATUS                             |                               | 575,000                         |         |         | 575,000                                     |
|                                          |                                            | -                             | 925,000                         | -       | -       | 925,000                                     |
| <b>TOTAL GENERAL GOVERNMENT</b>          |                                            | 29,998,553                    | 4,745,000                       | 675,000 | 595,000 | 35,473,553                                  |
| <b>GRAND TOTAL</b>                       |                                            | 34,548,553                    | 7,195,000                       | 675,000 | 595,000 | 40,473,553                                  |

**To: *The Citizens of Andover***  
**From: *Sheila Doherty, Town Moderator***

Many of our citizens each year are new or recent transfers into our town from areas where the legislative body of the community is not governed by the Open Town Meeting. With this in mind, I feel that the following general information and guidelines will help meeting members as they deliberate the town meeting warrant.

### **INTRODUCTION TO TOWN MEETING**

The Town Meeting is a distinctly New England institution. It traces its origins in the New World to the Mayflower Compact and has evolved from the parish meetings dating from the time when all inhabitants of the town were also members of the parish.

Each early parish meeting had a Moderator - a person chosen because of his knowledge, fairness and moderate temperament. His word and his decisions had a force and effect of law.

All Town Meetings in New England are alike - and no two are identical. Town Meeting is the legislative and principal policy making body for the Town of Andover. It convenes at least annually at the specific time, date and place designated by the Board of Selectmen.

The Annual Town Meeting considers and adopts operating budgets for town and schools for the coming fiscal year and makes many other decisions, which will affect the quality of life for the citizens of Andover. Capital projects, zoning changes, street acceptances, general by-law changes, etc., all require votes of Town Meeting.

Any person registered to vote in Andover may participate and vote at Town Meeting.

### **THE WARRANT**

The agenda of the meeting is the Warrant. It is the warning to all inhabitants of the articles which will be discussed and may be voted on at the meeting. Articles are included in the Warrant at the discretion of the Board of Selectmen and by citizen petition. The Board of Selectmen sets the order of the Warrant.

The final printed and published Warrant is given to the Moderator for discussion and action at the Meeting. No additional articles are permitted, and no changes are permitted which would materially change the content or intent of the article. The inhabitants would not have had proper warning. Articles are not taken out of order for the same reason.

### **THE DEBATE**

Certain Rules observed by the Moderator flow from custom and tradition.

1. In order for an article to be considered, it must be moved and seconded. Proponents of the article are permitted to speak first.
2. Voters address the chair as Mr./Madam Moderator and when recognized, the voter should announce his/her name and address before proceeding to discuss a concern.
3. Any person having a monetary or equitable interest in any matter under discussion shall disclose the fact of that interest or employment before speaking.
4. Out of consideration to others, speakers should be brief, direct and concise. The Moderator will give everyone an opportunity to speak, but reserves the right to call for a vote to close debate if it is deemed that further discussion is no longer productive.

5. A motion from the floor to move the question can also close the debate. An affirmative vote on this motion closes debate and a vote on the main motion is taken. If the Moderator feels that the discussion has been cut too short, a decision may be made to continue the discussion until it is clear that the discussion is no longer productive.

### AMENDMENTS

1. Only one amendment is permitted at a time. By custom, we do not allow amendments to amendments. This helps to keep the process simple and understandable for the meeting participants.
2. Amendments which would in effect kill an article are not permitted – a “no” vote will accomplish the same results.
3. Amendments, by custom, must be written in triplicate and presented to the Moderator. One copy goes to the Moderator to read to the meeting for action, another copy goes to the Town Clerk for the official record, and a third copy is kept by the person who requests the amendment. Triplicate copy forms are available from the Town Clerk or the Ombudsman (available at the meeting to assist participants with their amendments.)
4. After an amendment is seconded and discussed, the Moderator calls for a vote on the amendment only. Debate then continues on the original motion or other amendments. The final vote is taken on the original motion, as amended.

### OTHER RULES

1. Motions to indefinitely postpone are not permitted. A proponent of an article should be given a fair hearing and leave the meeting with a decision.
2. Motions to reconsider are not permitted except in very rare instances where an error has occurred.
3. On matters of procedure, the Moderator’s decision is final. He/she may confer, however, with Town Counsel and request Town Counsel to explain any legal points to Town Meeting members.
4. Town meeting starts at 7:00 P.M. each night unless otherwise indicated by notice that there is no quorum. Traditionally, the Moderator will not start the discussion of an article after 10:15 P.M. unless, in the opinion of the Moderator, there is overwhelming sentiment and good reason to do so. Since the Town Meeting **must** be acted on *in toto*, some flexibility must be available for the final session.

Town Meeting Time, a handbook on the principles directing Town Meeting, is available to the public at most bookstores. Traditions built up over many years guide the conduct of Andover’s Town Meeting, modifying the principles set forth in the handbook.

Above all, the responsibility of the Moderator is:

- ♦ to keep the meeting orderly and moving;
- ♦ to protect the rights of those citizens who are unable, for whatever reason, to attend all segments of the meeting; and
- ♦ to assure that the will of the majority of those present and voting is secured.

*I encourage you to participate in this treasure of New England.....*

## TOWARD A BETTER UNDERSTANDING OF TOWN MEETING

Town Meeting participation demands a commitment of time, energy, effort, imagination, a sense of humor, intelligence, a dose of common sense, fair play and a deep appreciation of self-government - rare commodities, perhaps, but if they can't be found at Town Meeting, where are we to look?

### WHY TOWN MEETING

Town Meeting is the legislative and policy making body of the Town. It convenes, at least annually at the time and place designated by the Selectmen. It considers and adopts an operating budget, and considers other matters which require Town Meeting action such as zoning changes, street acceptances, by-law additions and amendments, or any other matter which affects the Town.

### TOWN MEETING PROCEDURES

Town By-Laws specify few procedures. The Town Meeting Improvements Study Committee has reviewed the most common procedures used in the past and suggest the following:

**ARTICLES** - All articles presented for consideration must be moved and seconded. A voter may be recognized by standing and saying "Mr. Moderator" or "Madam Moderator." Before making any remarks the speaker must give name and address. All articles shall be taken up in the order in which they appear in the warrant.

**BUDGET** - Questions on the budget are encouraged. A voter may address the Moderator on any line item in the finance committee report. Amendments can be offered and will be voted on individually.

**PRO & CON MICROPHONES** - The Moderator will introduce the use of pro and con microphones for articles that the Moderator judges may benefit from this procedure.

**AMENDMENTS & MOTIONS** - Amendments must be presented to the Moderator in writing (three copies). After discussion on the amendment the Moderator calls for a vote on the amendment only. If passed the original motion as amended is voted upon. Amendments to amendments are usually ruled out of order. Motions or amendments which differ materially from that printed in the warrant must be given to the voters in writing at the time of consideration, or shown on a screen readable by all voters. Motions to table are used rarely.

**VOTING REQUIREMENTS** - Most motions require a majority vote to carry. The Moderator will clarify the type of vote needed to pass an article as the meeting moves along. All bonding articles, zoning articles and eminent domain considerations require a two-thirds (2/3) vote.

**DECLARING THE VOTE** - The Moderator may decide the sense of the meeting by a voice vote. If in doubt, or, if the decision is questioned, a standing vote may be called for. A voter may request a standing vote.

**PRIVILEGED MOTIONS** - A speaker may be interrupted only for a point of order, a question of the legality of a motion, or a question to clarify information.

**PREVIOUS QUESTION, RECONSIDERATION AND DISPLAY** - Previous question is a formal motion which, if passed, cuts off debate. The motion is not debatable. It is allowed when in the Moderator's judgment the matter has been adequately discussed. Reconsideration is rarely used and only to correct an oversight or an illegality. Voters who wish to show slides or present other visual material should make arrangements before the meeting. The Town Clerk or Town Manager can advise. An ombudsman is present to assist voters in wording amendments or to answer questions on procedures.

**ADJOURN/DISSOLVE** - A meeting may adjourn to a later time and a different place, but when a meeting is dissolved it is finished. A meeting may not be dissolved until every article in the warrant has been acted upon.

## TOWN MEETING MEMBERS

All registered voters may participate in Andover's Open Town Meeting. Participants display prominently ribbons or badges which are given out at the beginning of the meeting and returned at its conclusion.

The business of the meeting is contained in the warrant (warning) and includes all matters on which the Town must act. Articles are inserted in the warrant by the Board of Selectmen and by Citizen Petition. The order is determined by the Selectmen.

**THE MODERATOR** - Presides over and conducts the meeting. This is an elected position.

**TOWN CLERK** - Is the chief election official, custodian of the Town's records, and recording secretary of the meeting.

**BOARD OF SELECTMEN** - (5) Elected policy making body, appoints Town Manager and compiles the warrant.

**TOWN MANAGER** - Appointed by the Board of Selectmen, the Manager prepares the budget and submits it to the Selectmen and the Finance Committee on or before a date certain. A voter may direct questions to the Manager relating to the budget or to warrant articles.

**FINANCE DIRECTOR** - Has primary responsibility for the budget, reports to the Town Manager, and is an information resource at the meeting.

**FINANCE COMMITTEE** - (9) Appointed by the Moderator, it reviews the budget, makes recommendations on all financial matters, prepares and distributes to all Andover households a printed report of its recommendations and other relevant information to assist Town Meeting in making final decisions.

**SCHOOL COMMITTEE** - (5) Elected and responsible for the operation of the educational system, prepares the school budget, appoints the Superintendent and defines educational philosophy and policy.

**SUPERINTENDENT OF SCHOOLS** - Chief executive officer for implementing school committee policy and directives.

**TOWN COUNSEL** - Chief legal officer and legal advisor to the Town Meeting.

**PLANNING BOARD** - (5) Appointed by the Manager with the approval of the Board of Selectmen, it advises Town Meeting on a range of planning and zoning matters.

**CONSERVATION COMMISSION** - (7) Appointed by the Manager as custodian of Town owned conservation land. It recommends land acquisitions to the Meeting.

**GREATER LAWRENCE TECHNICAL SCHOOL** - (1) Member elected as Andover representative to that school's committee. Explains Andover's share of operating costs.

**STATUTORY CONSTRAINTS ON TOWN MEETING**  
**(Refer to Chapter 39 of the General Laws for Precise Wording)**

The annual Town Meeting shall be held in February, March, April, or May.

The Selectmen shall insert in the warrant all articles requested in writing by ten or more registered voters. The warrant shall be published and posted at least seven days before the meeting stating the time and the place of the meeting and the subjects to be acted on.

The Town may by by-law establish the number of voters to constitute a quorum.

A Moderator must be elected to preside over the meeting, regulate proceedings, decide all questions of order and make public declaration of all votes. If a vote is questioned by seven or more voters, statute requires a standing vote. If the statutes require a standing vote the count shall be taken and the result shall be recorded by the Clerk. If the vote is unanimous the count need not be taken and the Clerk shall so record it.

No person shall address a Town Meeting without leave of the Moderator and all persons shall, at the request of the Moderator, be silent.

**BY-LAW CONSTRAINTS ON TOWN MEETING**

**MEETINGS** - The annual Town Meeting for the election of officers shall be held on the fourth Tuesday in March, each year. Andover has regularly adjourned its Town Meeting after the election to a later time for consideration of the rest of the Warrant. Special Town Meetings may be held at such times and places as the Selectmen may designate. Any meeting may be adjourned from time to time to any place in the Town.

**WARRANTS** - Attested copies of the Warrant shall be posted in or on the Town Hall and in at least one newspaper of general circulation within the Town fourteen days or more before the date of the meeting. The warrant for insertion of articles shall be open for not fewer than thirty-five consecutive calendar days, but the Selectmen may reopen the warrant if required.

**ANNUAL TOWN REPORT** - At least seven days before the annual meeting the Town Manager shall make available to all registered voters an annual report. A summary of the report shall be delivered to each Andover household at least seven days before the Annual Meeting, or may be included in the Finance Committee's Report.

**VOTE BY BALLOT** - A motion for a secret ballot is in order and requires approval of 25% of those voting.

**ADMISSION OF OTHER THAN REGISTERED VOTERS** - Only residents who are registered voters are allowed in the voting sections of Town Meeting. Unregistered voters and non-residents may request admission by submitting their names and addresses to the Moderator through election officials at the entrance of Town Meeting. They may be admitted by a majority vote of those present. The Moderator shall designate a place set apart from the general assembly where such persons may sit. The Moderator shall also set apart a space where accredited representatives of the press shall sit.

**DISCLOSURE OF INTEREST** - Any person having a monetary or equitable interest in any matter under discussion at any Town Meeting or employed by another having such as interest shall disclose the fact before speaking thereon.

**TWO-THIRDS VOTE** - On matters requiring a two-thirds (2/3) vote by statute, a count need not be taken unless the vote so declared is immediately questioned by seven or more voters as provided in General Laws Chapter 39, Section 15. Before considering another warrant article the Moderator shall ask if the two-thirds (2/3) vote is questioned.

**VOLUNTEER TO SERVE ON A  
BOARD, COMMITTEE, COMMISSION OR TASK FORCE**

Much of the business of town government is conducted by appointed volunteers who contribute generously of their time and effort. The Town of Andover currently has numerous appointed commissions, councils, and committees with members typically serving three-year terms. Although the frequency of meetings varies depending on the responsibilities and workload of the particular commission, council, or committee, most conduct meetings either monthly or biweekly.

If you are interested in serving your town as an appointed volunteer, please fill out an online form at <https://andoverma.gov/Volunteer>. When vacancies occur on a particular commission, council, or committee, the appointing authority will typically review the forms on file and seek input from the remaining members for finding a replacement. For additional information on a specific commission, council or committee, please contact the chairperson or a member thereof.

## **NOTES**

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# TOWN OF ANDOVER

## TOWN MEETING PROCEDURE AT A GLANCE

| To do this...                                                         | You say this.....                                        | May you Interrupt Speaker? | Must you Be Seconded? | Is the Motion Debatable? | What vote is required?          |
|-----------------------------------------------------------------------|----------------------------------------------------------|----------------------------|-----------------------|--------------------------|---------------------------------|
| Request Information                                                   | Point of Information                                     | Yes                        | No                    | No                       | No Vote                         |
| Complain about noise, sound, general room conditions, etc....         | Point of Privilege                                       | Yes                        | No                    | No                       | No vote                         |
| Object to procedure or personal affront                               | Point of order                                           | Yes                        | No                    | No                       | No vote<br>Chair decides        |
| Introduce Business<br><i>(a primary motion)</i>                       | I move that.....                                         | No                         | Yes                   | Yes                      | Majority                        |
| Ask for a vote count to verify a vote                                 | I call for a standing count...                           | No                         | No                    | No                       | No Vote                         |
| Amend a motion                                                        | I move to amend this motion                              | No                         | Yes                   | Yes                      | Majority                        |
| End Debate<br><i>Can be denied by Moderator at his/her discretion</i> | I move the question                                      | No                         | Yes                   | No                       | 2/3 vote                        |
| Reconsider something already disposed of                              | Meeting only reconsiders a vote if an error has occurred |                            |                       |                          | Chair corrects with proper vote |
| Recess the meeting                                                    | I move that we recess until....                          | No                         | Yes                   | No                       | Majority                        |
| Adjourn the meeting                                                   | I move we adjourn                                        | No                         | Yes                   | No                       | Majority                        |

*Town of Andover  
36 Bartlet Street  
Andover, MA 01810*

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***PLEASE BRING THIS REPORT WITH YOU TO TOWN MEETING***

**Monday, May 1, 2017  
7:00 P.M.**

**J. EVERETT COLLINS CENTER  
ANDOVER HIGH SCHOOL AUDITORIUM**