

Call to Order

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Chair Paula Colby-Clements called the meeting to order at 7:00pm. Present were Emran Baqui, William Haskell, Kim Perry, Paula Colby-Clements, Brian Major, Yican Cao and Jerry Pendleton. Also present was Town Manager, Andrew Flanagan and Chief Financial Officer, Hayley Green. Deidre Lockhart and Andy McBrien were absent.

General Updates from the Town Manager

The budget is scheduled to be released on Friday and we are balanced. One of the biggest developments, the Governor released the budget about two weeks ago. Andover's overall state aid allocation increase is 2.7%. The only two that we track and make assumptions from are chapter 70 and unrestricted government aid. Unrestricted government aid is going up just under 1% and chapter 90 is going up 2.6%. Net in terms of what was projected it is about \$90k.

We have increased excess levy and reduced our new growth projection by 10% below the ten-year average due to some uncertainties.

On the expense side, the most significant increase was health insurance. We are making a significant increase in our OPEB funding and a significant increase in the unfunded portion of our pension.

In terms of service, we are recommending the final phase of the third ambulance. This will be offset with ambulance revenue. We are going to restore the Assistant Fire Chief position.

We will also have a dedicated traffic/transportation engineer, and we are going to "in house" manage Andover TV to run the Government portion. We are also recommending \$142M in capital improvements to the water distribution system and the water treatment plant over the next five years. We are going to fund a Capital Project Manager out of the enterprise fund. We are under the ten-year average for tax bill for next year.

CIP Review – Facilities

Director of Facilities, Janet Nicosia and Deputy Director of Facilities, Eric Akalski, presented their capital requests for FY2027-FY2031.

FAC-1: Town Projects – Building Division FY27 Request: \$575,000. This request focuses on Preventative maintenance, accessibility compliance, and sustainability and includes ADA compliance upgrades, Roof and building envelope repairs, Door and hardware replacements, Interior painting, flooring, ceilings, Masonry, sidewalks, curbs, Playground repairs, Security system upgrades and General town building improvements. The Town Manager supports funding for this article.

FAC-2: Mechanical & Electrical Divisions FY27 Request: \$485,000. This request focuses on safety, regulatory compliance, energy efficiency, and infrastructure reliability and includes AED maintenance, Asbestos abatement, Fire alarm and life safety systems, Electrical and elevator upgrades, HVAC and building automation upgrades, Plumbing repairs, Traffic light and streetlight upgrades, Public Safety shooting range lead abatement and Engineering services. The Town Manager supports funding for this article.

Mr. Major asked how inflation has influenced pricing on materials. Ms. Nicosia explained that it is affecting larger steel and mechanical items. As a follow up Mr. Major asked if the cost of materials is

slowing the Department down or putting any restraint on the work they can do. Ms. Nicosia stated that things are not slowing down. Everyday supplies have not been affected. Work orders are tracked and if they are getting heavy in any division, they can call in their on-call contractors.

FAC-3: Town & School Security FY27 Request: \$200,000. This request focuses on public safety, digital upgrades, and expanded monitoring capabilities and includes Camera installations (fields, intersections, buildings), Digital camera system upgrades, Access control server/software upgrades and School security vestibules and improvements. The Town Manager supports funding for this article.

FAC-4: Town Vehicles FY27 Request: \$230,000. This request focuses on Fleet reliability and carbon reduction in alignment with Green Community goals and includes Vehicle replacement program (10-year lifecycle). Includes transition toward electric vehicles where feasible. The Town Manager supports funding for this article.

FAC-5: Parks & Playgrounds FY27 Request: \$5,375,000. This request focuses on Community recreation access, ADA improvements, and long-term park planning and includes major recreational investments including Chandler Road Recreation Area Phase II, Penguin Park accessibility improvements, Pumps Pond bathhouse, Recreation Park improvements (restrooms, courts, parking, traffic), Shawsheen River access improvements, Dale Street and other park enhancements. The Town Manager supports funding for this article.

FAC-6: Major Town Projects FY27 Request: \$1,475,000. This request focuses on the Preservation of historic buildings, infrastructure upgrades, and energy efficiency and includes Central Fire Station kitchen remodel, Multiple improvements at Memorial Hall Library (stairs, fencing, HVAC, elevator, studies, exterior work), Old Town Hall structural and exterior restoration, Public Safety Center paving and rooftop HVAC maintenance, Town Offices renovations and window replacement, Code compliance improvements. The Town Manager supports funding for this article.

Ms. Colby-Clements asked if we know what we are looking to improve at Memorial Hall Library or are we depending on the consultant/study to help us decide. Ms. Nicosia stated that this would be a community process and the Town would be seeking input.

FAC-7: Town & School Energy FY27 Request: \$125,000. This request focuses on Energy efficiency, carbon reduction, and long-term operational savings and includes School ventilation upgrades, LED lighting retrofits, Boiler replacements, HVAC improvements and Future electrification and EV fleet planning. The Town Manager supports funding for this article.

Review of Town Audit

Chief Financial Officer, Hayley Green shared the Town of Andover Annual Comprehensive Financial Report. CBiz CPAs are our current auditors. They completed the FY25 audit and the audit committee met last week to accept and approve the statements. It was noted that the Town financials are in compliance with both GAAP and Gasb standards. There was one new Gasb statement that was implemented. It's called Gasb 101 which is for compensated absences. The guidance for how to audit that statement was given late in the game so the Town provided a lot more detail than they normally would and it ended up resulting in a \$10.7M to our overall position.

The Pension Liability decreased from \$22.7M down to \$6M due to investment income earned. That left us as 97.9% funded.

The OPEB liability increased from \$4.8M to \$93M. The Town continues to contribute to the OPEB trust fund. They contributed about \$2M last year leaving a balance in the trust of \$38.3M. This is one of the top ten in the state.

Liaison Updates

None

Approval of Minutes of December 3, 2025, Tri Board meeting

Upon motion, duly made by Mr. Major and seconded by Ms. Perry, it was unanimously voted to approve the minutes of the December 3, 2025, Tri Board Meeting.

Adjournment

Upon Motion made by Mr. Major and seconded by Ms. Perry, it was unanimously voted to adjourn at 8:23pm.

Documents:

FY2027-FY2031 Capital Improvement Program

Town of Andover Annual Comprehensive Financial Report

Respectfully submitted,

Amy Salvi
Recording Secretary