

Town of Andover

Connecticut



Annual Report

2018 – 2019

Fiscal Year 07/01/2018 to 06/30/2019



Office of the Town Administrator

February 2020

Dear Residents,

The following is the Annual Report for the 2018-2019 Fiscal Year containing reports compiled from town departments and our school administrations. The Auditor's report will be located at the end of this Annual Report.

This past year has been a time of growth and opportunity. Please see details of this past year's progress in our Annual Report. We are currently working hard on numerous changes for our town including but not limited to: new town website, town hall technology upgrade, Public Works and Transfer Station improvements, road work and more. I appreciate your patience and trust during this exciting time.

Thank you to all of our volunteers who spend countless hours of their time and energy to improve our community. Thank you to all of our boards and commission members for your great efforts for our town. Thank you to the members of our Andover Fire Department for all of their hard work and dedication. Thank you to our Town Hall, Public Works, Transfer Station and Public Library staff for all you do each day. Thank you to our residents for choosing Andover as your home. Thank you all.

Cheers,

Eric Anderson, Town Administrator
Town of Andover, CT
17 School Road, Andover, CT 06232
Phone: 860.742.7305 x210
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www.andoverct.org

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ELECTED OFFICIALS 2018-2019

Office	Officer Name	Position	Term
Board of Selectmen	Robert Burbank Jeffrey Maguire Cathleen Desrosiers Julia Haverl Jay Linddy	First Selectman Vice Selectman Selectman Selectman Selectman	07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19
Board of Education	Shannon O'Neil Loudon Gerard Crème Lisa L. Hewett Jay Linddy Danielle Burke Maguire Cynthia L. Murray Michael Scott Russo	Chair Member Member Member Member Member Member	07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-01-17 to 06-30-21 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-01-15 to 06-30-19
Board of Education Region 8 (RHAM)	David Gostanian Stephanie Bancroft	Treasurer Secretary	07-01-15 to 06-30-23 03-29-18 to 06-30-23
Board of Assessment Appeals	Elaine Buchardt Penny Auer Georgette Conrad James C. R. Dake Margaret Wright	Chair Member Member Member Member	07-01-15 to 06-30-19 11-05-15 to 06-30-19 07-26-17 to 06-30-19 07-01-15 to 06-30-19 *Resigned 06-05-17 07-01-15 to 06-30-19 *Resigned 10-06-15
Board of Finance	Daniel H. Warren Robert T. England Linda H. Fish Dennis Foran David S. Hewett Adrian Mandeville Jeffrey A. Murray Ted Sakelarakis Eric Shevchenko	Chair Vice Chair Member Member Member Member Member Member Member	07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-01-15 to 06-30-19 07-01-15 to 06-30-19 *Resigned 10-28-15 07-01-17 to 06-30-21 10-28-15 to 06-30-19 07-01-17 to 06-30-21 07-01-15 to 06-30-19 *Resigned 09-15-15 11-18-15 to 06-30-19
Board of Fire Commissioners	Wallace Barton Jr. Curtis Dowling Mark Williams Gerry B. Wright Scott E. Yeomans	Chair Member Member Member Member	07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-01-17 to 06-30-21
Planning and Zoning Commission	Eric Anderson Robert Hamburger Leigh Ann Hutchinson Mike Palazzi Scott Person John H. Cochrane Gerald Hardisty Jesse Person Jed Larson Edward Sarisley Jr.	Chair Vice Chair Member Member Member Alternate Alternate Alternate Alternate	07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-01-17 to 06-30-21 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-17 to 06-30-21 07-18-16 to 06-30-19 *Resigned 08-23-17 10-16-2017 to 6-30-19 07-01-15 to 06-30-19 *Resigned Jan 2019
Registrars of Voters	Linda Derick Wallace Barton	Democratic Party Republican Party	Until 12-31-20 Until 12-31-20
Town Clerk's Office	Carol Lee	Town Clerk	Until 06-30-23

Zoning Board of Appeals	Evelyn Russell David Hewett Jonathan Yeomans Wayne Thorpe Caren Osborne Dorothy Yeomans Walter Weir Jr.	Chair Member Member Member Member Member Member	07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19 07-01-15 to 06-30-19
Justices of the Peace	Elaine Buchardt Margaret H. Busch Georgette M. Conrad Joan V. Foran George Kitchin Carol H. Lee Katherine Marcia Jay K. Linddy Dawn D. Quint Robert C. Russell Erich Siismets Kristina M. Wilsey Richard G. Swartwout Jr. Suzanne Langlois		Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20 Until 12-31-20

APPOINTED BOARD, COMMISSION, COMMITTEE MEMBERS 2018-2019

Office	Officer Name	Position	Term
Beautification Committee	Joan Foran Patricia Billings Laurie Easton Valerie Jurovaty Emily Timreck	Chair Member Member Member Member	07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19
Capital Improvement Planning Committee	Fred Oliver Eric Anderson Curt Dowling Shannon Loudon Jeff Maguire Eric Shevchenko Louise Goodwin Adrian Mandeville Edward Sarisley Jr.	Chair Member Member Member Member Member Member Member Member	01-03-18 to 06-30-19 12-05-18 to 06-30-19 *Removed 07-10-19 12-06-17 to 06-30-19 01-03-18 to 06-30-19 12-6-2017 to 6-30-2019 *Removed 07-10-19 12-6-2017 to 6-30-2019 *Resigned 09-03-18 09-17-19 to 06-30-21 11-28-18 to 06-30-19 03-06-19 to 06-30-19
Commission on Aging	Judy Knox George O'Brien Cathy Palazzi Elinor Skoog Elaine Buchardt	Chair Trip Consultant Senior Coordinator Member Member	07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19
Conservation Commission	Mike Palazzi Carrie Crompton Andrea Gaines Maryann Gile Meghan Lally Scott Warren	Chair Member Member Member Member Member	07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 *Resigned 11-04-17 07-01-17 to 06-30-19 *Resigned 09-03-19 03-27-18 to 6-30-19 *Resigned 07-01-17 to 06-30-19
Economic Development Commission	Elaine Buchardt Patrick Dougherty Cathy Palazzi	Chair Member Member	12-06-17 to 06-30-19 12-06-17 to 06-30-19 01-03-18 to 06-30-19
Farmers' Market Committee	Amanda Gibson Elaine Buchardt Shirley Deflavis Kaila Lockhart Celeste Willard Lucie Wilson Meghan Moriarity	Chair Secretary Member Member Member Member Alternate Member	05-17-18 to 06-30-19 07-01-17 to 06-30-19 05-17-18 to 06-30-19 06-27-18 to 06-30-19 06-27-18 to 06-30-19 06-27-18 to 06-30-19 08-01-18 to 06-30-19
Inland Wetlands Commission	John England Meghan N. Lally Mike Landolphi Jed Larson Richard Osborne Wayne Thorpe Bethany Busch George Elliot Ed Smith Jim Hallisey	Chair Member Chair Member Member Member Member Alternate Alternate Alternate Alternate	07-01-17 to 06-30-19 *Resigned 03-28-18 08-02-17 to 06-30-19 *BOS meeting 08-02-17 07-01-17 to 06-30-19 01-09-19 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 07-01-17 to 06-30-19 *Resigned 11-8-2017 01-14-19 to 06-30-19 07-01-17 to 06-30-19 01-14-19 to 06-30-19

APPOINTED BOARD/COMMISSION/COMMITTEE MEMBERS 2018-2019

Office	Officer Name	Position	Term
Library Board of Directors	Cathleen Desrosiers Mimi Boxwell Linda Fish Dianne Grenier Lisa A. Kurtz Julie Victoria Jeffery C. Ballard Sharon Shevchenko	Chair Member Member Member Member Member Alternate Alternate	07-01-17 to 06-30-19 07-01-17 to 06-30-19 *Resigned 2-7-18 07-01-17 to 06-30-19 07-01-17 to 06-30-19 04-04-18 to 06-30-19 07-01-17 to 06-30-19 04-04-18 to 06-30-19 04-04-18 to 06-30-19
Memorial Day Committee	Karin Denley John E. McCall Lauren Person Gerard Scagliola Wayne Thorpe	Chair Member Member Member Member	12-06-17 to 06-30-19 *Resigned 2019 12-06-17 to 06-30-19 12-06-17 to 06-30-19 *Resigned 2018 12-06-17 to 06-30-19 12-06-17 to 06-30-19
Norton Children's Fund Commission	Dianne Grenier Cheryl Mayhew Sue Schmidt Debra M. Thompson Heidi Xenophontos	Chair Member Member Member Member	12-06-17 to 06-30-19 8-2-17 to 6-30-19 12-06-17 to 06-30-19 *Resigned 07-31-18 7-1-2017 to 6-30-2019 *Resigned 7-10-18 12-06-17 to 06-30-19
Olde Andover Burying Ground Committee	Michael Kurdzo Robert Post Steven Fish Catherine Palazzi Maria Tulman	Chair Vice Chair Member Member Member	9-24-2019 to 6-30-2021 9-24-2019 to 6-30-2021 9-24-2019 to 6-30-2021 9-24-2019 to 6-30-2021 9-24-2019 to 6-30-2021
Recreation Commission	Carol Lee Brian Briggs Ann Marie Daigle Joseph King Michelle Lorentz Kimberly Hawes	Chair Member Member Member Member Alternate	10-2-19 to 6-30-21 10-2-19 to 6-30-21 10-2-19 to 6-30-21 10-2-19 to 6-30-21 10-2-19 to 6-30-21 10-2-19 to 6-30-21
Safety Committee	Joseph Higgins Curt Dowling Sally Doyen RST Darrell Tetreault Ed Kasacek Carol Lee Dianne Grenier Cathy Palazzi	Chair Member Member Member Member Member Member Member	Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19 Term ends 6-30-19
Senior Transportation Committee	Cathy Palazzi George Knox Mike Wallace Elaine Buchardt Judy Knox Sue Schmidt Elinor Skoog Sue Abrams	Chair/Senior Coordinator Driver Treasurer/Secretary Member Member Driver Driver Member	7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19 7-1-17 to 6-30-19

TOWN DEPARTMENT STAFF 2018-2019

Animal Control Officer	Scott Beebe
Assessor	John Chaponis
Assistant Assessor	Roberta Dougherty
Building Official	Edward Kaulback
Building Department Administrative Assistant	Kathy Luntta
Burning Official	Edwin Kasacek
Eastern Highlands Health District	Holly D. Hood, MPH, RS Sanitarian II
Emergency Management (CERT)	Paul Bancroft - Coordinator
Inland Wetlands Agent	John Valente
Land Use Board Clerk	Amanda Gibson
Municipal Agent/Social Services Director	Laurel Edwards
Public Works	Edwin Kasacek - Foreman Tim Higley - Highway Maintainer Tom Pearl - Highway Maintainer
Registrar of Voters	Wallace Barton – Republican Party Linda Derick – Democratic Party
Resident State Trooper	Darrell Tetreault
Tax Collector	Eileen Curtin
Town Administrator Administrative Assistant	Eric Anderson Linda McDonald
Town Attorney Town Land Use Attorney	Dennis O’Brien Mark Branse
Town Clerk Assistant Town Clerk	Carol Lee Therese Gonyea
Town Engineer	Gerald Hardisty
Town Historian	Scott Yeomans
Transfer Station	Dominic DiRico
Treasurer Assistant Treasurer	Barbara Griffin Maureen Brancado
Tree Warden	Edwin Kasacek
Volunteer Fire Department	Ron Mike – Chief Michael Lester – Fire Marshal
Zoning Enforcement Officer	John Valente

ANIMAL CONTROL OFFICER

Annual Report 2018-2019

I have responded to over 40 calls during the 2019 calendar year. In addition to the 40 plus calls I responded to, I answered an additional 10 phone calls that did not require me to respond. The average time to handle a call that responded to was 2.5 hours.

On three occasions, I was called to assist the state police. One of those calls required me to remove deceased animals from a burnt out home. On another occasion, I had to catch several cats in a home where a deceased person lived. The home was in a condition of squalor. The animals were hiding throughout the home and it took several hours to make sure I had retrieved all the pets. I did not have a hazmat suit or respirator when working in those conditions. I also had to rescue a cat from a tree. It took three days to complete that rescue.

I responded to a bear sighting on Hickory Hill Rd. I also have responded to calls for loose cows and horses.

I needed to respond to a home and capture a bat. Since the bat had possible human contact, it required me to have the bat put to sleep and transport it to the State Department in Rocky Hill for rabies testing.

I also responded to four calls involving raccoons. Two which I have to dispose of the bodies and two which I had to remove from barns.

I impounded 4 dogs during the calendar year. The average stay of the impounded animals was 2 nights.

I look forward to continuing to serve as your animal control officer for this year.

Respectfully submitted,

Scott W. Beebe
Andover Animal Control Officer
(860) 428-7684

ASSESSOR'S OFFICE

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The Assessor is required to plan, direct, organize and implement a continuing town-wide program of real and personal property assessment for the purposes of local taxation as prescribed by state statute. The Office of the Assessor is responsible for discovering, listing and valuing all taxable and exempt real and personal property within the corporate limits of the Town and appraises real estate based on the market value as of the date of the last town-wide revaluation. We maintain a "street card" on every parcel in town which contains the specific data on each property. Street cards are updated wherever any changes occur in ownership or condition. The Assessor must inspect and value all newly created building lots, newly constructed homes, as well as any parcels which had changes, improvements, or additions to their existing properties.

State statutes govern almost every function and responsibility of the Assessor's office and require every municipality to perform a town-wide revaluation every five years. Andover completed our last town-wide revaluation effective for the October 1, 2016 Grand List and will perform our next town-wide revaluation in 2021. We expect that contract to be awarded in the spring of 2020 with the project beginning that fall.

The Office of the Assessor is also required to assess Personal Property (predominantly business equipment), registered motor vehicles, and unregistered motor vehicles. Pursuant to State Statutes, motor vehicles are not valued based on their market value and are solely assessed based on 100% of the retail book price with no adjustments for mileage or condition. Personal property is valued based on its original acquisition cost multiplied by a depreciation table (for age) similar to that of the IRS.

The 2018 Grand List indicates 1,675 real property accounts, 261 personal property accounts, 4035 regular registered motor vehicles and approximately 637 supplemental vehicles.

State Statutes required the Assessor to file an annual Tax List (Grand List). The Grand List is book that contains all of the taxable property and assessments for each fiscal year. The Grand List is open for public inspection and can be found in the vault in the Town Clerk's Office.

Additionally, the assessor's office administrates exemption programs for the blind, disabled, elderly, veterans who served during wartime, disabled veterans, and handicapped modified motor vehicles. The elderly, disabled, and additional veteran's programs are income qualified. For more information on exemption programs you may contact our office at 860-742-7305 X5.

Respectfully submitted,

John Chaponis
Assessor

BEAUTIFICATION COMMITTEE

Annual Report 2018-2019



The Beautification Committee planted, watered, and maintained the Veterans Monument Park, areas around the Town Office Building and gazebo. Annual flowering plants were provided for the Olde Andover Burying Ground, the Old Andover Town Hall, the Doris Chamberlain Nature Preserve and the Rail Trail Bridge.

The Committee prepared the park and town grounds for Memorial and Veterans Days observances, as well as providing seasonal clean-ups, and decorations. Litter and debris were removed during the year from these areas as well as the Rail Trail. The Committee and other volunteers raked, trimmed, weeded, pruned woody ornamentals, fertilized the plantings, and coordinated the activation of the electric pump for the watering of the park. Flags were displayed on Hebron Road from Veterans Monument Park to School Road from Memorial Day to Veterans Day. A wreath was provided for the Veterans Day observances in coordination with the Andover Recreation Committee.

Committee members restored the gardens in front of the Town Community Room after the sidewalk installation.

The Andover Beautification Committee wishes to thank Andover Fire Department, Ron Mike Jr., Rusty Billings, Ed Jurovaty, Carrie Crompton, Cathy Desrosiers, Julia Haverl, Matt and Cathy Cordner, Andover Landscaping, Hurst Farm, M and M Oil Company, Woodland Gardens, Bob Farrand, Lois and John Handfield, Bill and Lorraine Liswell, John Quigliano, Dennis Foran, Carol Lee, Therese Gorry, Barbara Griffin, Maureen Brancata, Skip and Dottie Scagliola, Maria Tulman, Alan Roy, Andy Gasper, Scott Person, Scott Yeomans, Kim Silcox, Student Affairs Department, staff and students from Eastern Connecticut State University, the Public Works personnel, Ed Kasacek, Tom Pearl, and Tim Higley.

Thank you to the Ole Andover Burying Ground Committee, Jeff Ballard, Mike Kurdzo, Cathy and Mike Palazzi, Bob Post, Steve Fish, and Maria Tulman. Their Committee watered the planters at the Burying Ground during the spring and summer months.

The care of Veterans Monument Park is truly a labor of love for the Beautification Committee members and our way of honoring all veterans who served and sacrificed for our country. The Beautification Committee was proud to have Andover Veterans Monument Park honored by nationwide veterans group as a Distinguished Monument, one of the hundred honored across the United States.

Respectfully, Joan Foran, Chairman

Andover Beautification Committee Members: Pat Billings, Lori Easton, Valerie Jurovaty, and Emily Timreck

BOARD OF ASSESSMENT APPEALS

Annual Report 2018-2019



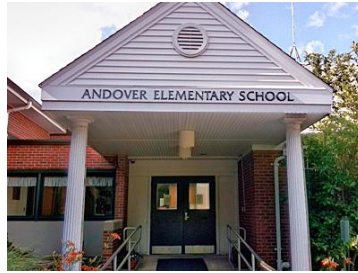
The Andover Board of Assessment Appeals consisted of Elaine Buchardt, Penny Auer and Georgette Conrad. We had automobile appeals hearings in September 2018 and heard appeals from four residents. Decisions were rendered by the end of September.

The board held three appeals hearings in March 2019 and heard 7 appeals on real estate, business assessments and supplemental auto. Final decisions submitted the end of March 2019.

Elaine Buchardt (chairman)

BOARD OF EDUCATION

Annual Report 2018-2019



Andover Elementary School (AES) continued to excel during the 2018-2019 school year.

◆ RECENT SCHOOL AWARDS

- School of Distinction for third consecutive year (High Academic Performance in ELA, Math, and Science for all students, and for high-needs students).
- Top 20% of Connecticut Elementary Schools 2020 (*Niche.com*).
- Top 5% of Best Public Elementary School Teachers in Connecticut 2020 (*Niche.com*).
- Recipient of Be Internet Awesome grant from CT PTA.

◆ STUDENT ACADEMIC HEALTH

- Small, student-centered school, Pre-K – 6th Grade.
- “Makerspace” student technology center integrated into all grades.
- Average Pupil to Classroom Teacher Ratio = 14 Students/Teacher.
- Full-day Kindergarten.
- NAEYC accredited full-day preschool.
- 1:1 ratio of computers in grades 3 – 6.
- 71-74% of students in grades 3 – 6 at or better than goal on the State Smarter Balanced Assessment in both Math and ELA.
- Regional 6 – 12 secondary school, RHAM Middle School, ranked in top 18% CT Middle Schools, 2020 (*Niche.com*).
- Active and involved PTA.

◆ STUDENT SOCIAL, EMOTIONAL, AND PHYSICAL HEALTH

- K – 6 classes in Health: making positive choices, eating healthy foods.
- CT Healthy Foods certification for breakfast/lunch program.
- School-wide positive student recognition:
 - Silver Sneaker Award
 - Lunch with the Principal
 - Student-led assemblies for monthly character themes
- RULER (recognizing, understanding, labeling, expressing, and regulating emotion) Program implementation through Yale’s Center for Emotional Intelligence.
- Student “buddies” for new students.
- Support services from School Social Worker, School Psychologist, Occupational Therapist, Physical Therapist, Speech and Language Pathologist, School Nurse.
- Nurse’s office on each floor to meet student needs.

◆ AES FACULTY AND STAFF

- Special Area Teachers for Art, Music, PE/Health, Library/Media, Technology, Reading, Math, and Spanish.
- Full-time School Nurse.
- Paraprofessionals on staff for classroom and student assistance.
- Pre-K paraprofessionals trained in Early Childhood Education.
- Staff certified in First Aid, CPR, and Emergency Responses.

◆ SPECIAL SUBJECT AREAS

- Spanish taught in grades 2 through 6.
- Computer Education taught in Pre-K through grade 6.
- Comprehensive Music program.
- Chorus, Beginner Band, Advanced Band, Jazz Band, General Music.
- Annual special school-wide projects including Art Show, Science Fair, Curriculum Night, Winter Concert, Spring Concert, Read Across America, Scripps's Spelling Bee, National Geographic Geography Bee.

◆ STUDENT CLUBS AND ACTIVITIES

- Lego League
- After-school Clubs: Archery, Chess, Lego, Technology, Homework.
- Andover Community Service Day.
- Before and after school licensed on-site child care.

◆ FACILITIES AND RESOURCES

- Excellent, well-maintained buildings and grounds.
- Large playground and pavilion for Pre-K through grade 6 students.
- Proximity to Fire/Police Stations.
- Resident State Trooper presence in and around building.

Overall, Andover Elementary School is a center of learning, growing, creating, and caring. The 2018-2019 school year was an outstanding year with many opportunities for all AES students.

Submitted by,

Dr. Sally E. Doyen, Superintendent

BOARD OF SELECTMEN

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Members of the Board of Selectmen with the term expiring June 30th, 2019 listed as the following:

Robert Burbank, First Selectman
Jeffrey Maguire, Vice Selectman
Cathleen Desrosiers, Selectman
Julia Haverl, Selectman
Jay Linddy, Selectman

The Board of Selectmen met on the following dates:

July 2nd, 2018 Special Meeting
July 11th, 2018 Regular Meeting
August 9th, 2018 Special Meeting
August 27th, 2018 Special Meeting
September 5th, 2018 Regular Meeting
September 11th, 2018 Special Meeting Executive Session
October 3rd, 2018 Regular Meeting
November 7th, 2018 Regular Meeting
December 5th, 2018 Regular Meeting
January 9th, 2019 Regular Meeting
January 14th, 2019 Special Meeting
January 17th, 2019 Special Meeting and Public Hearing
January 28th, 2018 Special Meeting
February 4th, 2019 Special Meeting
February 6th, 2019 Regular Meeting
February 11th, 2019 Special Meeting
February 19th, 2019 Special Meeting
February 25th, 2019 Special Meeting
March 4th, 2019 Special Meeting
March 6th, 2019 Regular Meeting
April 3rd, 2019 Regular Meeting
May 1st, 2019 Regular Meeting
June 5th, 2019 Regular Meeting
June 10th, 2019 Special Meeting

BUILDING DEPARTMENT

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Ed Kaulback is the Town Building Official. Please contact the department administrative assistant for scheduling inspections, answering questions and taking messages for the Building Official.

Susan Magri is the Building Department's Administrative Assistant. The office hours are Monday 10:15 A.M. to 5 P.M., Tuesday through Thursday 8:15 A.M. to 4:00 P.M. The office is also open Monday evenings from 5 P.M. to 7:00 P.M. The Town Office Building is closed on Fridays. The secretary is in the office to assist the public in any way possible.

**Below is the building permit activity for the past year.
2018 - 2019**

New Houses (includes tear down & rebuild)	6
New Commercial	0
Commercial Additions/Alterations	5
Residential Alterations/Remodeling	63
Residential Additions	9
Residential Utility Buildings	5
Pools	3
Demolition	3
Other – Electric	34
Heating	42
Plumbing	17
Mechanical	29
Total Permits Issued	221

Inspections Performed:

Building 138, Electrical - 70, Plumbing - 70, Mechanical 26, Heating, 6 - Total Inspections: 310

Respectfully submitted,
Edward Kaulback, Building Official

CAPITAL IMPROVEMENT PLANNING COMMITTEE

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The Capital Improvement Planning Committee (CIP) serves an administrative and investigative function for the Board of Selectman and the Board of Finance. Capital improvements requested by any boards, committees, departments or agencies for the town that cost more than \$3,000 (set in the charter) are sent to the Board of Selectmen, who decide which ones will be reviewed by the CIP. Requestors need to provide a minimum of three quotes to be considered for acceptance. The CIP meets with requestors to determine need and priority. They may also investigate further to determine more cost-effective ways to accomplish the same goal. The CIP creates a list of approved items and funds to be included in the budget to purchase them. This list is presented to the Board of Selectmen and the Board of Finance.

The CIP committee consists of representatives from the Board of Selectman, Board of Finance, Board of Education, Fire Commission, and three at large members.

The Committee consisted of the following members: Chair, Fred Oliver, Board of Selectman representative Adrian Mandeville, Board of Finance representative Louise Goodwin, Board of Education representative Shannon Loudon, Fire Commission Representative Curt Dowling, and at-large member Ed Sarisely.

The Committee made the following recommendations for the 2018-2019 fiscal year:

Fire Department:

\$400,000 to purchase a pumper-tanker truck

Public Works Department:

Rent with intent to purchase a Volvo L60 wheel loader.

Fund the purchase of a Peterbilt plow truck.

\$39,000 for the purchase of an F250 truck with snow plow

Transfer Station:

\$25,000 for repair of the concrete block retaining wall.

\$10,000 for the purchase of a new building

Veterans Memorial Field (Long Hill Field):

\$15,000 to pave the walking track

Town Hall:

\$25,000 to create a technology upgrade fund

Respectfully Submitted,

Fred Oliver

COMMISSION ON AGING

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Our members consist of Elaine Buchardt, Judy Knox Chairman, Georgia O'Brien Trip Consultant, Cathy Palazzi Senior Coordinator, Elinor Skoog.

We hold meetings four times per year. We encourage seniors to attend these meetings so that the commission will hear any issues of concern that need to be reported to Town Officials.

Goals FY 2018/2019:

- Cracked glass replaced in Community Room.
- The former BOS had a request on the agenda for the past three years to improve the acoustics in the community room but there is never money allotted in the budget to make repairs so residents hear better when they attend meetings
- Long Term Committee has been working on building a Community Building/Senior Center.
- Seniors meet bi-monthly in the Town Hall Community Room, at AFD for monthly movies and at Andover Pizza for their weekly luncheons.
- The senior coordinator working with the AES Superintendent, BOE and BOS for a temporary solution to find a new home for the seniors.

Our Trip Consultant, Georgia O'Brien does an excellent job of providing a variety of trips for the seniors to enjoy. Goodspeed, Little Theater of Manchester, Aqua Turf, Finnegan's, for lunch, Empty Bowl at RHAM.

Goals for FY 2019/2020:

- Find adequate space for the seniors to meet
- Organize birthday cake for all those 90+ and hold a celebration in the town for all.
- Continue luncheons on Fridays at Andover Pizza
- Bring entertainment to seniors monthly.
- Encourage Municipal Agent to become part of our COA meeting.
- Send letters to seniors in town telling them of activities/trips available encourage them to attend
- Create By-Laws

Our Commission works hard to care for the elderly in Andover and keep them safe.

By Cathy Palazzi, Senior Coordinator

CONSERVATION COMMISSION

Annual Report 2018-2019



Our commission consists of the following members: Chair Mike Palazzi, Maryann Gile, Carrie Crompton, Scott Warren and Alternate Gary Gile. Currently, we do not have a secretary and rotate responsibilities. Our commission is active and involved with the natural resources environmental health of our town properties.

July 1, 2018 and June 30, 2019 the Conservation Commission accomplishments:

- Participated in C.A.C.W. Conference in November 2018
- Participated invasive plant work shop at UCONN
- Approved Mission Statement for the Conservation Commission
- Organized a work party to remove invasive plants in the Doris Chamberlin Pond area.
- Wrote a grant for funding from the Last Green Valley to support and sponsor a town wide litter walk in April 2019.
- Participated Land Conservation Conference in March 2019
- Participated in a walk with the Town Zoning Agent to review (3) parcels of land for possible donation to the town of Andover. Waiting for final report before recommendation to the BOS
- Purchased material and worked on the planning for repair wet areas of trails behind A.E.S.
- Purchased boundary markers for future use on town owned property.
- Maintained schedules, supplies and pay outs for the C.A.R.T. bottle and can recycling program at the Andover transfer station
- Worked on creation of By Laws for the Conservation Commission.

Goals for the future:

- Continue to lead stewardship efforts on town lands
- Priorities include conducting invasive species eradication on those lands that abut the Hop River Trail and other high priority recreational areas
- and developing guidelines to insure new trail is balanced with adverse impacts to the environmental quality and natural and historic character of town lands
- complete natural resource inventories on town land
- continue to conduct stream temperature and biological monitoring
- continue to conduct plant inventories on town lands
- organize environmental education and outreach events for the community
- work with library to improve pollinator habitat in town
- continue to manage C.A.R.T. program
- support town POCD in conjunction with BOS to protect natural resources

By Chairman,

Mike Palazzi

EASTERN HIGHLANDS HEALTH DISTRICT

Annual Report 2018-2019



The Eastern Highlands Health District has served its communities faithfully since 1997. The Health District is committed to enhancing the quality of life in its communities through the prevention of illness, promotion of wellness, and protection of our human environment. The pursuit of this mission is realized by assuring that other community agencies provide certain public health services within the region, and by providing specific public health services directly. The services directly provided include a communicable disease control program, public health education, community assessment and public health planning, emergency preparedness and a comprehensive environmental health program. The main components of the environmental health program include on-site subsurface sewage disposal permitting, complaint investigation program, food establishment licensing and inspection, and environmental monitoring program.

Accomplishments for FY 2018-2019:

- Board of Directors adoption of an operating budget of \$836,382 for FY 19/20, which is a 3.0% increase from the previous fiscal year.
- In partnership with many of our member towns the Substance Abuse in Our Communities Workgroup was established in 2016 with the goal of advancing opioid addiction prevention, treatment, and recovery efforts in our local communities. Most notably in the past year the workgroup obtained a \$8,000 mini grant that supported the development and distribution of model policies to stage NARCAN in Town buildings, and campaigns to promote community awareness and drug take back activities.
- In April we formally launched the backside of our ViewPermit on-line permit application, and payment system, and subsequently launched the public portal in the following October.
- Our efforts in Public Health Emergency Preparedness continue to expand by adding new members to the Medical Reserve Corps unit, with the unit participating in more training, exercises, and real world responses. A few examples include Medical Aid Station Team support for the Hartford Marathon, pop up flu clinics, and a deployment in response to Hurricane Florence.
- With the passing of new legislation, the State of Connecticut has adopted the FDA Food Code. Parts of the Code are in effect, and eventually the entire code will apply to all restaurants state-wide. Over this fiscal year much has gone into preparing for this transition. This includes the completion of FDA on-line field staff training, informing local food establishments, and aligning fee schedules with FDA food establishment definitions. We look forward to continuing the important partnership we have with our area restaurants as we work together to implement this important change.
- The health district now employs its first Registered Nurse. While only a part-time appointment the position greatly improves our communicable disease control capabilities, pop up wellness clinic capacities, and medical reserve unit leadership.
- Salient projects and initiatives in support of specific member towns during this past year include: Town of Bolton response to Lower Bolton Lake blue/green algae bloom; Coventry risk communication support regarding Coventry Lake Hydrilla treatment; technical and monitoring support for Tolland in addressing elevated NaCl in wells; technical support for Scotland regarding arsenic in wells; and, support for Mansfield and Coventry in their community sustainability efforts.
- Communicable disease control activities included review and follow up (as needed) of 1036 case reports; and, conducted 22 disease outbreak or individual case investigations.
- Main indicators for environmental health activity in Andover include: 61 site inspections for septic systems; 33 septic permits issued; 6 well permits issued; 3 complaints investigated; 17 environmental samples taken for lab analysis; 21 food establishment inspections and other health inspections; 33 public health reviews; and 59 test pits and perc tests.

Plans for FY 2019-2020:

- Material upgrade of our on-line permitting and application platform
- Complete transition to FDA Food Code
- Update agency strategic plan
- Implement a Cosmetology registration and routine inspection program
- Address the individual public health needs of member towns as they arise

ECONOMIC DEVELOPMENT COMMISSION

Annual Report 2018-2019

The EDC Mission Statement: The Andover Economic Development Commission is to focus on bringing new business into town for the purpose of increasing town revenue to reduce or maintain tax levels as well as retain current businesses. EDC needs to create a business friendly environment. EDC will preserve the history of Andover wherever possible. **Currently the EDC is:**

- working to retain and assist existing businesses
- working to attract new low-impact business development to Andover to help increase tax revenues
- to have businesses sell desirable goods, services and employment opportunities in Andover

The EDC members are Elaine Buchardt – Chairman and Secretary, Patrick Dougherty and Cathy Palazzi. We are down two members and have been for quite some time.

The EDC created a Business Directory these past years, printed and sent it out in the Rivereast News Bulletin. We now have an electronic version that is on the town website recently updated by Cathy Palazzi. Cathy has been in contact with most of the town businesses and she is the person to be contacted if there is a need to add or delete a business from the directory.

In the past, Patrick was our Planning and Zoning contact. He is no longer on the Board. Through Patrick we were informed of projects and businesses applying to the Planning and Zoning department. We could then discuss what kind of communication we could create so businesses would have the information they needed to open a business in town. As time went on there were informational articles and forms added to the P&Z website for people to see what they need to do. The EDC had input into the P&Z Plan of Conservation and Development through Patrick and Cathy's husband, Mike who was on the board until recently. We will now have to read the minutes to determine what new businesses are coming to town. We also look at the assessor's list of business entities paying business taxes to see what is in town. Some of this information was used to update the business directory.

Over the years the EDC has put on a several business showcases trying to introduce the public to local businesses. We also joined with some of the town Boards and held a showcase. One showcase we had at the same time as a fire station open house to offer synergy. None of these were well attended. We struggle with getting public participation.

Since communication with the public seems to be a key to good marketing, we will be working on the marketing section of the website to try to get our businesses showcased on line.

The EDC was instrumental in getting a farmers market committee created so the town of Andover could have a farmers market. This market has changed over the years and currently has only farmers and does not include vendors or crafters. Our Senior Coordinator holds an annual fundraiser for the seniors each February that encourages local crafters and vendors located in Andover to sell their wares. The EDC is now spearheading the "Welcome to Andover" signs proposed to go on Route 6. These signs are supported according to the survey results from the Long Term Planning Commission.

Our future goals:

- EDC's goal is to develop the business community while preserving Andover's quality of life.
- work on marketing on the town website to attract more businesses in town
- work on a survey of our own to local businesses to see what they would like to have the EDC do to support their business
- review the Planning and Zoning information that businesses would need
- we want to be business friendly.
- EDC would like to see more crafter and business vendors utilized in fairs/showcases. This is an important future goal.

Elaine is on the Community Voice Channel Board of Directors and records the Bolton Town Administrator's bi-monthly live show where town departments are interviewed and keep people informed on what is going on in town. Elaine records the monthly show done by the town of Ellington's First Selectman, Lori Spielman. Lori interviews local businesses as well as, discusses what is going on in town.

Elaine is currently talking to our new Town Administrator, Eric Anderson, to do his own 30 minute segment to communicate what is going on in Andover and possibly interview local businesses to assist in economic development. We can link these shows to our town website for viewing or lead people to the CVCCT.org website to watch the shows on demand.

The town of Andover is a member of the Tolland County Chamber of Commerce. The membership dues come out of our EDC budget. Elaine is a member of the TCCC regional EDC board that meets with planners of surrounding towns and business leaders from the region. She has the opportunity to learn useful information about different development projects going on in the region. She has learned and communicated with the Connecticut Economic Resource Center (CERC) at the TCCC EDC meeting.

The EDC would like to have CERC have one of their EDC 101 seminars in the Town of Andover, but we need at least 20 people to attend for CERC to agree to it. The EDC is going to be communicating with different Boards as well as town residents to set up a successful seminar. Surrounding towns can be invited to attend if we need a bigger audience.

The EDC does not have by-laws. We follow Robert's Rules for our meeting format.

Respectfully submitted by

Elaine Buchardt, Economic Development Commission Chair

EMERGENCY MANAGEMENT (CERT)

Annual Report 2018-2019



It's been an exciting year for the Community Emergency Response Team. One thousand one hundred thirty two man hours were logged by the CERT team while volunteering for various activities both in Andover and Hebron, and even some in South Windsor.

Cert maintained safety for the runners by providing traffic control and road closures at the Annual Hop River 5K/10K race, the Andover 5K Fun Run, and the Annual Ghost Run in Hebron. Multi department radio communications and strategic placement of CERT members on the trails at Gay City State Park allowed the Summer Solstice runners to have access to immediate first aid care and a link to medical services if they were required. Search and rescue skills were also utilized when several runners were missing in 2 different areas of the park.

Road closures, traffic control, and radio communications in coordination with the local State Trooper, were implemented during the Memorial Day Parade in Andover. Traffic was diverted away from the parade route during the parade and until all participants had returned.

At the Hebron Harvest Fair, CERT provides radio communications at Fair Comm head quarters. This involves communicating with several different departments to maintain safety for all participants. The CERT trailer is also stationed on the fair grounds and is manned during fair hours. During the fair, CERT promotion and recruitment take place as well as emergency preparedness training, which included training with the CT State fire simulator and fire extinguisher. Search and Rescue was also preformed, reuniting children with lost parents.

The CERT trailer was stationed at the First Annual CERT Awareness Day in South Windsor, CT. CERT teams from all over CT came to share knowledge, give presentations, and make important connections with other towns and the public. The Awareness Day event brought the STEP program, Student Training for Emergency preparedness, to the 5th grade students at Andover Elementary School.

During the Hebron Maple Fest, CERT had a table set up inside the Hebron Fire Dept. The CT State fire simulator was again put to use training the public on fire extinguisher use. Emergency Preparedness brochures and training were provided and recruitment for new members was successfully attempted.

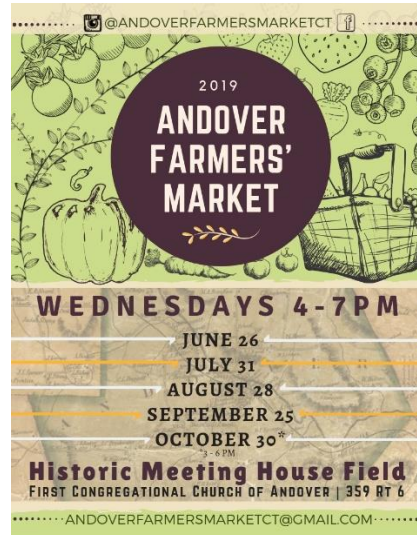
Traffic control and pedestrian safety was performed during the June Farmers Market, held at the Andover Congregational Church. This will be held monthly through October.

A new CERT vehicle, a retired Hebron ambulance, has been procured for both EMT training at RHAM High School and Emergency Management Response by the CERT team. This will be a shared vehicle with Andover. Hebron and Marlborough contributing to maintenance, gas, and supplies. The vehicle will help to provide faster and safer response for traffic control, search and rescue, recovery missions, and crisis events.

Andover CERT has been working in collaboration with Hebron CERT, and will continue to do so. An alliance with Marlborough's new CERT team is anticipated once their first class of students graduates CERT training.

FARMERS MARKET COMMITTEE

Annual Report 2018-2019



Committee Members:

Chair/Market Master Amanda Gibson, Secretary Elaine Buchardt, Kaila Lockhart, Celeste Willard, Lucie Wilson, Shirley DeFlaviis and Jean Person (life members)

Church Council Members: Julia Haverl, Joan Soucy, Beth Lundberg

Volunteers: Gil Soucy, Suzanne Heise and many others!

Fiscal Year 7/1/2018 – 6/30/2019:

In the spring of 2018, our market was refreshed with a new committee established. The initial markets were a success but it needed a new location. For better visibility, we searched for a location along Route 6. The 2018 market was hosted on the third Wednesday of each month from July to August on the following days: 7/18, 8/15, 9/19. The market was generously hosted by local business Over AndOver (which supports local artists) at 415 Route 6. The market was hosted under the business' big tent allowing vendors to have easy setup, not having to bring tables or tents. With 10+ farmers, live local music and kids' activities hosted by the Cub Scouts, it was a great success!

Due to various reasons including needing more space for parking/visitors and following the overall vision of the market, the committee decided to move the location of the market for 2019. The market was relocated to the old Meeting House Field at the First Congregational Church of Andover at 359 Route 6. The old Meeting House is historic and is now home to the Andover Food Pantry. The 2019 market was hosted on the last Wednesday of each month from June to October on the following days: 6/26, 7/31, 8/28, 9/25 and 10/30. Only June 6/26 was within the fiscal year. The market formed a great partnership with the Church Council who voluntarily runs the Andover Food Pantry. The vendors enjoyed the new space as it had great visibility, attendance and atmosphere. Plus, the market could be hosted inside due to inclement weather. The Andover Food Pantry sold concessions to the visitors in order to raise funds for the pantry. The market had 12 farmers, live local music and themes/kids' activities hosted by the Cub Scouts. Our newly refreshed market provided a fun, family-friendly market for all. We look forward to an even more successful upcoming season at the historic Meeting House Field!

Follow us on Facebook and Instagram at **@andoverfarmersmarketct** for market dates, event photos, farmer features, market product, community involvement and more!

Helpfully submitted by the Chair/Market Master, Amanda Gibson

FIRE COMMISSION

Annual Report 2018-2019



During the last year the Fire Commission was busy with a number of projects at the Fire Station and in purchasing new equipment.

With monies obtained from LOCIP, we removed the underground fuel oil tank, replaced the oil burner and hot water heater at the Fire Station. A new propane furnace and an electric water heater were installed replacing units installed in 1990. Propane tanks and an aboveground Diesel tank for the emergency generator were installed.

The well water pump had to be replaced after it was struck by lightning and the cost was partially covered by insurance.

A storage shed was purchased and installed on the Fire Station property for storage of Firefighting and hazardous material mitigation material.

A request was submitted to CIP for the purchase of 3,000 gallon tanker. This was approved by CIP and the Board of Finance and included in the Town Budget. This truck has been ordered and should arrive in late spring of 2020.

The Fire Commission would like to thank Chief Ron Mike, the Officers and members of the Andover Fire Department for the dedicated service they provide the town.

Wallace Barton Jr.

Chairman

INLAND WETLANDS AND WATERCOURSE COMMISSION

Annual Report 2018-2019



The Inland Wetlands and Watercourse Commission (IWWC) is charged by Connecticut General Statutes, §22a-45 to regulate activities in or near wetlands and/or watercourses in the Town of Andover. The Commission discharges this obligation by provisions set forth in the Town of Andover Inland Wetlands and Watercourses Regulations. These regulations require that all landowners and their agents who propose activity within 100 feet of wetlands or within 200 feet of an area of special concern (e.g. Hop River, Andover Lake, and other watercourses as specified in the IWW Regulations) to first obtain a permit from the IWWC or its agent before the start of work. These activities include, but are not limited to, the cutting of trees, removal or deposition of material, disturbance of natural drainage and construction of new residences. This Commission meets the second Monday of each month at 7:00pm in the Community Room. Please contact the building department with any questions regarding this Commission or if you are interested in serving on this Commission. Below is a summary of the Commission's activities for the year.

Commission Membership: June 2018 marked the conclusion of the most recent 2-year term for commission members (July 1, 2016 - June 30, 2018). The Commission experienced several significant changes in membership during this past term including the resignations of regular member and long-time chairman John England (March 2018) and alternate Bethany Busch (November 2017). In addition, John Valente, wetlands agent for the town since April 2007, resigned from his role at the end of the fiscal year; the Board of Selectmen is currently recruiting to fill this vacancy.

Commission membership during July 2018-June 2019 was as follows:

Regular Members (5 seats): Mike Landolphi, Vice Chairman/Acting Chairman, Richard Osborne, Wayne Thorpe, Meghan Lally, Jed Larson, P&ZC Representative (*Appointed 1/09/19*)

Alternates (3 seats): Ed Smith, Jim Hallisey (*Appointed 1/14/19*), George Elliott (*Appointed 1/14/19*)

Meeting & Permit Application Review Summary

The Commission held a total of seven (7) regular meetings, and one (1) special meeting between July, 2018 and June, 2019. Four (4) site walks were also conducted in relation to pending applications. No meetings or site walks were held between July 2018 and November 2018; no applications were received during this time.

Regular Meetings: 7, Special Meetings: 1, Applications received: 6, Sites Walks: 4, Permits Issued: 5

Additional 2018-2019 Commission Accomplishments

In addition to the above mentioned duties, the IWWC also engaged in several special projects during the fiscal year including:

- Reviewed proposed Conservation Commission invasive species management plans for wetlands and watercourses regulation compliance;
- Provided requested review of draft Andover Lake Regulations;
- Updated commission bylaws; and
- Drafted updated regulations to be in compliance with State Statutes

2019-2020 Commission Goals

The Commission's goals for the next fiscal year include the continuation of its regular duties (e.g. permit application review and approval) as well as the following specific tasks:

1. Update the Andover IWW Regulations as recommended by DEEP to be in compliance with current state statutes.
2. Clarify and update the wetlands and watercourses permit application process:
 - a. Develop tools including an application process flowchart and checklist to assist applicants and commissioners.
 - b. Update the application package to insure alignment with current regulations and state statutes and to support submission of complete applications.
3. Work with the BOS to resolve current discrepancies between the Town Wetlands Ordinance (Ordinance 74-01) and the Town Charter.

LIBRARY BOARD OF DIRECTORS

Annual Report 2018-2019



During the fiscal year which ended on June 30, 2018, the library was pretty busy. We were visited by nearly 10,000 people and circulated over 14,000 items. Those are pretty good numbers for a small town the size of Andover, but we're always ready and willing to welcome more folks. Visit the library whenever you can!

In addition to offering the latest bestselling books and DVDs for patrons to borrow, we also have computers available for public access. In addition, we have access to eBooks and downloadable audios through *OverDrive* (visit the library for more information). There are museum passes for families to borrow, books on CD, and a whole bunch of different programs for everyone. Nearly every week, we host storytime programs for children, where kids can sing a song, listen to a story, and do some show and tell. For the adults, we have two monthly book discussion groups: our Evening Group meets on the last Monday of each month and has for nearly a dozen years. The Express Discussion Group meets on the second Wednesday of each month at 12:30PM. Our two groups for knitters and crocheters are growing in popularity. Other examples of programs we've offered include author talks, historical programs, lots of fun summer programming for the kids, the annual December visit of Santa & Mrs. Merry Claus, and more fun things.

The Library's Friends group continues to actively support our programs. The money they've donated to the library in the past year has helped us purchase several museum passes, as well as numerous DVDs and books on CD. To raise money for some of these donations, the Friends group hosts an annual goods & services auction each May. The Friends support the library by purchasing items (such as a couple of new portable bookshelves) that the library may not be able to afford with our own town budgeted funds. In addition, the Friends hosted a free summer concert in July 2017 featuring Bluegrass and country music with Tex's Troubadours. We are grateful to all of the Friends (led by Friends President, Gretchen Stein) for their dedication and support to the library.

Be sure to watch our library's Facebook page – www.facebook.com/AndoverPublicLibrary.CT (you don't have to be a member of Facebook to be able to view our page) to keep up-to-date on our upcoming programs, events, and happenings. On the horizon: we have received a grant through the Connecticut State Library that will allow us to install a fiber Internet connection at the library, so be on the lookout for much faster Internet access. We'd love to see you here at the library, too, so don't forget to stop in whenever you can. Remember: if the OPEN flag is flying and the outside lights are on by the front door, we are open! See you here!

2017-2018 Statistics:

Circulation of books, magazines, audios, videos:	14,075
Books & A/V materials added to collection:	588
Books & A/V materials withdrawn from collection:	505
Total valid library cards:	3,168
Interlibrary loan requests filled:	771
Number of books borrowed by out-of-town patrons:	1,745
Public computer usage (in hours):	1,018
Total patron visits to library:	9,603

Respectfully submitted,

Amy Orlomoski
Director/Librarian

LONG TERM PLANNING COMMITTEE

Annual Report 2018-2019



The following is the 2019 Annual Report for the Long Term Planning Committee and 18-month term.

Term: The Long Term Planning Committee had its first meeting on March of 2018 for an 18-month term.

Committee Members

Eric Anderson, Chairman; Ed Sarisley, Vice Chairman; Amanda daCunha, Secretary; Wendy Kopp, Member, Elaine Buchardt, Member; Ken Marcia, Member and Cathleen Desrosiers, Member. Ken left the committee in 2018. Wendy Kopp took over as Chairman in October 2019.

LTPC Vision Statement:

Our vision for the future of the Town of Andover is to live in a sustainable, positive and welcoming community. Rooted in tradition, we will maintain our strong sense of historical and rural character by fostering a sense of place and pride. We will promote a safe, healthy and active lifestyle for all ages through accessibility, amenities and beautification of buildings, grounds, parks & trails. Our community will support educational, social and recreational connectivity and excellence. We will encourage a greater quality of life, bring a more diverse demographic and preserve the integrity of our small town heritage. We will attract businesses which align with our town's values and encourage environmental responsibility in order to best serve our residents and visitors. Our integrity will continue with strong communication, trust and respect among our citizens. Implementation of our vision will involve residents, officials, employees and state agencies. Our planning will maximize existing town assets while proposing cost-effective enhancements. We are committed to providing positive opportunities for our town!

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The complete Long Term Planning Committee Final Report can be viewed on the town website.

Submitted by Chair Wendy Kopp.

MUNICIPAL AGENT (SENIOR AND SOCIAL SERVICES)

Annual Report 2018-2019

The function for the betterment of Andover citizens and include such items information, referrals, guidance, help, and most of all hope that things will be better in the future. Above all, confidentiality is the first priority of this department.

Some, but not all, services include participation in the State funded Renters' Rebate Program for elderly and/or disabled residents, Farmers Market Program, referrals to ACCESS for heating (oil or electric) assistance, WAIM, and the First Congregational Church of Andover's Food Pantry. While these do not seem larger than life in the written word, they are a necessity for anyone in need, no matter their age.

During the period covered by this report the total number of residents seeking Renters' Rebate was 22 Hop River Homes led the way with 18, Kinsley Drive had 3 applications, and the last was a new single occupancy home rental. None of these were denied either by income limitations or other qualifications.

One of the interesting groups that has come into being is the Hunger Action Team made up of clergy, social service and lay people from the towns of Andover, Columbia, Hebron and Marlborough. We meet each month, except during the summer, and discuss issues we see in our communities and how we can better assist our residents.

Laurel Warner Andrews was the Director of Social Services and Municipal Agent for the Town for the 2018/2019 fiscal year.

NORTON CHILDREN'S FUND COMMISSION

Annual Report 2018-2019



In 1891 Chester D. Norton, an Andover farmer, died leaving in his will \$3,000 to be used to help Andover children in need. The story goes that when Chester was a child his poor family could not afford the eyeglasses he needed and a kindly gentleman provided the family with funds for Chester's eyeglasses. Chester never forgot this act of kindness and passed it on to the future children of Andover through his will.

The *Norton Children's Fund Commission* was established in 1937 at a Town Meeting and has continued to this day distributing the interest income from Chester's will plus donations from generous citizens to help the children of Andover.

The *Irene Mooney Fund* was established in 2005 to be administered by the *Norton Children's Fund Commission*. Like Chester D. Norton's will, only the interest from this fund is available for distribution.

Each year since 1960 the Commission has presented a small scholarship to an Andover high school or home-schooled senior who will be continuing their education. In June of 2019 a \$1,000 scholarship was awarded.

In 2002 the family of F. Kendall Brown and Frank H. Brown set up a scholarship in memory of their father and brother. The *Norton Children's Fund Commission* has been given responsibility for managing the scholarship selection.

The Norton Commission consists of 5 members and that meet twice a year, once in the spring and again in late fall. At the spring meeting the scholarship recipient is chosen and funds to help families with Back-to-School supplies are distributed. At the fall meeting funds are distributed to help families with holiday gifts. Throughout the year the Commission is also available to assist families that have a need.

Norton Children's Fund Commission flyers that explain how to apply for financial assistance from the Commission have been distributed. These are available in the Andover Elementary School, RHAM High & Middle Schools, Social Service Director, The Andover Congregational Church, the Andover Town Library, the Andover Town Office, AHM, and on the Town's website.

No funds are received from the Town of Andover's yearly budget. The Commission relies solely on donations from generous citizens and the interest that is received from the principal of the *Norton Children's Fund* and the *Irene Mooney Fund*.

The biggest challenge for the Commission is letting residents in-need know services are available. The Commission members conducted the *Norton Fun Jar* awareness project at the Andover Elementary School where children were encouraged to guess the number of items in a jar. Entry forms included the Commission's mission statement and history. The winner's photo was published in the *Rivereast* newspaper.

Commission members also participated in the Senior Fundraiser in February to bring attention to our mission.

Donations may be sent to the Norton Children's Commission at the Town Office Building, 17 School Street.

Respectfully submitted,

The Norton Children's Fund Commission
Dianne Grenier – chairperson
Sarah Shapiro – secretary
Cheryl Mayhew
Jan Neumuth
Heidi Xenophontos

PLANNING AND ZONING COMMISSION

Annual Report 2018-2019



Regular Members: Chair Eric Anderson, Vice Chair Robert Hamburger, Leigh Ann Hutchinson, Mike Palazzi, Scott Person
Alternate Members: John Cochrane, Gerald Hardisty, Jesse Person, Jed Larson, Edward Sarisley

Commission's Responsibilities: The Planning and Zoning Commission (PZC) is empowered by state law and the Town of Andover Charter to act as a combined planning commission as well as a zoning commission. The commission acts with either legislative or executive authority based on the situation. When we write regulations, we are acting with our legislative power. When we review applications, we are acting with executive power. In other words, once we create a rule, we can't deny an application that follows that rule, whether we like it or not. The inverse is also true in that we can't approve an application that does not meet our rules. The PZC uses Attorney Mark Branse of Halloran and Sage for legal guidance in creating and interpreting regulations.

The commission is responsible for acting as a Planning agency for the town of Andover through the development of the Plan of Conservation and Development (POCD) well as review all Municipal land purchase and sales and major civic improvements to make sure they are consistent with planning objectives. The Commission creates laws that regulate how land is used in the Town of Andover. There are 2 primary documents, Zoning Regulations and Subdivision Regulations. When the commission is creating law, it is acting in a legislative capacity. The commission also reviews and determines compliance with those regulations through its executive power. The commission has 5 regular and 3 alternate members. The commission generally meets on the third Monday of each month.

The commission hosted meetings on the following dates:

July 16th, 2018 Regular Meeting – Discussed Solar Access Regulations and Lighting Regulations.

August 20th, 2018 Regular Meeting – Discussed the parking situation at Andover Plaza

September 17th, 2018 Regular Meeting -

October 15th, 2018 Regular Meeting – Permit Application Checklist

November 19th, 2018 Regular Meeting

December 17th, 2018 Regular Meeting

January 22nd, 2019 Regular Meeting

February 21st, 2019 Regular Meeting

March 18th, 2019 Regular Meeting

March 25th, 2019 Special Meeting

April 1st, 2019 Special Meeting Site Walk

April 15th, 2019 Regular Meeting & Public Hearing: Gravel Operation on Route 6

April 29th, 2019 Special Meeting

May 20th, 2019 Regular Meeting & Public Hearing: Gravel Operation on Route 6

June 3rd, 2019 Special Meeting

June 17th, 2019 Regular Meeting

June 24th, 2019 Special Meeting & Public Hearing: Zoning Regulations & Subdivision Regulations

In the spring, the commission worked on updating the Lake Regulations including the Nutrition Allocation Worksheets.

At the June 24th Public Hearing, the commission approved the updated Zoning Regulations and Subdivision Regulations for the following 7 Regulatory Documents: 1. Home Occupation Regulations, 2. Accessory Apartment Regulations, 3. Parking Regulations for Commercial Vehicles and Signage Requirements, 4. Proposed Zoning Regulations for Keeping of Animals, 5. Solar Access Regulations Subdivision and Zoning, 6. Lighting Regulations, 7. Andover Zoning Application Checklist Appendix.

In the spring of 2019, the commission prepared for the following Public Hearings:

- 8-24 Referral for municipal improvement via the Department of Transportation Community Connectivity Grant awarded to the Town of Andover. This project is designed to make a safe and accessible pedestrian and cycling connection between the north and south sides of Route 6, The Hop River Rail Trail, Library, First Congregational Church and Athletic fields.

REGIONAL SCHOOL DISTRICT NO. 8 (RHAM)

Annual Report 2018-2019



The Region 8 Strategic Plan was the primary driver of budgeting, programming and projects at RHAM for the 2018-19 school year. The five goals of the strategic plan address student performance, college and career readiness, district safety and accessibility, human capital development, budgeting and facility/technology needs. The 2018-19 budget of \$29,314,722 was aligned to these goals and was responsive to community needs and expectations. The budget for the 2018-19 school year was voted on in May of 2018. The budget was passed by all three towns and included a 1.76% increase over the previous year's budget. The district successfully reconfigured the technology department, added the Pupil Personnel Services Supervisor and launched a new program at RHAM for students with school anxiety. ADA access and Title IX issues throughout the campus were addressed as well as other needed capital improvement projects. Student in 2018-19 demonstrated high levels of college and career readiness as measured by the SAT School Day test. The district's overall average score of 1136 ranked us 13th in the state and third in our District Reference Group (DRG) for math and fourth for reading.

A new programming initiative, The Manufacturing Pipeline Program, was launched at the high school and provided students with a school to career opportunity. This program was a collaborative effort with RHAM, Three Rivers Community College and Electric Boat. 13 students participated in and successfully completed the program. The district is continuing the Manufacturing Pipeline Program in 2019-20 as well as adding additional Technology courses at the middle and high schools. RHAM schools also excel beyond the academic classroom. In April 2019, RHAM was again honored with the Best Communities for Music Education designation from The National Association of Music Merchants (NAMM) Foundation for its outstanding commitment to music education. RHAM is one of 4% of districts across the nation receiving the prestigious award. Several of our extra-curricular clubs competed in local, state and national events, showcasing the various talents of our students in areas such as broadcasting, business, and problem solving. Lastly, close to 45% of RHAM middle and high school students participate in at least one athletic team. This involvement of students in activities outside of the classroom is an important part of the district's theory of action for developing informed citizens that are ready for college and/or career.

Enrollment at RHAM middle and high schools has seen a decrease over the past six years. Trend data from EdSite shows the October 1 enrollment information over time (<http://edsight.ct.gov/SASPortal/main.do>). In 2018-19, enrollment in grades 7-12 totaled 1,456. That is a decrease of 52 students from the previous year. Although enrollment has declined, needs of students continues to increase. As mentioned earlier, Region 8 developed a program to address students with severe school anxiety in response to these needs. The district has also implemented a Social Emotional Learning focus to engage students and staff in understanding the impact emotions have on learning and developing school-wide strategies to successfully address these needs.

In conclusion, our schools have wonderful students, dedicated teachers and staff and a high degree of parent and community support. The towns of Hebron, Andover and Marlborough are receiving an excellent return on their investment and Regional School District 8 continues to develop collaborative and cooperative relationships with each of the three towns.

Submitted by Dr. Patricia D. Law, Superintendent August 2019

REGISTRARS OF VOTERS

Annual Report 2018-2019



- Staffing: Cathy Palazzi retired at the end of June. Elinor Skoog was appointed into the position of Republican Deputy Registrar of Voters in September. Linda Derick completed the state certification program and was certified by the Secretary of State's Office in December.
- Wallace Barton and Linda Derick attended the spring ROVAC conference.
- had several town meetings, referenda and the municipal election during the year:
 - March 12 Referendum to authorize the purchase of the new dump truck
 - May 6 Municipal election
 - May 7 RHAM budget referendum
 - May 13 Recount from the municipal election driven by close votes in several of the races
 - May 21 Andover budget referendum
 - November 5 Referendum to fund the town's IT upgrade

During the fiscal year the ROVs processed 630 voters who either moved, changed parties or registered as first time voters.

Respectfully submitted by,

- Wallace E. Barton, Jr., Republican Registrar of Voters
- Elinor Skoog, Republican Deputy Registrar of Voters
- Linda Derick, Democratic Registrar of Voters
- Julie Victoria, Democratic Deputy Registrar of Voters

RESIDENT STATE TROOPER

Annual Report 2018-2019



This correspondence is an effort to keep the town apprised of the yearly State Police services occurring within the Town of Andover for the 2018/2019 Fiscal Year.

For the time period from July 1, 2018 through June 30, 2019 the Andover Resident Trooper as well as Troop K Patrol Troopers, responded to 2,269 Calls for service in the Town of Andover. This number included self-initiated activity. The most notable Calls for Service are listed below.

Motor Vehicle Accidents: 47
Fatal Motor Vehicle Accidents: 0
Structure Fire: 1
Motorist Assists: 44
Burglaries: 3
Larcenies: 5
Vehicle Theft: 2
K9: 7
Alarms: 69
Disturbances: 21
Emergency Committals: 9
Untimely Deaths: 6
Assist Citizen: 105

In addition to the above investigations, Troopers conducted the following motor vehicle enforcement:

Driving Under the Influence: 3
Traffic Infractions: 374
Narcotic Violations: 5
Seat Belt Infractions: 4
Written Warnings: 130
Motor Vehicle Summons: 2

Respectfully Submitted,

Trooper First Class Darrell Tetreault #1201
Andover Resident State Trooper

SAFETY COMMITTEE
Annual Report 2018-2019



The Safety Committee comprised of the following members with their term ending June 30th, 2019:

Town Administrator, Joseph Higgins
Volunteer Fire Department Member, Curt Dowling
Superintendent, Sally Doyen
Resident State Trooper, Darrell Tetreault
Public Works Foreman, Ed Kasacek
Town Clerk, Carol Lee
This n' That Volunteer, Dianne Grenier
Senior Transportation Volunteer, Cathy Palazzi

The committee met on the following dates:

May 9th, 2018
December 12th, 2018
April 2nd, 2019

SENIOR LUNCHEON

Annual Report 2018-2019

Submitted by Cathy Palazzi, Senior Coordinator

Senior luncheon program restarted in September 2018 as we do not meet in July and August. We end for the summer in June. We meet every Friday at the Andover Pizza Restaurant for a delicious hot meal. John Kona, the owner is very kind to the seniors and prepares a different entrée each week. We continue to charge only \$5. per person and these meals are free to low income individuals. In November and December we enjoyed a delicious Thanksgiving and Christmas dinner with all the trimmings

Following the luncheon there is a speaker regarding some type of issue seniors face everyday. Programs are on Medicare, Medicaid, Investments, Disability Issues, various insurance problems, local school issues, Alzheimer programs, and more. Once a year, the VNA comes to give flu shots to the seniors. In the past the VNA came monthly to take senior blood pressures. However; they are not doing the amount of outreach as past years. Mainly it is the cost of sending out a nurse. We also enjoy the different political speakers we are fortunate enough to have visit us. This past year we heard from state Senator Steve Cassano, state Representative Robin Green, individuals in Andover who have run for Boards and Commissions. Our Andover Fire Department, RHAM Supv. Patricia Law came to talk about the school budget, as did Supv. Doyen speaking about the AES budget. Our Resident Trooper briefed us on scams and issues in town. Speaking of Trooper Tetreault, he has saved our Andover senior transportation money by having boys who must do community service, wash our van and buses. Our Andover Veteran Coordinator, Gerry Wright comes to see us frequently to keep us updated on important topics. These people visit and offer so much help for us on a free basis. We find all these speakers well informed, friendly and caring. We are thankful our bus drivers are available to drive seniors to and from the luncheon.

Seniors are pleased the town offers a small budget to help us finance this program. In addition, a fundraiser is held by the Senior Coordinator and Town Clerk to bring money each year to keep our program solvent. Anyone who eats out knows how expensive it can be and the budget money goes quickly.

We will continue to meet weekly at the Andover Restaurant until our Board of Selectmen find an adequate building to be used for this program.

Our bi monthly meetings, movies, programs, wii, exercise classes, games, crochet and knitting classes and other events will be held at the Community Room at Town Hall. Our goal for the future is to have people on site to supervise these events.

Goals for FY 2020/2021 will be to recreate the community room into a temporary senior center until the time comes when our town votes for a community building that will house the senior center.

SENIOR TRANSPORTATION COMMITTEE

Annual Report 2018-2019



Submitted by Cathy Palazzi, Senior Coordinator

Senior Transportation services seniors, veterans, disabled (no age limit), but if underage must be accompanied by adult or caregiver. The committee meets the last Wednesday of the month. Members are George Knox, Chairman/Driver, Mike Wallace Treasurer and Secretary, Cathy Palazzi, Senior Coordinator, Elaine Buchardt, Judy Knox, members and Sue Schmidt/Driver and Elinor Skoog/Driver.

We drive four days a week for medicals, including weekly to food share/food pantry. This includes one day a week for grocery shopping and other errands as needed. Bus service is provided for the Young-At-Heart that meet bi-monthly as they enjoy first a birthday cake for the seniors who celebrate their birthdays that month followed by bingo. We drive seniors to a weekly luncheon on Fridays. The senior bus is also available for any Board of Selectmen, Public Hearing, Town Meeting, and voting. Seniors enjoy trips such as Aqua Turf, Good Speed plays, Little Theater of Manchester and much more. These are organized by our Trip Coordinator, Georgia O'Brien.

Goals FY 2018/2019:

- service as many seniors, disabled and veterans as possible
- treat each passenger with great respect
- intergenerational programs with AES children
- transportation responsibilities increased and will be greater FY 2019/2020 as seniors age
- transportation grant was approved by state for a two year period
- complete Title VI requirements to the state

Our senior transportation has three vehicles with ramp accessibility, if needed. A 2014 van is used daily for Medicals. A 2017 - 12 passenger bus used weekly for shopping, trips. Since we have more medicals this year then last we are using the bus almost every day for medicals as well as the van. Our 20 passenger bus cannot be filled to capacity since none of the three drivers have a CDL and one is required by state law in order to fill the bus. We are allowed to drive the bus with a limited passenger list of 15 plus a driver. This is rather inconvenient and we have been searching for a CDL driver since June.

Our goals for FY 2019/2020:

- hire at least one qualified CDL Driver
- research combining trips with Columbia to save money
- hold safety class in December for drivers
- from state request purchases of a van and a bus
- coordinate Title VI program with state to keep in compliance

TAX COLLECTOR

Annual Report 2018-2019

I would like to thank the citizens of Andover for allowing me the opportunity to continue to serve as their Tax Collector. The Town relies on municipal tax collection to fund the budget and I take that responsibility very seriously.

Connecticut towns and cities are required by statute to operate on the Uniform Fiscal Year, beginning on July 1st and ending on the following June 30th. Andover collects real estate, personal property and motor vehicle taxes. The mill rate is determined by dividing the approved budget by the Grand List (the value of the total taxable property as determined as of October 1st by the Assessor). The budget process typically begins in December or January and concludes in April or May when the residents vote to approve the budget and the Board of Selectmen sets the tax rate. Bills are mailed by July 1st.

The Town of Andover bills quarterly, with the first installment of real estate taxes and personal property taxes due in July. Motor vehicle taxes on the Grand List (set the prior October 1st) are due in a single installment in July. Subsequent installments of real estate and personal property taxes are due in October, January and April. In addition, motor vehicles acquired after October 1st are billed late in December as Motor Vehicle Supplement taxes which are due in January.

Our beginning collectible total was \$8,893,240.95. As of June 30th, 2019 we had collected \$8,739,476.56. That give a collection rate of 98.27% which is excellent and a tribute to the people of Andover and their commitment to our community.

Respectfully submitted,

Eileen Curtin
Town of Andover
Tax Collector

TOWN CLERK
Annual Report 2018-2019

Special Town Meeting September 11, 2018 Highlights

To determine if the Town should commit \$80,000 from the undesignated fund balance for design services for Bunker Hill Bridge over Hop River

Yes 7 No 31

Special Town Meeting February 27, 2019 Highlights

To see if the Town will approve the purchase of a Volvo L-60H Wheel Loader upon completion of lease Yes 42, No 1

To see if the Town will approve the purchase of a Peterbilt plow truck Yes 40 No 3 Both of these purchases were approved at Referendum on March 12, 2019.

Annual Town Budget Meeting May 9, 2019 Highlights

The budget as presented by the Board of Finance was approved to go to Referendum on May 21, 2019 where it was passed.

Yes 148, No 122

Historical Document Preservation Grant

All Building Department files have been scanned to a Laserfiche program which allows for a quick search and print feature.

Dog Licensing

294 Dog and 4 Kennel licenses were issued

Transfer Station Stickers

1,367 Residential and 67 Seasonal stickers were issued

Carol H. Lee - Town Clerk

TOWN HISTORIAN

Annual Report 2018-2019



The office of the Town Historian continued throughout the 2018-2019 fiscal year to work with the Andover Historical Society to collect and interpret artifacts pertinent to understanding Andover's past. Items and information were then used to educate Andover's residents as to their remarkable heritage.

In addition to the traditional means of disseminating information, including Museum and Library displays, a website (andoverconnecticut.homestead.com), printed materials, and formal presentations, this year, a Facebook page was begun with frequent posts pertinent to Andover's past (search for "andover historical society Connecticut").

This year's primary presentation was about the town's citizens during the Civil War. The talk not only tracked numerous soldier's experiences, but also discussing activities in the town around supporting the war efforts and the draft.

If you have any questions about Andover's past, have any items that you would like to have included in the archive, or are interested in helping preserve, document, and educate on Andover's rich heritage, please contact me.

Scott Yeomans – Town historian, President/Archivist-Andover historical Society

TRANSFER STATION

Annual Report 2018-2019



Located at 155 Shoddy Mill Road. Hours of operation: Wed & Sat. 8:00 A.M. – 3:50 P.M.

It is owned and operated by the Town of Andover. Services are provided through Andover tax dollars. Permits may be obtained at the Transfer Station with proof of vehicle registration showing Andover as the tax Town. For more information please call 860-742-4049.

The Andover Transfer Station is available to Andover residents for non-commercial trash disposal and recycling. Composting at home is encouraged.

Household Hazardous Waste- The Town of Andover Transfer Station does not accept hazardous waste. Household hazardous waste can be brought to the Mid-NEROC Chemical Waste Drop-off Facility on Hancock Road, Willington, CT. The facility is open from 9 AM until 2 PM on the first and third Saturday of each month from mid-April to early November. They can be reached at 860-684- 3163.

Household Waste– Your household waste must be bagged and separated. This means no glass or cans in your bags, which could result in a fine and a possibility of the Town losing its contract with American Refuel. The end results would mean higher costs to the taxpayers.

Single stream recycling– All newspaper, chipboard, bottles and cans, plastics number 1 thru 7 can be grouped together. This has shown over 29% increase in recycling in Andover.

Bulky waste–Please check with attendant for proper disposal. On large items please break down as much as possible and separate when possible (like storm windows, take glass out and put metal in metal bins and glass in bulky waste). By breaking up tables and chairs and other large items it gives us more space in the container.

Electronic E-Waste– Electronics are now recyclable. Please see attendant with computers, monitors and other electronics.

Brush– We take brush, please no brush after 3 PM.

Please Read- Doors must be completely removed from all refrigerators and freezers. All paints must be dried up to be disposed of at the land fill. If paint is not dried up, you can take to a paint store and they will recycle for you. Air Conditions, mattresses, box springs, television and refrigerators can be disposed at no charge to the homeowner. At present there is no charge as the Federal and State grants pay for these services. We do hope this continues.

Your cooperation in performing all of the above before you come to the Transfer Station will help us serve you better while reducing operating costs. The cost of the land fill has not increased in 10 years. The cost of the land fill has not increased because of everyone working together and recycling.

Signage around to direct residents to where items go.

Goals for the new year: All large cardboard should be cut to fit loosely into the recycling hopper. It has to be smaller than 27 x 48". Get a volunteer to hand out pamphlets.

Respectfully submitted by Transfer Station Attendant, Dominic DeRico

ANDOVER VOLUNTEER FIRE DEPARTMENT

Annual Report 2018-2019



The Andover Volunteer Fire Department Inc. responded to 346 calls in 2019. We also had 2 fund raisers. The members participated in 28 scheduled training drills. Also many members completed hours of training outside of the firehouse taking EMT and Firefighter 1 classes. We had 12 scheduled work details which are nights that we do apparatus and equipment maintenance. We also participated in multiple community events such as Andover Fun Day, Make A Wish truck convoy, Stuff a Truck/Cruiser, and Fire Prevention at the school. Also with the help of our mutual aid partners with their UTV's we stood by for many scheduled races on the rail trail and trails behind the school. As always we would like to thank the residents in town for their support. Here is the breakdown of calls.

Medical Calls 216
Structure Fires 15
Fire Alarms 30
Haz Mat Incidents 5
Chimney Fires 2
Brush Fire 1
Officer Calls 2
Motor Vehicle Accidents 41
Wire Related Incidents 20
Service Calls or Investigations 7
Car Fires 1
Cover Assignments 4
Outside Fire 1
Appliance Fire 1

Ron Mike
Fire Chief

A handwritten signature in black ink, appearing to read 'Ron Mike', followed by a vertical line.

Andover Volunteer Fire Department
11 School Road, Andover, CT 06232
Phone: 860-742-7477

AHM YOUTH AND FAMILY SERVICES

Annual Report 2018-2019

Andover Hebron and Marlborough
Youth and Family Services, Inc.



ANNUAL REPORT 2019

What our Communities have to say about AHM!

"AHM helps children, teens and families overcome challenges, which is important in today's world"

"AHM's board, staff and volunteers are always looking at new ways to provide services that matter"

"AHM's many different partners work together to make life better for our communities"

FROM OUR EXECUTIVE DIRECTOR

AHM is once again honored to be your agent for Youth Services for the towns of Andover, Hebron, Marlborough and Columbia. Our dedicated staff and passionate board for this public charity work all year to support youth and families with a variety of events and programs. We continue to work closely with our schools, town administrators and other local organizations to provide a level of support unmatched.

We are grateful for our dedicated donors and volunteers that help to bring the AHM mission to life each and every day. Your support of time, talent, and financial gifts changes lives!

During 2019, AHM went through a very detailed 3-year strategic planning process. With over 100 members from our communities participating in focus groups, we were able to construct a plan that aligns the needs, concerns, and wants of our four towns. Special thanks to the Hartford Foundation for Public Giving for funding this project.

As the new Executive Director of this agency, I am honored to have the opportunity to work with our amazing staff, board, and town leaders in ensuring that AHM delivers high quality programs and services to our youth and families. The future for AHM is exciting and bright!

Sincerely,

Tressa Giordano

Tressa Giordano
Executive Director



WHO MAKES IT ALL HAPPEN!

AHM'S CURRENT BOARD OF DIRECTORS

Executive Board of Directors

PresidentSteven Fish
Vice-PresidentKristen Kania
TreasurerBrendan Shea
Corresponding SecretaryJoleen Yorio
Immediate Past President...Peter Yorio
Member at LargeKay Corl
Member at LargeRobert McBrair

Directors

Paulette Adams	Brenda Bula
Denise Esslinger	Bill Sudol
Denis Killeen	Allyson Schmeizl
Denise Morell	Marcia Tecca
Jeanne Worthen	Denise Morell
Ed Skopas	

Youth Directors

Christina Leshak

Administration

Executive DirectorTressa Giordano
Director, Finance & Operations...Nella Stelzner
Fund Development DirectorJoel Rosenberg

Administrative Support

Office ManagerLisa Reeve
Clinical Administrative AsstKatherine Graham
Human Resource AssociateLaureen Davids
Finance AssistantJennifer Greene
Fundraising AssociateDeborah Walls
Evening ReceptionistDiane Kane

Clinical Program

Clinical DirectorMegan Aldridge
Family TherapistLauren Scharn

Student Support Services

Andover Elem SchoolCheri Rivard-Lentz
Marlborough Elem SchoolMichele Thorn
Gilead Hill Elem SchoolLauren Scharn
Hebron Elem SchoolLauren Scharn
Horace W. Porter SchoolCheri Rivard-Lentz
RHAM Middle SchoolNikki Knight
RHAM High SchoolDidi Crowley

AHM'S STAFF

Family Resource Center

FRC Program Coordinator.....Rebecca Murray
Mentoring FacilitatorJahanna Sieckowski
Parent EducatorJahanna Sieckowski
Preschool TeacherCari Duigou
Preschool TeacherHeather Holbrook

Prevention Services

Prevention CoordinatorBrendan Grimm



6259 ← number of visits from Andover, Hebron, Marlborough & Columbia residents who received our services this past year! AHM also responds to over **260** calls per year assisting families in crisis. AHM serves as a human service clearing house for referring families to help within our 4 towns. The following is a sampling of program participation.

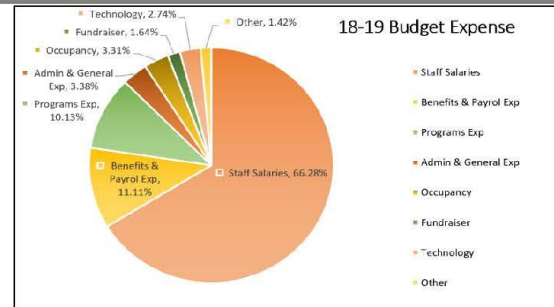
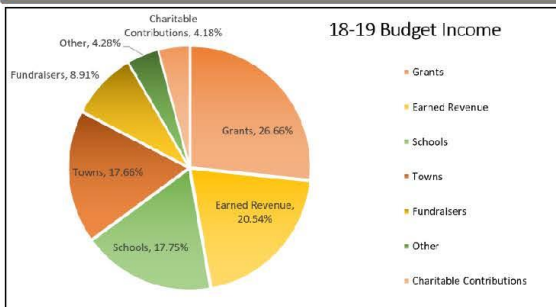
Positive Youth Development	
7 th Grade Team Building	286
Child Development & Psych. Students	75
Freshman Orientation	208
Garden Club	14
Girl Power Camp	11
Lanterns Mentoring & Celebrations	58
Social Skills/Friendship/Kindness Groups	727
Nature and Adventure Day	464
Peer Helpers-High School	67
Peer/Playground Mentors-Elementary	64
Power of Words- Junior/Middle School/ High School	584
Power of Words Leadership Team	12
Summer Youth Theater Participants	35
Summer Youth Theater Audience	452
Family Fest	161
Chores/Tasks	158
No One Eats Alone Day	395



Intervention	
Individual & Family Therapy	32
Individual In School Counseling/Case Management-Elementary	107
Individual In School Counseling/Case Management- Middle School	41
Individual In School Counseling/Case Management-High School	54
Juvenile Review Board (includes board members)	48
Smart Recovery Teen & Friend/Family	11

Prevention/Support	
CHEC Coalition	20
Parent Talk Series	39
FRC Enrichment Programs	287
FRC Field Trips	164
FRC Home Visits/Screenings	33
FRC Kinder-RHAMA Preschool	25
FRC Parent & Provider Workshops	99
FRC Play & learn Groups	135
FRC Home Alone Program	30
Human Growth & Development Workshops	26
Prevention Training-RHAM Middle & High School	850
Project Graduation	106
Rally Awareness Group	25
Mental Health First Aid	21
Peace at Home	36
Take Back Events	91
Screenagers Movie and Discussion	16

2019 Financial Income and Expense Budget \$1,407,535.00



At the present time, 60.3% of AHM's budget comes from Charitable Contributions, Grants, Earned Revenue and Fundraisers. The importance of local contributing support from individuals, businesses, civic and faith groups to this public charity cannot be overstated. Thank you to all of our volunteers and donors who have supported the work and mission of AHM this past year. We couldn't have done it without you!

Connect with us and stay on top of all that AHM has to offer!



- Andover, Hebron, Marlborough Youth Services
- AHM Family Resource Center
- AHM CHEC



Follow us
@ahmyouth



25 Pendleton Drive
Hebron CT 06248
(860) 228-9488

Visit our website at ahmyouth.org

ZONING BOARD OF APPEALS
Annual Report 2018-2019



Submitted by current Chair Caren Osborne

According to Section 22.0.4 of The Andover Zoning Regulations (amended to 4/18/11) the Andover Board of Appeals is charged, "to authorize upon appeal in specific cases variances from the terms of these regulations, where by reason of exceptional shape, size, or topography of lot, or other exceptional situation or condition of the building or land, exceptional difficulty or unusual hardship would result to the owners of said property from strict enforcement of these regulations."

This Board meets the third Wednesday of each month at 7:00 pm in the Community Room. Please contact the Zoning Agent with any questions regarding this Board. Below is a summary of the Board's activities for the year.

Variance Applications Received: 3

Variance Applications Received regarding the Andover Lake District: 2 Variance Applications

Granted: 3

Variance Applications Denied: 0

=====

David Hewitt
Evelyn Russell
Jonathan Yeomans
Wayne Thorpe

Caren Osborne
Dorothy Yeomans
Walter Weir Jr.
John Valente, Agent

THANK YOU TO OUR VOLUNTEERS!

"It's what happens in your community that changes your world"



TOWN OFFICES AND TELEPHONE DIRECTORY

Town Administrator	860 742-7305 ext. 1	EMERGENCY FIRE/POLICE/MEDICAL	911
Town Office Building FAX	860 742-7535	Fire Dept. Routine Business	860 742-7477
Administrative Assistant	860 742-7305 ext. 214	Fire Marshal	860 742-4036 ext. 3
Animal Control Officer	860 428-7684	Resident State Trooper	860 742-0235
Building and Zoning Dept.	860 742-4036 ext. 3	State Police Troop K	860 465-5400
Registrar of Voters	860 742-0188 ext. 2	CERT	
Tax Assessor	860 742-7305 ext. 5		
Tax Collector	860 742-4035 ext. 4		
Town Clerk	860 742-0188 ext. 2		
Public Works Department	860 742-4048	Municipal Agent for the Aging	860 798-6583
Burning Official & Tree Warden	860 742-4048	Social Services	860 798-6583
Public Health Sanitarian	860 429-3325	Visiting Nurse	
Eastern Highlands Health District	860 429-3325	Senior Transportation	860 742-0188
Transfer Station & Recycling	860 742-4049	Medical Transportation	860 916-6122
Judge of Probate	860 647-3227	AHM Youth Services	860 228-9488
Public Schools		Andover U.S. Post Office	860 742-7756
Andover Elementary	860 742-7339	Andover Public Library	860 742-7428
RHAM Middle School	860 228-9423		
RHAM High School	860 228-9474		
RHAM Superintendent	860 228-2115		

HOURS OF OPERATION

Andover Town Hall Office Building, 17 School Rd, Andover, CT 06232

Monday 8:15 a.m. to 6:45 p.m.

Tuesday - Thursday 8:15 a.m. to 3:45 p.m.

Friday - Sunday CLOSED

Transfer Station, Shoddy Mill Road, Andover, CT

Wednesday & Saturday 8:00 a.m. to 3:50 p.m.

Andover Public Library, 355 Route 6, Andover, CT

Monday & Wednesday 10:00 a.m. to 8:00 p.m.

Tuesday & Thursday 12:00 p.m. to 8:00 p.m.

Friday & Sunday CLOSED

Saturday 10:00 a.m. to 2:00 p.m.

CLOSED Saturday in July & August

TOWN OFFICE BUILDING HOLIDAY CLOSINGS

New Year's Day, Martin Luther King Jr. Day, Lincoln's Birthday, Washington's Birthday Good Friday

Memorial Day Independence Day, Labor Day, Columbus Day, Veterans Day

Thanksgiving Day (and day after), Christmas Day (and day after)

WEBSITES

Town of Andover www.andoverct.org

Andover Elementary School www.andoverelementaryct.org

RHAM Middle and High Schools www.reg8.k12.ct.us

AHM Youth & Family Services www.ahmyouth.org

Andover Volunteer Fire Department www.andoverfire.org

Eastern Highlands Health District www.ehhd.org

TOWN OF ANDOVER, CONNECTICUT

STATE SINGLE AUDIT

FOR THE YEAR ENDED JUNE 30, 2019

TOWN OF ANDOVER, CONNECTICUT
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**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING
AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Finance
Town of Andover, Connecticut

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Andover, Connecticut (the "Town"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements, and have issued our report thereon dated April 28, 2020.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Town's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Town's internal control. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that have not been identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of state findings and questioned costs as item 2019-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Town's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Town's Responses to Findings

The Town's responses to the finding identified in our audit is described in the accompanying schedule of state findings and questioned costs. The Town's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Certified Public Accountants
Glastonbury, Connecticut
April 28, 2020

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR STATE PROGRAM,
ON INTERNAL CONTROL OVER COMPLIANCE, AND ON THE SCHEDULE OF EXPENDITURES
OF STATE FINANCIAL ASSISTANCE REQUIRED BY THE CONNECTICUT STATE SINGLE AUDIT ACT**

To the Board of Finance
Town of Andover, Connecticut

Report on Compliance for Each Major Program

We have audited the Town of Andover, Connecticut's (the "Town"), compliance with the types of compliance requirements described in the State of Connecticut, Office of Policy and Management *Compliance Supplement* that could have a direct and material effect on each of the Town's major state programs for the year ended June 30, 2019. The Town's major state programs are identified in the summary of auditor's results section of the accompanying schedule of state findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the Town's major state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the State Single Audit Act (C.G.S. Sections 4-230 to 4-236). Those standards and the State Single Audit Act require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major state program occurred. An audit includes examining, on a test basis, evidence about the Town's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major state program. However, our audit does not provide a legal determination of the Town's compliance.

Opinion on Each Major State Program

In our opinion, the Town of Andover, Connecticut, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major state programs for the year ended June 30, 2019.

Report on Internal Control Over Compliance

Management of the Town is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the Town's internal control over compliance with the types of requirements that could have a direct and material effect on each major state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major state program and to test and report on internal control over compliance in accordance with the State Single Audit Act, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the Town's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

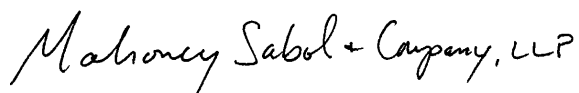
Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Purpose of this Report

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the State Single Audit Act. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of State Financial Assistance Required by the State Single Audit Act

We have audited the financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements. We issued our report thereon, dated April 28, 2020, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. The accompanying schedule of expenditures of state financial assistance is presented for purposes of additional analysis as required by the Connecticut State Single Audit Act and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of state financial assistance is fairly stated in all material respects in relation to the basic financial statements as a whole.



Certified Public Accountants
Glastonbury, Connecticut
April 28, 2020

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2019

State Grantor; Pass-Through Grantor; Program Title	State Grant Program Core - CT Number	Expenditures
NONEXEMPT PROGRAMS:		
OFFICE OF POLICY AND MANAGEMENT:		
Direct:		
Local Capital Improvement Program	12050-OPM20600-40254	\$ 98,500
Payment in Lieu of Taxes on State-owned Property	11000-OPM20600-17004	9,631
Municipal Grants-In-Aid	12052-OPM20600-43587	2,620
Property Tax Relief for Veterans	11000-OPM20600-17024	1,106
Property Tax Relief on Property of Totally Disabled Persons	11000-OPM20600-17011	476
Total Office of Policy and Management		<u>112,333</u>
DEPARTMENT OF TRANSPORTATION:		
Direct:		
Town Aid Road Grant	12052-DOT57131-43455	195,382
Town Aid Road Grant - STO	13033-DOT57131-43459	195,382
Bus Operations	12001-DOT57931-12175	9,694
Total Department of Transportation		<u>400,458</u>
CONNECTICUT STATE LIBRARY:		
Direct:		
Historic Document Preservation	12060-CSL66094-35150	4,000
CT Education Network	12052-CSL66011-43649	3,223
Connecticard Payments	11000-CSL66051-17010	137
Total Connecticut State Library		<u>7,360</u>
JUDICIAL BRANCH:		
Direct:		
Court Fees	34001-JUD95162-40001	<u>1,845</u>
OFFICE OF EARLY CHILDHOOD EDUCATION:		
Direct:		
School Readiness in Competitive Grant Municipalities	11000-OEC64845-16274-83013	100,800
Smart Start	11000-OEC64845-16279	65,000
School Readiness Quality Enhancement	11000-OEC64845-16158	3,881
Smart Start	12052-OEC64845-43626	19,488
Total Office of Early Childhood Education		<u>189,169</u>
Total State Financial Assistance Before Exempt Programs		<u>711,165</u>
		(Continued)

The accompanying note is an integral part of this schedule.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

<u>State Grantor; Pass-Through Grantor; Program Title</u>	<u>State Grant Program Core - CT Number</u>	<u>Expenditures</u>
EXEMPT PROGRAMS:		
DEPARTMENT OF EDUCATION:		
Direct:		
Education Cost Sharing	11000-SDE64370-17041-82010	<u>\$ 2,132,347</u>
OFFICE OF POLICY AND MANAGEMENT:		
Direct:		
Municipal Stabilization Grant	11000-OPM20600-17104	43,820
Mashantucket Pequot and Mohegan Fund Grant	12009-OPM20600-17005	<u>6,680</u>
Total Office of Policy and Management		<u>50,500</u>
Total Exempt Programs		<u>2,182,847</u>
TOTAL STATE FINANCIAL ASSISTANCE		<u>\$ 2,894,012</u>
		<i>(Concluded)</i>

The accompanying note is an integral part of this schedule.

TOWN OF ANDOVER, CONNECTICUT
NOTE TO SCHEDULE OF EXPENDITURES OF STATE FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 2019

Various departments and agencies of the State of Connecticut have provided financial assistance to the Town of Andover, Connecticut (the "Town"), through grants and other authorizations in accordance with the General Statutes of the State of Connecticut. These financial assistance programs fund several programs of the Town.

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town conform to accounting principles generally accepted in the United States of America as applicable to governmental organizations. The following is a summary of the more significant policies relating to the aforementioned grant programs.

BASIS OF ACCOUNTING

The accompanying schedule of expenditures of state financial assistance has been prepared on the accrual basis consistent with the preparation of the basic financial statements. Information included in the schedule of expenditures of state financial assistance is presented in accordance with regulations established by the State of Connecticut, Office of Policy and Management.

For cost reimbursement awards, revenues are recognized to the extent of expenditures. Expenditures have been recognized to the extent the related obligation was incurred within the applicable grant period and liquidated within 90 days after the end of the grant period.

For performance based awards, revenues are recognized to the extent of performance achieved during the grant period.

The schedule of expenditures of state financial assistance contained in this report is prepared based on regulations established by the State of Connecticut Office of Policy and Management. In accordance with these regulations (Section 4-236-22), certain financial assistance is not dependent on expenditure activity or the achievement of performance goals and, accordingly, is considered expended in the fiscal year of receipt. These financial assistance program receipts are reflected in the expenditures column of the schedule of expenditures of state financial assistance.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED JUNE 30, 2019

I. SUMMARY OF AUDITOR'S RESULTS

FINANCIAL STATEMENTS

Type of auditor's report issued: Unmodified

Internal control over financial reporting:

○ Material weakness(es) identified?	_____	Yes	_____	✓	No
					None
○ Significant deficiency(ies) identified?	_____	✓	Yes	_____	Reported

Noncompliance material to financial statements noted? _____ Yes ✓ No

STATE FINANCIAL ASSISTANCE

Internal control over major programs:

○ Material weakness(es) identified?	_____	Yes	_____	✓	No
					None
○ Significant deficiency(ies) identified?	_____	Yes	_____	✓	Reported

Type of auditor's report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with Section 4-236-24 of the Regulations to the State Single Audit Act? _____ Yes ✓ No

The following schedule reflects the major programs included in the audit:

State Grantor/Program	State Grant Program Core-CT Number	Expenditures
DEPARTMENT OF TRANSPORTATION:		
Town Aid Road Grant	12052-DOT57131-43455	\$ 195,382
Town Aid Road Grant - STO	13033-DOT57131-43459	195,382
		\$ 390,764

Dollar threshold used to distinguish between Type A and Type B programs: \$100,000

II. FINANCIAL STATEMENT FINDINGS

Finding 2019-001: Significant Deficiency in Internal Control over Financial Reporting

Criteria: The Town should have internal controls over financial reporting that provides reasonable assurance that the accounting records can be relied upon and used to prepare the basic financial statements and related notes to the basic financial statements, in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF STATE FINDINGS AND QUESTIONED COSTS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

II. FINANCIAL STATEMENT FINDINGS *(Continued)*

Finding 2018-001: Significant Deficiency in Internal Control over Financial Reporting *(Continued)*

Condition: The Town's funds, other than the General Fund, are not properly set-up within the general ledger system. Specifically, the majority of these funds are accounted for within the General Fund trial balance as balance sheet accounts only. Revenues and expenditures attributed to these funds are currently recorded as an increase and decrease to the applicable balance sheet accounts. As a result, manual reconciliations are required in order to provide the necessary information to prepare the financial statements.

Effect: The Town is not able to produce a complete trial balance for each of these funds from the accounting system without performing manual reconciliations.

Cause: Deficiencies in the design of the Town's accounting system.

Auditor's Recommendation: We recommend that the Town develop and implement a comprehensive plan to overhaul its current accounting system. Specifically, we recommend that the Town no longer utilize balance sheet accounts for recording revenues and expenditures for governmental funds. Instead, the Town should establish separate funds within the accounting system.

Town's Response: The Town intends to take the appropriate actions to strengthen its internal control and remedy the conditions giving rise to this reported deficiency.

III. STATE FINANCIAL ASSISTANCE FINDINGS AND QUESTIONED COSTS

No findings reported.

SUMMARY SCHEDULE OF THE STATUS OF PRIOR AUDIT FINDINGS

Prior year finding 2018-001, *Significant Deficiency in Internal Control over Financial Reporting*, has been repeated in the current year as finding 2019-001.

Prior year finding 2018-002, *Material Weakness in Internal Controls due to a Lack of Segregation of Duties*, is no longer considered to be a significant deficiency.

Prior year finding 2018-003, *Significant Deficiency over the Bank Reconciliation Process*, is no longer considered to be a significant deficiency.

TOWN OF ANDOVER, CONNECTICUT

FINANCIAL STATEMENTS

**AS OF AND FOR THE YEAR ENDED
JUNE 30, 2019**

TOWN OF ANDOVER, CONNECTICUT
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INDEPENDENT AUDITOR'S REPORT

INDEPENDENT AUDITOR'S REPORT

To the Board of Finance of the
Town of Andover, Connecticut

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Andover, Connecticut (the "Town"), as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the Town's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, each major fund, and the aggregate remaining fund information of the Town of Andover, Connecticut, as of June 30, 2019, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis on pages 3 through 12 and the information on pages 53 through 63 be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Town's basic financial statements. The combining and individual fund financial statements and schedules on pages 64 through 84 are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual fund financial statements and schedules are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated April 28, 2020, on our consideration of the Town's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the Town's internal control over financial reporting and compliance.



Certified Public Accountants
Glastonbury, Connecticut
April 28, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

As management of the Town of Andover, Connecticut (the "Town"), we offer readers of the Town's financial statements this narrative overview and analysis of the financial activities of the Town for the fiscal year ended June 30, 2019.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the Town exceeded its liabilities and deferred inflows of resources at the close of the most recent fiscal year by \$11,604,025 (net position). Of this amount, \$3,398,208 (unrestricted net position) may be used to meet the Town's ongoing obligations to citizens and creditors.
- The Town's total net position increased by \$557,478.
- As of the close of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,785,777, an increase of \$261,979 in comparison with the prior year.
- At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,945,327 or 15.7% of the Town's total fiscal year 2020 General Fund budgetary expenditure appropriation of \$12,368,158. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover approximately 1.9 months of General Fund operating expenditures.
- The principal balance outstanding on the Town's long-term bonded debt decreased by \$90,000, from \$360,000 as of June 30, 2018 to \$270,000 as of June 30, 2019. The decrease represents scheduled repayments made during the current fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the Town's basic financial statements. The Town's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances, in a manner similar to a private-sector business.

The statement of net position presents information on all of the Town's assets, deferred outflows and inflows of resources and liabilities, with net position as the residual of these other elements. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the Town is improving or deteriorating.

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS *(Continued)*

Government-wide Financial Statements *(Continued)*

The statement of activities presents information showing how the Town's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods.

The government-wide financial statements distinguish functions of the Town that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The Town has no business-type activities. The governmental activities of the Town include public safety, public works, health and welfare, planning and development, education, library, recreation, and general administrative services.

The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the Town can be divided into two categories: governmental funds and fiduciary funds.

Governmental Funds

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the Town's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the Town's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The Town maintains a number of individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental fund statement of revenues, expenditures and changes in fund balances for the General Fund and the Capital Reserve Fund, both of which are considered to be major funds. Data from the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

The basic governmental fund financial statements can be found on pages 13 through 18 of this report.

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

OVERVIEW OF THE FINANCIAL STATEMENTS (Continued)

Fund Financial Statements (Continued)

Fiduciary Funds

Fiduciary funds are used to account for resources held for the benefit of parties outside the Town government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to the Town's own programs.

The basic fiduciary fund financial statements can be found on page 19 of this report.

Notes to the Financial Statements

The notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 20 through 52 of this report.

Other Information

In addition to the basic financial statements and accompanying notes, this report also contains required supplementary information other than this management's discussion and analysis that can be found on pages 53 through 63 of this report. Combining and individual fund statements and schedules can be found on pages 64 through 84 of this report.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position

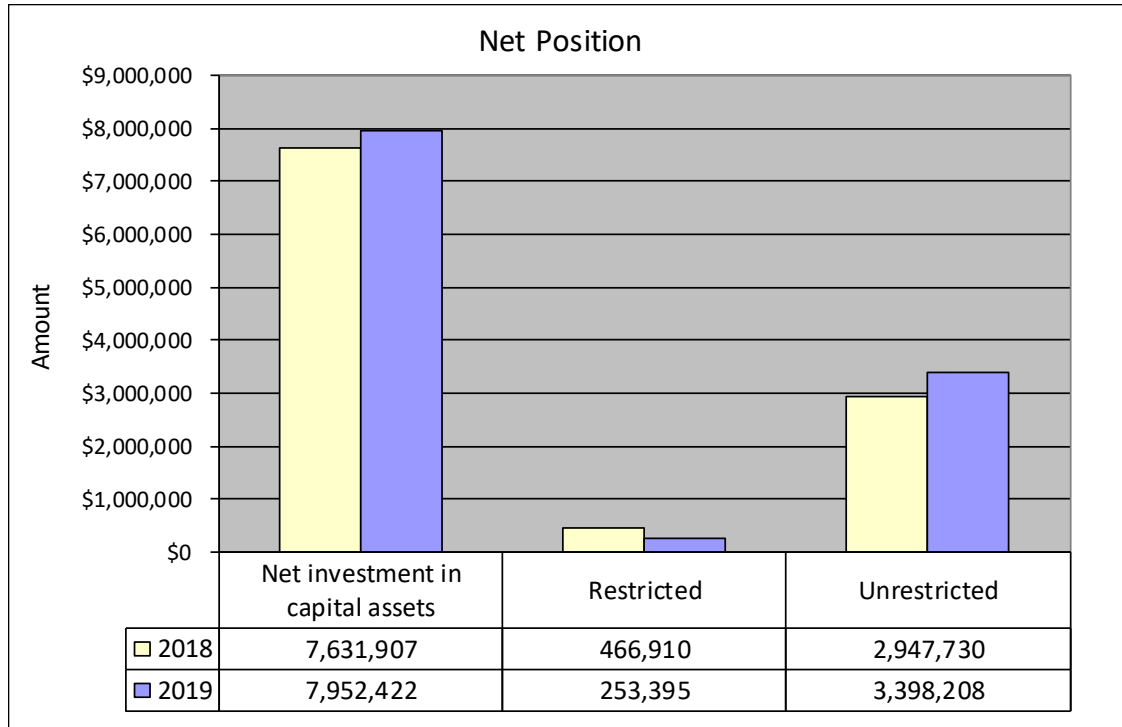
Over time, net position may serve as one measure of a government's financial position. Net position of the Town totaled \$11,604,025 as of June 30, 2019 and \$11,046,547 as of June 30, 2018 and is summarized as follows:

	2019	2018	\$ Variance	\$ Variance
Current and other assets	\$ 5,634,212	\$ 5,167,473	\$ 466,739	9%
Capital assets	8,312,810	7,991,907	320,903	4%
Total assets	<u>13,947,022</u>	<u>13,159,380</u>	<u>787,642</u>	6%
Deferred outflows of resources	<u>885,762</u>	<u>65,300</u>	<u>820,462</u>	1256%
Other liabilities	526,230	386,700	139,530	36%
Long-term liabilities	2,535,913	1,746,867	789,046	45%
Total liabilities	<u>3,062,143</u>	<u>2,133,567</u>	<u>928,576</u>	44%
Deferred outflows of resources	<u>166,616</u>	<u>44,566</u>	<u>122,050</u>	274%
Net position:				
Net investment in capital assets	7,952,422	7,631,907	320,515	4%
Restricted	253,395	466,910	(213,515)	-46%
Unrestricted	3,398,208	2,947,730	450,478	15%
Total net position	<u>\$ 11,604,025</u>	<u>\$ 11,046,547</u>	<u>\$ 557,478</u>	

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Net Position (Continued)



Of the Town's net position as of June 30, 2019 and 2018, 68.5% and 69.1% reflects its investment in capital assets, less any related debt used to acquire those assets that is still outstanding, respectively. The Town uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the Town's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

As of June 30, 2019 and 2018, 2.2% and 4.2% of the Town's net position, respectively, is subject to external restrictions on how it may be used and is therefore presented as restricted net position.

The remainder of the Town's net position is considered unrestricted and may be used to meet the Town's ongoing obligations to citizens and creditors.

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS (Continued)

Changes in Net Position

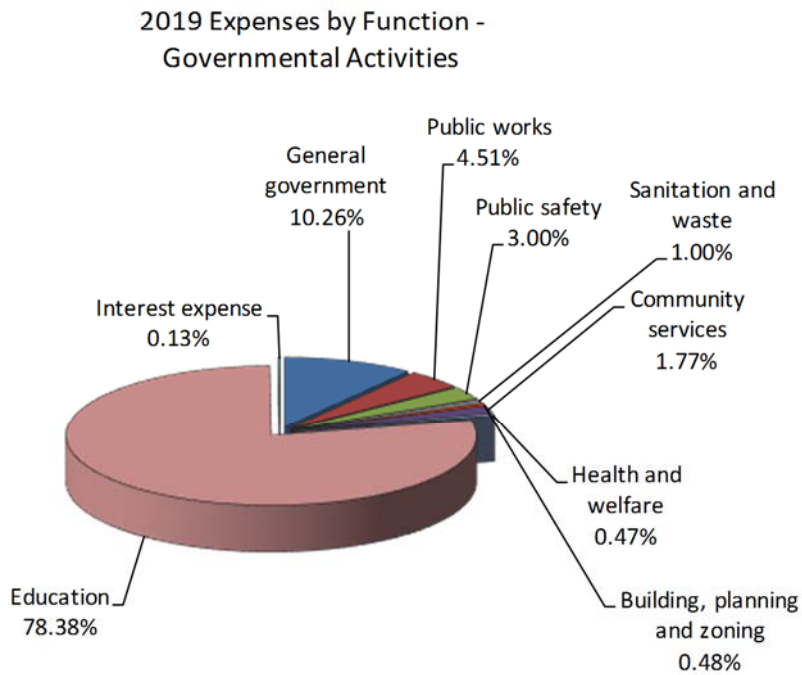
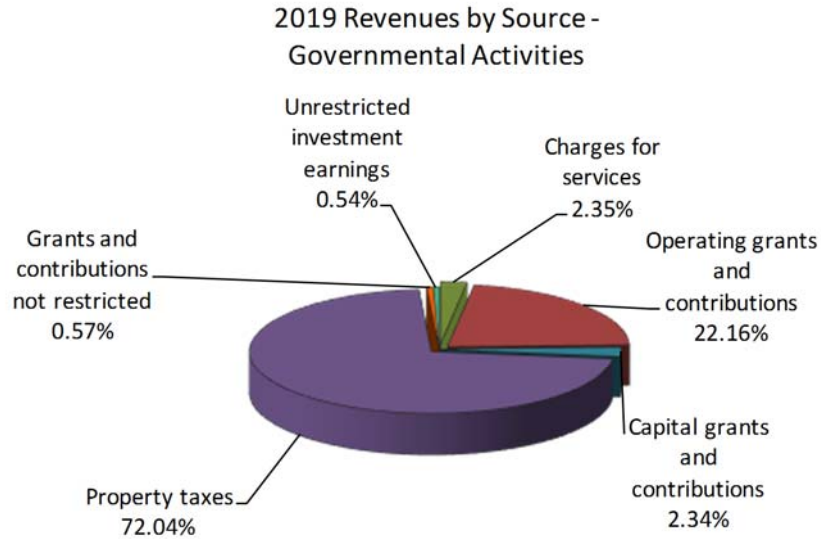
Changes in net position for the years ended June 30, 2019 and 2018 are as follows:

	<u>2019</u>	<u>2018</u>	<u>\$ Variance</u>	<u>% Variance</u>
Revenues:				
Program revenues:				
Charges for services	\$ 292,180	\$ 251,589	40,591	16%
Operating grants and contributions	2,753,277	3,518,353	(765,076)	-22%
Capital grants and contributions	291,382	783,220	(491,838)	-63%
General revenues:				
Property taxes	8,952,682	8,406,034	546,648	7%
Grants and contributions not restricted	70,968	65,296	5,672	9%
Unrestricted investment earnings	66,743	44,704	22,039	49%
Total revenues	<u>12,427,232</u>	<u>13,069,196</u>	<u>(641,964)</u>	-4.9%
Expenses:				
General government	1,217,310	1,062,109	155,201	15%
Public works	535,690	490,610	45,080	9%
Public safety	356,374	338,235	18,139	5%
Sanitation and waste	118,374	141,167	(22,793)	-16%
Building, planning and zoning	57,177	55,267	1,910	3%
Community services	210,367	165,689	44,678	27%
Health and welfare	56,379	56,583	(204)	0%
Education	9,302,985	9,851,087	(548,102)	-6%
Interest expense	15,098	20,543	(5,445)	-27%
Total expenses	<u>11,869,754</u>	<u>12,181,290</u>	<u>(311,536)</u>	-2.6%
Change in net position	<u>\$ 557,478</u>	<u>\$ 887,906</u>	<u>\$ (330,428)</u>	-37%

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Changes in Net Position *(Continued)*



TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

GOVERNMENT-WIDE FINANCIAL ANALYSIS *(Continued)*

Governmental Activities

Governmental activities increased the Town's net position by \$557,478 during the current fiscal year compared to an increase of \$887,906 during the prior fiscal year.

Revenues generated by the Town decreased by \$641,964 or 4.9% over the prior year. The decrease in operating grants and contributions was due to a reduction in the amount of pension and OPEB expense recognized by the State of Connecticut in connection with the Town's participation in the Connecticut State Teachers' Retirement System. The decrease in capital grants was due to grants received in the prior year to fund the reconstruction of the Times Farm bridge. The decrease in operating and capital grants was offset by an increase in property tax revenues comprising of a 4.5% increase in the Town's mill rate and an overall increase in the Town's taxable grand list.

Expenses incurred by the Town decreased by \$311,536 or 2.6% in comparison to expenses reported in the prior fiscal year. Decreases in education expenses was due to a reduction in the amount of pension and OPEB expense recognized by the State of Connecticut in connection with the Town's participation in the Connecticut State Teachers' Retirement System.

FINANCIAL ANALYSIS OF THE TOWN'S FUNDS

As noted earlier, the Town uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds

The focus of the Town's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the Town's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the Town's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the Town's governmental funds reported combined ending fund balances of \$4,785,777, an increase of \$261,979 in comparison with the prior year. Of this amount, \$1,945,327 constitutes unassigned fund balance, which is available for spending at the Town's discretion.

General Fund

The General Fund is the chief operating fund of the Town. At the end of the current fiscal year, unassigned fund balance of the General Fund was \$1,945,327, while total fund balance was \$3,121,327. As a measure of the General Fund's liquidity, it may be useful to compare unassigned fund balance to total General Fund expenditures. At the end of the current fiscal year, unassigned fund balance for the General Fund was \$1,945,327 or 15.7% of the Town's total fiscal year 2020 General Fund budgetary expenditure appropriation of \$12,368,158. Expressed another way, unassigned fund balance for the General Fund was sufficient to cover approximately 1.9 months of General Fund operating expenditures.

Capital Reserve Fund

The fund balance of the Capital Reserve Fund increased by \$13,779 during the current fiscal year from \$821,768 as of June 30, 2019 to \$835,547 as of June 30, 2019.

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

GENERAL FUND BUDGETARY HIGHLIGHTS

The Town's final budget planned for the use of fund balance in the amount of \$56,195. The actual net change in fund balance of the General Fund on a budgetary basis was an increase of \$517,134, resulting in a favorable budgetary variance of \$573,329. Revenues were \$162,935 more than budgeted and expenditures were \$410,394 less than budgeted. The revenue surplus was due to favorable collections on property tax collections, town clerk and building permit fees, and interest earned on short-term investments. Favorable budgetary expenditure variances were realized across all departments.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The Town's investment in capital assets as of June 30, 2019 and 2018 totaled \$8,312,810 and \$7,991,907, respectively (net of accumulated depreciation). This investment in capital assets includes construction in progress, land, buildings and improvements, machinery, equipment and vehicles and infrastructure assets such as roads and bridges. The total increase in the Town's investment in capital assets for the current fiscal year was \$320,903 or 4.0%, which consisted of capital additions of \$673,275, offset by current year depreciation of \$352,372.

Major capital asset additions during the current fiscal year consisted of the following:

- outlays for purchase of a wheel loader for public works in the amount of \$123,003 (funded by a capital lease),
- outlays for replacement of the fire station furnace in the amount of \$98,500 (funded by the State of Connecticut local capital improvement program), and
- outlays for road reconstruction costs in the amount of \$317,079 (funded by Town Aid Road grant program).

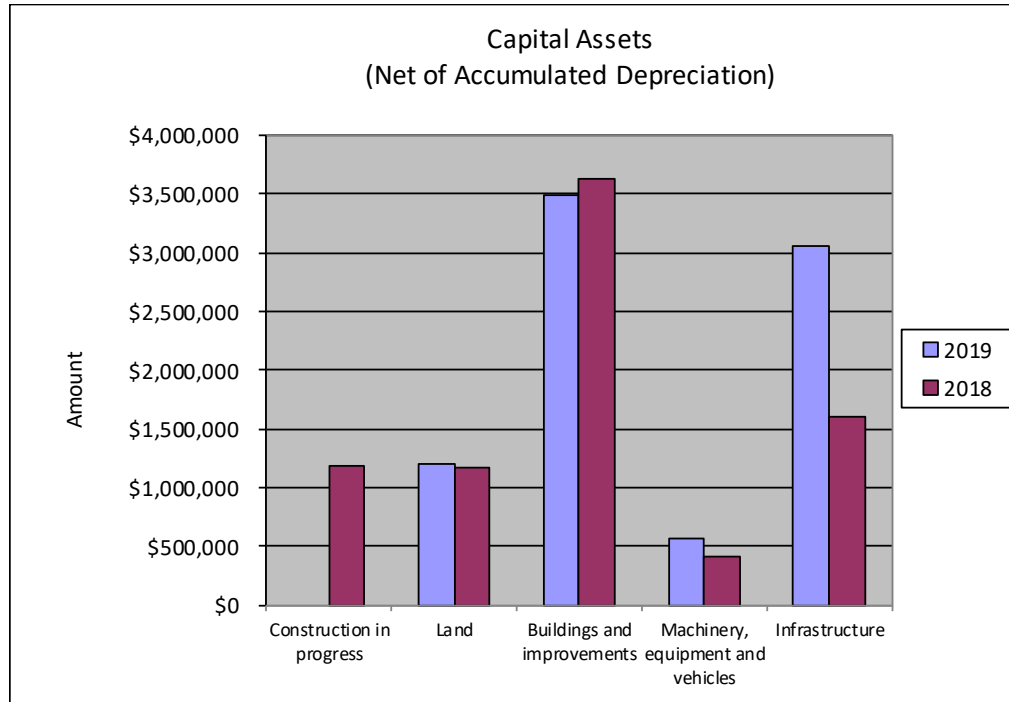
The following table is a two-year comparison of the investment in capital assets:

	2019	2018	\$ Variance	% Variance
Construction in progress	\$ -	\$ 1,179,357	\$ (1,179,357)	-100%
Land	1,205,733	1,175,732	30,001	3%
Buildings and improvements	3,487,961	3,624,017	(136,056)	-4%
Machinery, equipment and vehicles	570,278	411,065	159,213	39%
Infrastructure	3,048,838	1,601,736	1,447,102	90%
Totals	<u>\$ 8,312,810</u>	<u>\$ 7,991,907</u>	<u>\$ 320,903</u>	4%

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) (Continued)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION (Continued)

Capital Assets (Continued)



Additional information on the Town's capital assets can be found in the notes to the basic financial statements of this report.

Long-term Debt

At the end of the current fiscal year, the Town had \$270,000 of long-term bonded debt outstanding. This entire amount is comprised of debt backed by the full faith and credit of the Town. In addition, the Town had capital lease obligations outstanding of \$90,388.

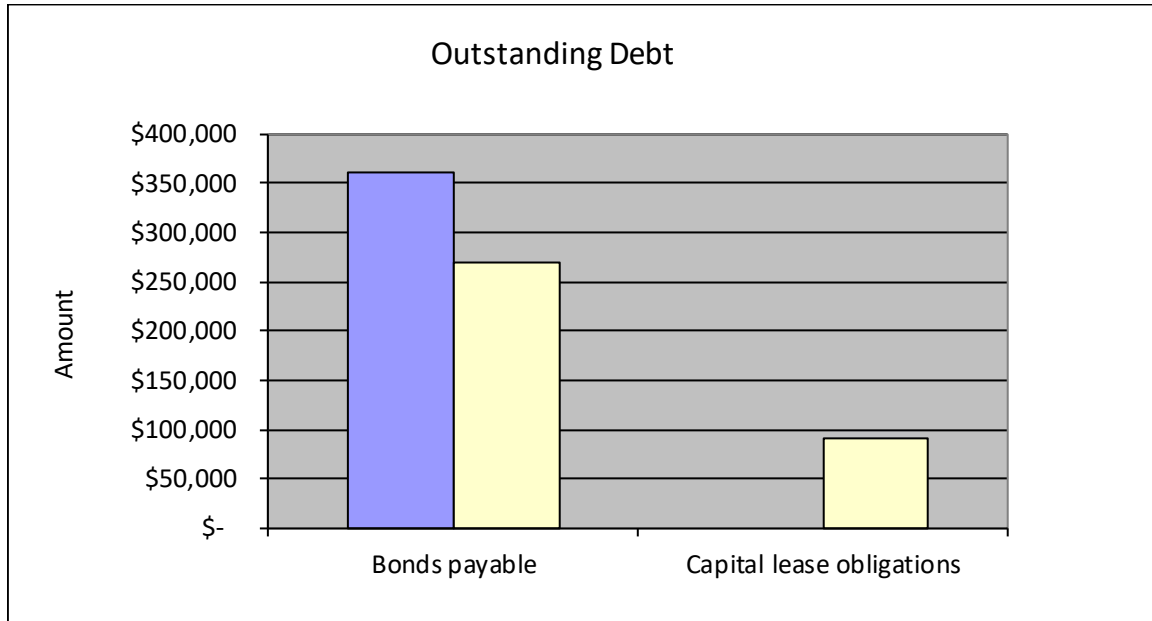
The following table is a two-year comparison of long-term debt:

	2019	2018	\$ Variance	% Variance
Bonds payable	\$ 270,000	\$ 360,000	\$ (90,000)	-25%
Capital lease obligations	90,388	-	90,388	-
Totals	<u>\$ 360,388</u>	<u>\$ 360,000</u>	<u>\$ 388</u>	0%

TOWN OF ANDOVER, CONNECTICUT
MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

CAPITAL ASSET AND DEBT ADMINISTRATION *(Continued)*

Long-term Debt *(Continued)*



Additional information on the Town's long-term debt can be found in the notes to the basic financial statements of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

A summary of key economic factors affecting the Town are as follows:

- The Town receives intergovernmental revenues from the State of Connecticut. Connecticut's economy moves in the same general cycle as the national economy, which from time to time will affect the amount of intergovernmental revenues the Town will receive.
- The unemployment rate for the Town compares favorably to the state's average unemployment rate and the national unemployment rate.
- Inflationary trends in the region compare favorably to national indices.

All of these factors were considered in preparing the Town's budget for fiscal year 2019.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the Town's finances for all those with an interest in the Town's finances. Questions concerning any of the information provided in this report or requests for additional information should be addressed to the Administrator's Office, Town of Andover, 17 School Road, Andover, CT 06278.

BASIC FINANCIAL STATEMENTS

TOWN OF ANDOVER, CONNECTICUT
STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

	Governmental Activities
ASSETS	
Cash and cash equivalents	\$ 5,101,274
Investments	38,570
Receivables:	
Property taxes	240,219
Interest on property taxes	86,100
Other	168,049
Capital assets:	
Non-depreciable	1,205,733
Depreciable, net	7,107,077
Total assets	<u>13,947,022</u>
DEFERRED OUTFLOWS OF RESOURCES	
Deferred charges on pension expense	866,015
Deferred charges on OPEB expense	19,747
Total deferred outflows of resources	<u>885,762</u>
LIABILITIES	
Accounts payable	448,824
Accrued liabilities:	
Salaries and benefits payable	48,951
Other	25,955
Unearned revenue	2,500
Noncurrent liabilities:	
Due within one year	205,936
Due in more than one year	2,329,977
Total liabilities	<u>3,062,143</u>
DEFERRED INFLOWS OF RESOURCES	
Deferred charges on pension expense	34,415
Deferred charges on OPEB expense	132,201
Total deferred inflows of resources	<u>166,616</u>
NET POSITION	
Net investment in capital assets	7,952,422
Restricted for:	
Endowments - nonexpendable	58,795
Endowments - expendable	47,801
Grant programs	146,799
Unrestricted	3,398,208
Total net position	<u><u>\$ 11,604,025</u></u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Position - Governmental Activities
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	
Governmental activities:					
General government	\$ 1,217,310	\$ 134,773	\$ 12,441	\$ -	\$ (1,070,096)
Public works	535,690	-	-	192,882	(342,808)
Public safety	356,374	2,537	2,831	98,500	(252,506)
Sanitation and waste	118,374	38,246	-	-	(80,128)
Building planning and zoning	57,177	-	-	-	(57,177)
Community services	210,367	23,581	25,094	-	(161,692)
Health and welfare	56,379	-	-	-	(56,379)
Education	9,302,985	93,043	2,712,911	-	(6,497,031)
Interest expense	15,098	-	-	-	(15,098)
Total governmental activities	<u>\$ 11,869,754</u>	<u>\$ 292,180</u>	<u>\$ 2,753,277</u>	<u>\$ 291,382</u>	<u>(8,532,915)</u>
General revenues:					
Property taxes, levied for general purposes					8,952,682
Grants and contributions not restricted to specific programs					70,968
Investment earnings					66,743
Total general revenues					<u>9,090,393</u>
					Change in net position 557,478
					Net position - beginning, as adjusted 11,046,547
					Net position - ending <u>\$ 11,604,025</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT

BALANCE SHEET
GOVERNMENTAL FUNDS
AS OF JUNE 30, 2019

	General Fund	Capital Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS				
Cash and cash equivalents	\$ 4,029,383	\$ 595,105	\$ 476,786	\$ 5,101,274
Investments	-	-	38,570	38,570
Receivables:				
Property taxes	240,219	-	-	240,219
Interest on property taxes	86,100	-	-	86,100
Other	168,049	-	-	168,049
Due from other funds	110,051	324,364	358,901	793,316
Total assets	<u>\$ 4,633,802</u>	<u>\$ 919,469</u>	<u>\$ 874,257</u>	<u>\$ 6,427,528</u>
LIABILITIES				
Accounts payable	\$ 448,442	\$ -	\$ 382	\$ 448,824
Salaries and benefits payable	48,951	-	-	48,951
Other accrued liabilities	25,955	-	-	25,955
Due to other funds	666,922	83,922	42,472	793,316
Unearned revenue	-	-	2,500	2,500
Total liabilities	<u>1,190,270</u>	<u>83,922</u>	<u>45,354</u>	<u>1,319,546</u>
DEFERRED INFLOWS OF RESOURCES				
Unavailable revenue - property taxes	<u>322,205</u>	<u>-</u>	<u>-</u>	<u>322,205</u>
FUND BALANCES				
Nonspendable	-	-	58,795	58,795
Restricted	-	-	194,600	194,600
Committed	200,000	835,547	575,508	1,611,055
Assigned	976,000	-	-	976,000
Unassigned	1,945,327	-	-	1,945,327
Total fund balances	<u>3,121,327</u>	<u>835,547</u>	<u>828,903</u>	<u>4,785,777</u>
Total liabilities, deferred inflows of resources, and fund balances	<u>\$ 4,633,802</u>	<u>\$ 919,469</u>	<u>\$ 874,257</u>	<u>\$ 6,427,528</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
RECONCILIATION OF THE BALANCE SHEET OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET POSITION
AS OF JUNE 30, 2019

Total fund balances for governmental funds	\$ 4,785,777
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Total net position reported for governmental activities in the statement of net position is different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the governmental funds. Those assets consist of:

Land	\$ 1,205,733	
Buildings and improvements	10,704,398	
Machinery, equipment and vehicles	2,524,841	
Infrastructure	3,355,801	
Less: accumulated depreciation and amortization	<u>(9,477,963)</u>	
Total capital assets, net		8,312,810

Some of the Town's revenues will be collected after year end, but are not available soon enough to pay for the current period's expenditures and therefore are reported as deferred inflows of resources in the funds.

322,205

Long-term liabilities applicable to the Town's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. All liabilities - both current and long-term - are reported in the statement of net position.

Long-term debt:		
Bonds payable	(270,000)	
Capital lease obligations	(90,388)	
Other long-term liabilities:		
Compensated absences	(233,843)	
Net pension liability	(1,517,000)	
Total OPEB liability	<u>(424,682)</u>	
Total long-term liabilities		(2,535,913)

Deferred outflows and inflows of resources resulting from changes in the components of the Town's net pension and total OPEB liabilities are reported in the statement of net position.

719,146

Net position of governmental activities	<u><u>\$ 11,604,025</u></u>
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The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	General Fund	Capital Reserve Fund	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES				
Property taxes	\$ 8,887,452	\$ -	\$ -	\$ 8,887,452
Intergovernmental	2,796,687	-	607,718	3,404,405
Charges for services	149,306	-	110,913	260,219
Interest income	52,301	7,829	6,613	66,743
Other	29,305	-	38,522	67,827
Total revenues	<u>11,915,051</u>	<u>7,829</u>	<u>763,766</u>	<u>12,686,646</u>
EXPENDITURES				
Current:				
General government	1,097,132	-	54,813	1,151,945
Public works	379,174	-	390,764	769,938
Public safety	161,447	-	129,385	290,832
Sanitation and waste	117,345	-	-	117,345
Building planning and zoning	57,177	-	-	57,177
Community services	106,873	-	44,429	151,302
Health and welfare	56,379	-	-	56,379
Education	9,087,857	-	426,246	9,514,103
Capital outlays	189,273	9,050	102,613	300,936
Debt service:				
Principal payments	122,615	-	-	122,615
Interest and fiscal charges	15,098	-	-	15,098
Total expenditures	<u>11,390,370</u>	<u>9,050</u>	<u>1,148,250</u>	<u>12,547,670</u>
Excess (deficiency) of revenues over expenditures	524,681	(1,221)	(384,484)	138,976
OTHER FINANCING SOURCES (USES)				
Capital lease financing	123,003	-	-	123,003
Transfers in	-	15,000	150,600	165,600
Transfers out	(165,600)	-	-	(165,600)
Total other financing sources (uses)	<u>(42,597)</u>	<u>15,000</u>	<u>150,600</u>	<u>123,003</u>
Net change in fund balances	482,084	13,779	(233,884)	261,979
Fund balances - beginning	<u>2,639,243</u>	<u>821,768</u>	<u>1,062,787</u>	<u>4,523,798</u>
Fund balances - ending	<u>\$ 3,121,327</u>	<u>\$ 835,547</u>	<u>\$ 828,903</u>	<u>\$ 4,785,777</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Net change in fund balances - total governmental funds	\$	261,979
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Total change in net position reported for governmental activities in the statement of activities is different because:

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. The amount by which capital outlays exceeded depreciation and amortization expense in the current period is as follows:

Expenditures for capital assets	\$ 673,275	
Depreciation and amortization expense	(352,372)	
Net adjustment		320,903

Certain revenues reported in the statement of activities do not provide current financial resources and therefore are reported as deferred inflow of resources in governmental funds. This amount represents the change in unavailable revenues.	65,230
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The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of principal on long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. The net effect of these differences in the treatment of long-term debt is as follows:

Debt issued or incurred:		
Capital lease financing	\$ (123,003)	
Principal repayments:		
Bonds payable	90,000	
Obligations under capital lease	32,615	
Net adjustment		(388)

Under the modified accrual basis of accounting used in the governmental funds, expenditures are not recognized for transactions that are not normally paid with expendable available financial resources. In the statement of activities, however, which is presented on the accrual basis, expenses and liabilities are reported regardless of when financial resources are available. In addition, interest on long-term debt is not recognized under the modified accrual basis of accounting until due, rather than as it accrues. The net effect of such items is as follows:

Compensated absences	11,829	
Net pension liability	(910,000)	
Total OPEB liability	109,513	
Net adjustment		(788,658)

Deferred outflows and inflows of resources resulting from changes in the components of the net pension liability are amortized as a component of pension expense in the statement of activities.

		698,412
Change in net position of governmental activities	\$	557,478

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
AS OF JUNE 30, 2019

	Agency Funds
ASSETS	
Cash and cash equivalents	\$ 76,351
Total assets	<u>\$ 76,351</u>
LIABILITIES	
Payable	\$ 3,000
Due to others	73,351
Total liabilities	<u>\$ 76,351</u>

The accompanying notes are an integral part of these financial statements.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the Town of Andover, Connecticut (the "Town") conform to accounting principles generally accepted in the United States of America, as applicable to governmental organizations. The following is a summary of significant accounting policies:

Financial Reporting Entity

History and Organization

The Town of Andover, Connecticut, was settled in 1848 and covers 39.5 square miles located in Tolland County. The Town operates under a Board of Selectmen, Town Meeting and Board of Finance form of government and provides the following services as authorized by Connecticut General Statutes: public works, public safety, sanitation and waste, building planning and zoning, community services, health and welfare, recreation, education and general administrative services.

The legislative power of the Town is with the Board of Selectmen and Town Meeting. The Board of Selectmen may enact, amend or repeal ordinances and resolutions. The Board of Finance is responsible for financial and taxation matters as prescribed by Connecticut General Statutes, and is responsible for presenting fiscal operating budgets for Town Meeting approval.

The basic financial statements of the reporting entity include only the funds of the Town as no component units exist based on operational or financial relationships with the Town.

Related Organizations

The Town is a member of Regional School District No. 8 (the "District"), which is located in Hebron, Connecticut. The District provides educational services for the grade 7 through 12 populations within its member towns. The activities of the District are primarily supported by assessments made to member towns. In addition to annual member assessments, the Town is contingently liable for its pro-rata share of the District's outstanding bonds. The District is governed by an elected Board of Education and issues publicly available financial reports.

The Town contracts for fire protection and emergency ambulance services from the Andover Volunteer Fire Department, Inc. (the "Department"), a legally separate 501(c)(3) nonprofit corporation. The Town funds a significant portion of the Department's operating and capital activities. Budgetary operating appropriations paid by the Town to the Department totaled \$124,850 for the year ended June 30, 2019.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Government-Wide and Fund Financial Statements

Government-wide Financial Statements

The statement of net position and the statement of activities display information about the Town and include the financial activities of the overall government, except for fiduciary activities. Eliminations have been made to minimize the double-counting of internal activities. Governmental activities generally are financed through taxes, intergovernmental revenues, and other nonexchange transactions.

The statement of activities demonstrates the degree to which the direct expenses of a given function are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Taxes and other items not properly included among program revenues are reported as general revenues.

Fund Financial Statements

The fund financial statements provide information about the Town's funds, including its fiduciary funds. Separate statements for each fund category - governmental and fiduciary - are presented. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

The Town reports the following major governmental funds:

General Fund – This fund is the Town's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.

Capital Reserve Fund – This fund is used to account for the revenues and expenditures relating to construction, repairs and capital purchases.

Additionally, the Town reports the following fund types:

Special Revenue Funds – These funds account for proceeds of specific revenue sources that are restricted or committed to expenditure for specified purposes other than debt service or capital projects.

Capital Projects Funds – These funds account for financial resources that are restricted, committed, or assigned to expenditure for capital outlays.

Permanent Funds – These funds account for resources that are restricted to the extent that only earnings, and not principal, may be used for purposes that support the Town's programs.

Agency Funds - These funds are used to account for resources held by the Town in a purely custodial capacity.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Measurement Focus and Basis of Accounting

The accounting and financial reporting treatment is determined by the applicable measurement focus and basis of accounting. Measurement focus indicates the type of resources being measured such as current financial resources or economic resources. The basis of accounting indicates the timing of transactions or events for recognition in the financial statements.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

The governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the government considers property taxes and related interest to be available if they are collected within 60 days of the end of the current fiscal period. Entitlements are recorded as revenues when all eligibility requirements are met, including any time requirements, and the amount is received during the period or within 60 days of the end of the current fiscal period. Expenditure-driven grants are recognized as revenue when the qualifying expenditures have been incurred and all other eligibility requirements have been met, and the amount is received or is available to be received during the period or within 60 days of the end of the current fiscal period. All other revenue items are considered to be measurable and available only when the cash is received. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences, and claims and judgments, are recorded only when payment is due. General capital asset acquisitions are reported as expenditures in governmental funds. Issuance of long-term debt and acquisitions under capital lease are reported as other financing sources.

The agency fund has no measurement focus but utilizes the accrual basis of accounting for reporting its assets and liabilities.

Implementation of Accounting Standards

Effective July 1, 2018, the Town adopted the provisions of GASB Statement No. 83, *Certain Asset Retirement Obligations*. GASB Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). The Statement established criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. The adoption of this statement did not have a material effect on the Town's financial statements.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Implementation of Accounting Standards *(Continued)*

Effective July 1, 2018, the Town adopted the provisions of Governmental Accounting Standards Board (GASB) Statement No. 88, *Certain Disclosures Related to Debt, including Borrowings and Direct Placements*. This Statement defines debt for purposes of disclosure in notes to the financial statements as a liability (or other assets that may be used in lieu of cash) in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. This Statement requires that additional essential information related to debt be disclosed in notes to financial statements, including lines of credit; assets pledged as collateral for the debt; and terms specified in debt agreements related to significant events of default with finance-related consequences, significant termination events with finance-related consequences, and significant subjective acceleration clauses. For notes to financial statements related to debt, this Statement also requires that existing and additional information be provided for direct borrowings and direct placements of debt separately from other debt. The adoption of this statement did not have a material effect on the Town's financial statements.

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity

Cash and Cash Equivalents

The Town's cash and cash equivalents are considered to be cash on hand, demand deposits, and short-term investments with original maturities of three months or less from the date of acquisition.

Investments

Investments are measured by the Town at fair value (generally based on quoted market prices).

Donor-restricted Endowments

The Town allocates investment income on endowment investments in accordance with donor restrictions and Connecticut law. The State of Connecticut adopted the provisions of the Uniform Prudent Management of Institutional Funds Act (UPMIFA) effective October 1, 2007. UPMIFA requires the investment of endowments in good faith and with the care that an ordinarily prudent person in a like position would exercise under similar circumstances. It requires prudence in incurring investment costs, authorizing only costs that are appropriate and reasonable. Factors to be considered in investing are expanded to include, for example, the effects of inflation. UPMIFA emphasizes that investment decisions be made in relation to the overall resources of the Town.

Property Taxes

Property taxes are assessed as of October 1. Taxes are billed in the following July and are due in four installments, July 1, October 1, January 1, and April 1. Personal property and motor vehicle taxes are billed in July and are due in four installments. A supplemental motor vehicle tax is billed in one installment on January 1. Taxes not paid within 30 days of the due date are subject to an interest charge of 1.5% per month. Liens are effective on the assessment date and are continued by filing before the end of the year following the due date. Assessments for real and personal property, excluding motor vehicles, are computed at 70% of the market value.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)*

Capital Assets

Capital assets, which include property, equipment, and infrastructure assets (e.g. roads, bridges, sidewalks, and similar items), are reported in the government-wide financial statements. Capital assets are defined by the Town as assets with an initial individual cost of more than \$5,000 for land, building and improvements, machinery, equipment and vehicles, and an estimated useful life in excess of one year. Such assets are recorded at historical cost, or estimated historical cost, if purchased or constructed. Donated capital assets are recorded at acquisition value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of a capital asset or materially extend capital asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed.

Capital assets of the Town are depreciated using the straight-line method over the following estimated useful lives:

Assets	Years
Buildings and improvements	30 - 50
Machinery, equipment and vehicles	3 - 10
Infrastructure	30 - 50

Unearned Revenue

This liability represents resources that have been received but not yet earned.

Deferred Outflows and Inflows of Resources

Deferred outflows and inflows of resources represents a consumption or acquisition of net position that applies to a future period(s) and so will not be recognized as an outflow or inflow of resources until that time. The Town reports deferred charges on pension and other post-employment benefit (OPEB) expenses in the government-wide statement of net position. Deferred charges on pension and OPEB expenses are amortized as a component of pension and OPEB expense on a systematic and rational basis. The Town reports unavailable revenue from property taxes and related interest in the governmental funds balance sheet. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

Compensated Absences

Town and Board of Education employees (except teachers who are granted sick time only) may accumulate unused vacation and sick pay benefits ("compensated absences") subject to certain union and contract provisions. All compensated absences are accrued when incurred in the government-wide financial statements. Expenditures for compensated absences are recognized in the governmental fund financial statements in the current year to the extent they are paid during the year or the vested amount is expected to be paid with available resources.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)*

Long-term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are reported as liabilities in the governmental activities statement of net position. Bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are expensed when incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Net Position and Fund Balance

The government-wide statement of net position presents the Town's assets, deferred outflows of resources and liabilities, with net position as the residual of these other elements. Net position is reported in three categories:

Net investment in capital assets - This component of net position consists of capital assets, net of accumulated depreciation and amortization and reduced by outstanding balances for bonds, notes and other debt that are attributed to the acquisition, construction or improvement of capital assets.

Restricted net position - This component of net position consists of amounts restricted either through external restrictions imposed by creditors, grantors, contributors, and the like, or through restrictions imposed by law through constitutional provisions or enabling legislation.

Unrestricted net position - This component of net position is the net amount of the assets, liabilities and deferred outflows/inflows of resources which do not meet the definition of the two preceding categories.

The Town's governmental funds report the following fund balance categories:

Nonspendable - Amounts that cannot be spent because they are not in spendable form or they are legally or contractually required to be maintained intact.

Restricted - Constraints are placed on the use of resources that are either externally imposed by creditors, grantors, contributors or laws and regulations of other governments or imposed by law through enabling legislation.

Committed - Amounts can only be used for specific purposes pursuant to constraints imposed by formal action of the Board of Finance (the highest level of financial decision making authority of the Town) and cannot be used for any other purpose unless the Town removes or changes the specified use by taking the same formal action. The formal action required to be taken by the Board of Finance to commit fund balance includes formal voting procedures regulated by Connecticut General Statutes.

Assigned - Amounts are constrained by the Town's intent to be used for specific purposes, but are not restricted or committed. The Board of Finance determines assignments by way of formal resolution on behalf of the Town to document the Town's intent to use available resources for specific purposes. The applicable assignments do not require formal Town Meeting approval. A review of assignments will be performed by the Board of Finance at regularly scheduled meetings.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Assets, Liabilities, Deferred Outflows and Inflows of Resources and Net Position/Fund Equity *(Continued)*

Net Position and Fund Balance *(Continued)*

Unassigned - Residual classification for the General Fund or amounts necessary in other governmental funds to eliminate otherwise negative fund balance amounts in the other four categories. In accordance with the Town's fund balance policy, the Town strives to maintain a General Fund unassigned fund balance of 10.0% of current year General Fund budgetary operating expenditures.

Net Position Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted (e.g. restricted bond or grant proceeds) and unrestricted resources. In order to calculate the amounts to report as restricted net position and unrestricted net position in the government-wide financial statements, a flow assumption must be made about the order in which the resources are considered to be applied.

The Town's policy over net position considers restricted net position to have been depleted before unrestricted net position is applied.

Fund Balance Flow Assumption

Sometimes the Town will fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements a flow assumption must be made about the order in which the resources are considered to be applied.

In accordance with the Town's fund balance policy, when committed, assigned and unassigned resources are available for use, it is assumed that the Town will use committed resources first, then assigned resources and then unassigned resources as they are needed.

Interfund Activities

Interfund Receivables and Payables

Activity between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (i.e. the current portion of interfund loans) or "advances to/from other funds" (i.e. the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds".

Advances between funds, as reported in the fund financial statements, are offset by a restricted fund balance designation (non-spendable) in the General Fund and by a restricted, committed or assigned fund balance designation of other governmental funds to indicate that they are not available for appropriation and are not expendable available financial resources.

Interfund Services Provided and Used

Sales and purchases of goods and services between funds for a price approximating their external exchange value are reported as revenues and expenditures, or expenses, in the applicable funds.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES *(Continued)*

Interfund Activities *(Continued)*

Interfund Transfers

Interfund transfers represent flows of assets without equivalent flows of assets in return and without a requirement for repayment. In governmental funds, transfers are reported as other financing uses in the funds making transfers and other financing sources in the funds receiving transfers.

Interfund Reimbursements

Interfund reimbursements represent repayments from the funds responsible for particular expenditures or expenses to the funds that initially paid for them.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts and disclosures in the financial statements. Actual results could differ from those estimates.

NOTE 2 - CASH DEPOSITS AND INVESTMENTS

Cash Deposits

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of a bank failure, the Town will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Town does not have a deposit policy for custodial credit risk. As of June 30, 2019, the carrying amount of the Town's cash deposits totaled \$5,117,625. As of June 30, 2019, \$4,824,962 of the Town's bank balance of \$5,376,191 was exposed to custodial credit risk as follows:

Uninsured and uncollateralized	\$ 482,496
Uninsured and collateralized with securities held by the pledging bank's trust department or agent held in the Town's name	4,342,466
	<u>\$ 4,824,962</u>

All of the Town's deposits were in qualified public institutions as defined by Connecticut state statute. Under this statute, any bank holding public deposits must at all times maintain, segregated from its other assets, eligible collateral in an amount equal to a certain percentage of its public deposits. The applicable percentage is determined based on the bank's risk-based capital ratio. The amount of public deposits is determined based on either the public deposits reported on the most recent quarterly call report, or the average of the public deposits reported on the four most recent quarterly call reports, whichever is greater. The collateral is kept in the custody of the trust department of either the pledging bank or another bank in the name of the pledging bank.

A reconciliation of the Town's cash deposits as of June 30, 2019 is as follows:

Government-wide statement of net position:	
Cash and cash equivalents	\$ 5,101,274
Statement of fiduciary net position:	
Cash and cash equivalents	76,351
Total cash deposits	<u>\$ 5,177,625</u>

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 2 - CASH DEPOSITS AND INVESTMENTS *(Continued)*

Investments

A reconciliation of the Town's investments as of June 30, 2019 is as follows:

Government-wide statement of net position:	
Investments	<u>\$ 38,570</u>

As of June 30, 2019, the Town's investments consisted of the following:

Financial Assets Measured at Fair Value	Prices in Active Market (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Equity securities	\$ 38,570	\$ -	\$ -	\$ 38,570

Interest Rate Risk

The Town does not have a formal investment policy that limits Town investment maturities as a means of managing its exposure to fair value losses arising from increasing interest rates.

Credit Risk

The Town has no investment policy that would further limit its investment choices beyond those limited by Connecticut General Statutes. Connecticut general statutes permit the Town to invest in obligations of the United States, including its instrumentalities and agencies; in obligations of any state or of any political subdivision, authority or agency thereof, provided such obligations are rated within one of the top two rating categories of any recognized rating service; or in obligations of the State of Connecticut or of any political subdivision thereof, provided such obligations are rated within one of the top three rating categories of any recognized rating service. The pension trust funds may also invest in certain real estate mortgages, in certain savings banks or savings and loan associations, or in stocks or bonds or other securities selected by the trustee, with the care of a prudent investor.

Custodial Credit Risk

For an investment, custodial credit risk is the risk that, in the event of the failure of a counterparty, the Town will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The Town's investments are not exposed to custodial credit risk because they are either not evidenced by securities that exist in physical or book entry form or they are held by a reputable custodian in the name of the Town.

Concentrations of Credit Risk

The Town places no limit on the amount of investment in any one issuer. As of June 30, 2019, 100% of the Town's investments within the government-wide statement of net position were invested in Bank of America Corporation common stock.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 3 - FAIR VALUE MEASUREMENTS

Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants, as of the measurement date. Authoritative guidance establishes a hierarchy of valuation techniques based upon whether the inputs to those valuation techniques reflect assumptions other market participants would use based upon market data obtained from independent sources (also referred to as observable inputs). The Town classifies its assets and liabilities measured at fair value into Level 1 (securities valued using quoted prices from active markets for identical assets), Level 2 (securities not traded on an active market for which market inputs are observable, either directly or indirectly), and Level 3 (securities valued based on unobservable inputs). Investments are classified in their entirety based on the lowest level of input that is significant to the fair value measurement.

The Town's financial assets that are accounted for at fair value on a recurring basis as of June 30, 2019 consists entirely of investments in common stock in the amount of \$38,570, which fall into Level 1 of the fair value hierarchy.

NOTE 4 - CAPITAL ASSETS

Capital asset activity for the year ended June 30, 2019 consisted of the following:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Ending Balance</u>
Governmental Activities				
Capital assets, not being depreciated:				
Construction in progress	\$ 1,179,357	\$ 4,113	\$ (1,183,470)	\$ -
Land	1,175,732	30,001	-	1,205,733
Total capital assets, not being depreciated	<u>2,355,089</u>	<u>34,114</u>	<u>(1,183,470)</u>	<u>1,205,733</u>
Capital assets, being depreciated:				
Buildings and improvements	10,629,868	74,530	-	10,704,398
Machinery, equipment and vehicles	2,277,288	247,553	-	2,524,841
Infrastructure	1,855,253	317,078	1,183,470	3,355,801
Total capital assets, being depreciated	<u>14,762,409</u>	<u>639,161</u>	<u>1,183,470</u>	<u>16,585,040</u>
Less accumulated depreciation for:				
Buildings and improvements	7,005,851	210,586	-	7,216,437
Machinery, equipment and vehicles	1,866,223	88,340	-	1,954,563
Infrastructure	253,517	53,446	-	306,963
Total accumulated depreciation	<u>9,125,591</u>	<u>352,372</u>	<u>-</u>	<u>9,477,963</u>
Total capital assets, being depreciated, net	<u>5,636,818</u>	<u>286,789</u>	<u>1,183,470</u>	<u>7,107,077</u>
Governmental activities capital assets, net	<u>\$ 7,991,907</u>	<u>\$ 320,903</u>	<u>\$ -</u>	<u>\$ 8,312,810</u>

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 4 - CAPITAL ASSETS *(Continued)*

Depreciation expense was charged to functions of the Town as follows:

Governmental Activities:	
General government	\$ 30,729
Public works	85,574
Public safety	65,542
Sanitation and waste	1,029
Community services	59,041
Education	110,457
Total depreciation expense - governmental activities	<u>\$ 352,372</u>

NOTE 5 - INTERFUND RECEIVABLES AND PAYABLES

Interfund receivable and payable balances at June 30, 2019 are as follows:

<u>Receivable Fund</u>	<u>Payable Fund</u>	<u>Amount</u>
Governmental Funds		
General Fund	Capital Reserve Fund	\$ 83,922
	Nonmajor Funds	26,129
		<u>110,051</u>
Capital Reserve Fund	General Fund	<u>324,364</u>
Nonmajor Funds	General Fund	342,558
	Nonmajor Funds	16,343
		<u>358,901</u>
		<u>\$ 793,316</u>

The above balances resulted from the time lag between the dates that (1) interfund goods and services are provided or reimbursable expenditures occur, (2) transactions are recorded in the accounting system, and (3) payments between funds are made.

NOTE 6 - INTERFUND TRANSFERS

Interfund transfers for the year ended June 30, 2019 consisted of the following:

<u>Transfers In</u>	<u>Transfers Out</u>	<u>Amount</u>
Governmental Funds		
Capital Reserve Fund	General Fund	\$ 15,000
Nonmajor Funds	General Fund	150,600
		<u>\$ 165,600</u>

Transfers are used to (1) move revenues from the fund that statute or budget requires to collect them to the fund that statute or budget requires to expend them, and (2) to account for unrestricted revenues collected in the General Fund to finance various programs accounted for in other funds in accordance with budgetary authorizations.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 7 - LONG-TERM DEBT

The applicable accounting standards define debt as a liability that arises from a contractual obligation to pay cash, or other assets that may be used in lieu of cash, in one or more payments to settle an amount that is fixed at the date the contractual obligation is established. For disclosure purposes, debt does not include accounts payable or leases, except for contracts reported as financed purchase of the underlying asset.

Changes in long-term debt for the year ended June 30, 2019, are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Governmental Activities					
Bonds payable:					
General obligation bonds	\$ 360,000	\$ -	\$ (90,000)	\$ 270,000	\$ 90,000
Capital lease from direct borrowings	-	123,003	(32,615)	90,388	28,936
	<u>\$ 360,000</u>	<u>\$ 123,003</u>	<u>\$ (122,615)</u>	<u>\$ 360,388</u>	<u>\$ 118,936</u>

Long-term debt is liquidated by the General Fund.

Bonds Payable

A summary of the bonds payable outstanding at June 30, 2019 is as follows:

Bond Issue	Issue Date	Original Amount	Final Maturity Dates	Interest Rates	Amount Outstanding
Governmental Activities:					
General obligation bonds	2002	\$ 1,800,000	2021	4.30%	\$ 270,000

Annual debt service requirements to maturity on the bond payable are as follows as of June 30, 2019:

	Governmental Activities Bonds Payable		
Year ending June 30:	Principal	Interest	Total
2020	\$ 90,000	\$ 10,845	\$ 100,845
2021	90,000	6,548	96,548
2022	90,000	2,194	92,194
	<u>\$ 270,000</u>	<u>\$ 19,587</u>	<u>\$ 289,587</u>

Overlapping Debt

The Town is contingently liable for its pro-rata share of Regional School District No. 8's (the "District") outstanding bonds. At June 30, 2019, the District's total outstanding bonds were \$10,100,000. The Town's share will be approximately 15.36% of the total, or \$1,551,360. Such outstanding indebtedness represents general obligations of the Regional School District No. 8 and its member towns, however, the Town is not required to record its share in the accompanying statement of net position. Regional School District No. 8 has no authorized, unissued bonds, for which the Town would be contingently liable.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 7 - LONG-TERM DEBT *(Continued)*

Capital Lease from Direct Borrowings

Capital leases from direct borrowings include non-appropriation clauses and provide the obligor with a security interest in the underlying equipment in the event of default. A summary of assets under capital leases is as follows as of June 30, 2019:

Equipment	\$ 123,003
Less: accumulated amortization	(4,100)
	<u>\$ 118,903</u>

Amortization expense relative to leased property under capital leases totaled \$4,100 for the year ended June 30, 2019 and is included in depreciation and amortization expense disclosed in Note 4.

The future minimum lease obligations and the net present value of these minimum lease payments as of June 30, 2019 are as follows:

Year ending June 30:	
2020	\$ 32,615
2021	32,615
2022	<u>32,615</u>
Total minimum lease payments	\$ 97,845
Less: amount representing interest -	<u>(7,457)</u>
Present value of minimum lease payments	<u>\$ 90,388</u>

Legal Debt Limit

Connecticut General Statutes Section 7-374(b) provides that authorized debt of the Town shall not exceed seven times base receipts, as defined in the Statute. Further, the Statute limits the amount of debt that may be authorized by the Town for general purposes, schools, sewers, urban renewal and pension deficit. The Town did not exceed any of the statutory debt limitations at June 30, 2019.

NOTE 8 - OTHER LONG-TERM LIABILITIES

Changes in other long-term liabilities for the year ended June 30, 2019 are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance	Due Within One Year
Other liabilities:					
Compensated absences	\$ 245,672	\$ -	\$ (11,829)	\$ 233,843	\$ 87,000
Net pension liability <i>(see Note 10)</i>	607,000	910,000	-	1,517,000	-
Total OPEB liability <i>(see Note 11)</i>	<u>534,195</u>	<u>-</u>	<u>(109,513)</u>	<u>424,682</u>	<u>-</u>
	<u>\$ 1,386,867</u>	<u>\$ 910,000</u>	<u>\$ (121,342)</u>	<u>\$ 2,175,525</u>	<u>\$ 87,000</u>

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 9 - FUND BALANCE

The various components of fund balance at June 30, 2019 are as follows:

	General Fund	Capital Reserve Fund	Nonmajor Governmental Funds	Total
Nonspendable:				
Permanent fund principal	\$ -	\$ -	\$ 58,795	\$ 58,795
Restricted for:				
Donor restrictions	-	-	47,801	47,801
Road maintenance	-	-	99,509	99,509
Education programs	-	-	34,414	34,414
Other purposes	-	-	12,876	12,876
Committed to:				
Community service programs	-	-	53,504	53,504
Open space	-	-	230,843	230,843
Severance pay	-	-	60,171	60,171
Library	-	-	36,829	36,829
Capital purposes	200,000	835,547	186,116	1,221,663
Other purposes	-	-	8,045	8,045
Assigned to:				
Use in fiscal year 2020 budget	976,000	-	-	976,000
Unassigned	1,945,327	-	-	1,945,327
	<u>\$ 3,121,327</u>	<u>\$ 835,547</u>	<u>\$ 828,903</u>	<u>\$ 4,785,777</u>

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS

Connecticut Municipal Employees' Retirement System

The Town participates in the Connecticut's Municipal Employees' Retirement System (CMERS). CMERS is the public pension plan offered by the State of Connecticut for municipal employees in participating municipalities. The plan was established in 1947 and is governed by Connecticut Statute Title 7, Chapter 113. Chapter 113, Part II of the General Statutes of Connecticut, which can be amended by legislative action, establishes PERS benefits, member contribution rates, and other plan provisions.

Municipalities may designate which departments are to be covered under the CMERS. Only employees covered under the State Teachers' Retirement System may not be included. There are no minimum age or service requirements. Membership is mandatory for all regular full time employees of participating departments except Police and Fire hired after age 60.

The plan has 4 sub plans as follows:

- General employees with social security
- General employees without social security
- Policemen and firemen with social security
- Policemen and firemen without social security

Plan Description

Plan administration - CMERS is a multiemployer pension plan administered by the Connecticut State Retirement Commission. The State Retirement Commission is responsible for the administration of the CMERS. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

Plan membership - All full-time employees of the Town, except for certified Board of Education personnel who are eligible for the State Teachers' Retirement System, who are age 55 or younger at the date of hire, participate in the CMERS plan for general employees with social security.

Benefits provided - General employees are eligible to retire at age 55 with 5 years of continuous service, or 15 years of active non-continuous service. Employees under the age of 55 are eligible to retire with 25 years of service. Police are eligible at the compulsory retirement age for police and fire members are eligible at the age of 65.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Plan Description *(Continued)*

For members not covered by social security, the benefit is 2% of average final compensation times years of service. For members covered by social security, the benefit is 1.5% of the average final compensation not in excess of the year's breakpoint plus 2% of average final compensation in excess of the year's breakpoint, times years of service.

The maximum benefit is 100% of average final compensation and the minimum benefit is \$1,000 annually. Both the minimum and the maximum include workers' compensation and social security benefits. If any member covered by social security retires before age 62, the benefit until age 62 is reached or a social security disability award is received, is computed as if the member is not under social security.

Employees are eligible for early retirement after 5 years of active continuous or 15 years of active non-continuous service. The benefit is calculated on the basis of average final compensation and service to date of termination. Deferred to normal retirement age, or an actuarially reduced allowance may begin at the time of separation.

Employees are eligible for service-related disability benefits from being permanently or totally disabled from engaging in the service of the municipality provided such disability has arisen out of and in the course of employment with the municipality. Disability due to hypertension or heart disease, in the case of firemen and policemen, is presumed to have been suffered in the line of duty. Disability benefits are calculated based on compensation and service to the date of the disability with a minimum benefit (including workers' compensation benefits) of 50% of compensation at the time of disability.

Employees are eligible for non-service-related disability benefits with 10 years of service and being permanently or totally disabled from engaging in gainful employment in the service of the municipality. Disability benefits are calculated based on compensation and service to the date of the disability.

The plan also offers a pre-retirement death benefit in the form of a lump sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions - The contribution requirements of plan members are established and may be amended by the State Retirement Commission. The Town is required to contribute annual contributions consisting of a normal cost contribution, a contribution for the amortization of the net unfunded accrued liability and a prior service amortization payment which covers the liabilities of the system not met by member contributions. There is also an administrative fee per active and retired member. The current rate is 11.74% of the annual Town employees' covered payroll. The contribution requirements of the Town are established and may be amended by the State Retirement Commission. The Town's contributions to the CMERS for the year ended June 30, 2019 was \$119,159 and was equal to the required contributions for each year.

For employees not covered by social security, each person is required to contribute 5% of compensation. For employees covered by social security, each person is required to contribute 2.25% of compensation up to the social security taxable wage base plus 5% of compensation, if any, in excess of such base.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Summary of Significant Accounting Policies

Pensions - For purposes of measuring the net pension liability, deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of CMERS and additions and deletions from CMERS' net position are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America. For this purpose, benefit payments are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value. Securities traded on a national or international exchange are valued at the last reported sales price at current exchange rates.

Investment policy - The CMERS' policy in regard to the allocation of invested assets is established and may be amended by the State Retirement Commission. It is the policy of the State to pursue an investment strategy that reduces risk through the prudent diversification of the portfolio across a broad selection of distinct asset classes. The State Treasurer is responsible for investing CMERS funds for the exclusive benefit of CMERS members.

Net Pension Liability

The total estimated net pension liability of the CMERS as of June 30, 2018 was \$956.443 million, the most recent available reporting provided by the Board. The portion that was associated with the Town totaled \$1,517,000 or approximately 0.159% of the total estimated net pension liability. The total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of June 30, 2018. The portion of the net pension liability associated with the Town was based on the 2018 actuarial (expected) payroll amounts reported by participating employers. Expected payroll adjusts actual payroll for known changes in the status of employees, annualized salaries for partial year employees and anticipated salary increases.

Actuarial assumptions - The total pension liability for the CMERS was determined by an actuarial valuation as of June 30, 2018, using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.50%
Salary increases	3.50% - 10.00%, including inflation
Long-term investment rate of return	7.00%, net of pension plan investment expense, including inflation
Investment rate of return	7.00%, net of pension plan investment expense, including inflation

For the period after retirement and for dependent beneficiaries, mortality rates were based on the RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for General Employees and the RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB for Police and Fire. For disabled retirees, the RP-2014 Disabled Mortality Table projected with Scale BB to 2020 was used.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Net Pension Liability *(Continued)*

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-term Target Expected Real Rate of Return
Domestic Equity	20.0%	5.3%
Developed Market International	11.0%	5.1%
Emerging Market International	9.0%	7.4%
Core Fixed Income	16.0%	1.6%
Inflation Linked Bond	5.0%	1.3%
Emerging Market Debt	5.0%	2.9%
High Yield Bond	6.0%	3.4%
Real Estate	10.0%	4.7%
Private Equity	10.0%	7.3%
Alternative Investments	7.0%	3.2%
Liquidity Fund	1.0%	0.9%
	100.0%	

Discount rate - The discount rate used to measure the CMERS' total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that State contributions will be made at the actuarially determined rates in future years. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the net pension liability to changes in the discount rate - The following presents the Town's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Town's proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage point lower (6.00%) or 1-percentage-point higher (8.00%) than the current rate:

	1.00% Decrease	Current Rate	1.00% Increase
Town's proportionate share of the net pension liability	\$ 2,238,000	\$ 1,517,000	\$ 914,000

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut Municipal Employees' Retirement System *(Continued)*

Net Pension Liability *(Continued)*

Pension plan fiduciary net position - Detailed information about the CMERS plan's fiduciary net position is included in the State of Connecticut's basic financial statements.

Pension Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, the Town recognized pension expense related to the CMERS of \$217,881. At June 30, 2019, the Town reported its proportionate share of deferred inflows and outflows of resources related to the MERS from the following source:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 216,120	\$ -	\$ 216,120
Net difference between projected and actual earnings on pension plan investments	91,333	-	91,333
Change of assumptions	516,836	-	516,836
Other	41,726	(34,415)	7,311
Total	<u>\$ 866,015</u>	<u>\$ (34,415)</u>	<u>\$ 831,600</u>

Amounts reported as deferred outflows and inflows of resources related to the CMERS will be amortized as a component of pension expense in future years as follows:

Year ended June 30,	
2020	\$ 248,104
2021	213,944
2022	172,310
2023	197,242
	<u>\$ 831,600</u>

Connecticut State Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System (TRS or the Plan) is the public pension plan offered by the State of Connecticut (the State) to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes.

TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board. The Connecticut State Teachers' Retirement Board (TRB) is responsible for the administration of TRS. The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members. The TRS is included as a fiduciary pension trust fund in the State of Connecticut's Comprehensive Annual Financial Report and the Board issues publicly available financial reports.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Benefit Provisions

The Plan provides retirement, disability and death benefits. Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Normal Retirement: Retirement benefits for the employees are calculated as 2% of the average annual salary times the years of credited service (maximum benefit is 75% of average annual salary during the 3 years of highest salary). In addition, amounts derived from the accumulation of the 6% contributions made prior to July 1, 1989 and voluntary contributions are payable.

Early Retirement: Employees are eligible after 25 years of credited service with a minimum of 20 years of Connecticut service, or age 55 with 20 years of credited service with a minimum of 15 years of Connecticut service. Benefit amounts are reduced by 6% per year for the first 5 years preceding normal retirement age and 4% per year for the next 5 years preceding normal retirement age. Effective July 1, 1999, the reduction for individuals with 30 or more years of service is 3% per year by which retirement precedes normal retirement date.

Minimum Benefit: Effective January 1, 1999, Public Act 98-251 provides a minimum monthly benefit of \$1,200 to teachers who retire under the normal retirement provisions and who have completed at least 25 years of full time Connecticut service at retirement.

Disability Retirement: Employees are eligible for service-related disability benefits regardless of length of service. Five years of credited service is required to be eligible for non-service related disability. Disability benefits are calculated as 2% per year of service times the average of the highest three years of pensionable salary, as defined per the Plan, but not less than 15%, nor more than 50%. In addition, disability benefits under this Plan (without regard to cost-of-living adjustments) plus any initial award of Social Security benefits and workers' compensation cannot exceed 75% of average annual salary.

A plan member who leaves service and has attained 10 years of service will be entitled to 100% of the accrued benefit as of the date of termination of covered employment. Benefits are payable at age 60, and early retirement reductions are based on the number of years of service the member would have had if they had continued work until age 60.

Pre-Retirement Death Benefit: The Plan also offers a lump-sum return of contributions with interest or surviving spouse benefit depending on length of service.

Contributions

Per CGS 10-183z, contribution requirements of active employees and the State are amended and certified by the Board and appropriated by the General Assembly. The contributions are actuarially determined as an amount that, when combined with employee contributions and investment earnings, is expected to finance the costs of the benefits earned by employees during the year, with any additional amounts to finance any unfunded accrued liability.

In accordance with CGS Section 10-183z, the Town does not and is not legally responsible to contribute to the plan as a special funding situation exists that requires the State to contribute 100% of an employer's contributions on-behalf of its participating municipalities at an actuarially determined rate. Effective January, 1, 2018, active employees are required to contribute 7.0% of their annual earnings to the plan.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Administrative Expenses

Administrative costs of the plan are funded by the State.

Basis of Presentation

The schedule of employer allocations and schedule of pension amounts by employer (the schedules) are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the in the United States of America. The schedules present amounts that are elements of financial statements of TRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the net position or changes in net position of TRS or its participating employers. The applicable accounting standards requires participating employers to recognize their proportional share of the collective net pension liability, deferred inflows and outflows of resources and pension expense. The schedules have been prepared to provide employers with their proportional share of these amounts. Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Allocation Methodology

The schedule of employer allocations was calculated based upon the 2018 expected contribution effort for each participating employer. The employer allocations were then applied to the net pension liability and pension expense to determine the amount applicable to each employer. Based upon the employee contributions made by the employees of each employer, as compared to the total employee contributions, an employer allocation percentage is calculated to six decimal places and is used to allocate the elements noted above. For fiscal year 2018, the Town's expected contribution effort for allocation purposes totaled \$577,353 or 0.045% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures of the General Fund for the year ended June 30, 2019.

The components associated with the collective pension expense and deferred inflows and outflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2018. The portion of the collective pension expense allocated to the Town totaled \$670,452. The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2019.

The total collective net pension liability of participating employers for the TRS was approximately \$13.164 billion as of the June 30, 2018. The portion attributed to the Town totaled approximately \$5,974,00 or approximately 0.045% of the total collective net pension liability.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2018 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Salary increases	3.25% - 6.50%, including inflation
Investment rate of return	8.00%, net of pension plan investment expense, including inflation
Administrative expenses	\$0 assumption as expenses are paid for by the General Assembly

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

Future cost-of-living increases for teachers who retired prior to September 1, 1992, are made in accordance with increases in the Consumer Price Index, with a minimum of 3% and a maximum of 5% per annum. For teachers who were members of the Teachers' Retirement System before July 1, 2007, and retire on or after September 1, 1992, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 6% per annum. If the return on assets in the previous year was less than 8.5%, the maximum increase is 1.5%. For teachers who were members of the Teachers' Retirement System after July 1, 2007, pension benefit adjustments are made that are consistent with those provided for Social Security benefits on January 1 of the year granted, with a maximum of 5% per annum. If the return on assets in the previous year was less than 11.5%, the maximum increase is 3%, and if the return on the assets in the previous year was less than 8.5%, the maximum increase is 1.0%.

Long-Term Rate of Return

The long-term expected rate of return on pension plan investments was determined using a log-normal distribution analysis in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of arithmetic real rates of return for each major asset class included in the plan's target asset allocation are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Long-term Expected Real Rate of Return</u>
Large Cap U.S. Equities	21.0%	5.8%
Developed Non-U.S. Equities	18.0%	6.6%
Emerging Markets (Non-U.S.)	9.0%	8.3%
Real Estate	7.0%	5.1%
Private Equity	11.0%	7.6%
Alternative Investments	8.0%	4.1%
Core Fixed Income	7.0%	1.3%
High Yield Bonds	5.0%	3.9%
Emerging Market Bonds	5.0%	3.7%
Inflation Linked Bond Fund	3.0%	1.0%
Cash	6.0%	0.4%
	<u>100.0%</u>	

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 10 - RETIREMENT PLANS *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Discount Rate

The discount rate used to measure the total pension liability was 8.00%. The projection of cash flows used to determine the discount rate assumed that plan member contributions will be made at the current contribution rate and that the State contributions will be made at rates equal to the difference between actuarially determined contribution rates and the member rate. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Proportionate Share of the Collective Net Pension Liability

The following presents the proportionate share of the net pension liability attributed to the Town as of the June 30, 2018 measurement date, calculated using a discount rate of 8.00%, as well as what the proportionate share of the net pension liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage point lower (7.00%) or 1-percentage-point higher (9.00%) than the current rate:

	<u>1.00% Decrease</u>	<u>Current Rate</u>	<u>1.00% Increase</u>
Proportionate share of the net pension liability attributed to the Town	\$ 7,550,000	\$ 5,974,000	\$ 4,641,000

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB)

Board of Education Other Post-Employment Benefits Plan

Plan Description

The Town's Board of Education administers one single-employer defined benefit healthcare plan (the "Plan") to provide medical benefits to certain eligible retirees, spouses and beneficiaries. The plan provides for medical, prescription drugs and dental benefits. Benefits provisions are established by contract and may be amended by union negotiations each bargaining period. The Plan does not issue a publicly available financial report and is not included in the financial statements of another entity.

Benefits Provided

The OPEB Plan provides for medical, prescription, dental and vision insurance benefits to eligible retirees, spouses and beneficiaries. Contribution requirements of the participants and the Town are established by and may be amended through negotiations between the Town and the union representing the employees. Currently, participants are required to contribute 100% of their healthcare and dental premiums to the Town, less any reimbursements received by the Town from the State Retirement Board. The Town pays the benefits on a pay-as-you-go basis.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

Employees Covered by Benefit Terms

As of the July 1, 2018 valuation date, the following employees were covered by the benefit terms:

Retirees, beneficiaries, and dependents currently receiving benefits	3
Active participants	<u>51</u>
	<u>54</u>

Total OPEB Liability

The total OPEB liability was measured as of June 30, 2019 using an actuarial valuation performed as of July 1, 2018. The July 1, 2018 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the total OPEB liability as of the measurement date.

Actuarial Assumptions and Other Inputs - The total OPEB liability as of June 30, 2019 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount rate	3.51
Inflation rate	2.60%
Healthcare cost trend rates:	7.00% decreasing to an ultimate rate of 4.60% in 2023

The discount rate was based on the Bond Buyer 20 (GO 20 Index) as of the measurement date, which represents municipal bond trends based on a portfolio of 20 general obligation bonds that mature in 20 years.

Mortality rates were based on the RP-2014 Adjusted to 2006 Total Dataset Mortality Table projected to valuation date with Scale MP-2018.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

Changes in the Total OPEB Liability

	Total OPEB Liability
Balance as of June 30, 2018	\$ 534,195
Changes for the year:	
Service cost	13,916
Interest	20,561
Changes of benefit terms	-
Changes of assumptions and differences between expected and actual experience	(110,017)
Benefit payments	(33,973)
Net changes	(109,513)
Balance as of June 30, 2019	<u>\$ 424,682</u>

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using a discount rate that is 1- percentage-point lower (2.51%) or 1-percentage-point higher (4.51%) than the current discount rate:

	1% Decrease	Current Discount	1% Increase
Total OPEB Liability	\$ 466,041	\$ 424,682	\$ 388,265

Sensitivity of the Total OPEB liability to Changes in the Healthcare Cost Trend Rates - The following presents the total OPEB liability of the Town, as well as what the Town's total OPEB liability would be if it were calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	1% Decrease in Trend Rates	Current Trend Rates	1% Increase in Trend Rates
Total OPEB Liability	\$ 378,144	\$ 424,682	\$ 479,830

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Board of Education Other Post-Employment Benefits Plan *(Continued)*

OPEB Expense and Deferred Outflows and Inflows of Resources

For the year ended June 30, 2019, the Town recognized OPEB expense of \$17,677. As of June 30, 2019, the Town reported deferred outflows and inflows of resources related to OPEB from the following sources:

	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>	<u>Net</u>
Differences between expected and actual experience	\$ 559	\$ (120,113)	\$ (119,554)
Changes in assumptions	19,188	(12,088)	7,100
Total	<u>\$ 19,747</u>	<u>\$ (132,201)</u>	<u>\$ (112,454)</u>

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized as a reduction of OPEB expense as follows:

Year ended June 30,	
2019	\$ (10,200)
2020	(10,200)
2021	(10,200)
2022	(10,200)
2023	(10,200)
Thereafter	<u>(61,454)</u>
	<u>\$ (112,454)</u>

Connecticut State Teachers' Retirement System

Plan Description

The Connecticut Teachers' Retirement System (TRS or the Plan) is the public pension plan offered by the State of Connecticut to provide retirement, disability, survivorship and health insurance benefits for Connecticut public school teachers and their beneficiaries. The Plan is governed by Connecticut Statute Title 10, Chapter 167a of the Connecticut General Statutes. TRS is a multiemployer pension plan administered by the Connecticut State Teachers' Retirement Board. The Connecticut State Teachers' Retirement Board (TRB) is responsible for the administration of TRS. The State Treasurer is responsible for investing TRS funds for the exclusive benefit of TRS members. The OPEB trust fund is included in the TRS, and the TRS is included in the State of Connecticut audit as a pension trust fund.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Benefit Provisions

The Plan covers retired teachers and administrators of public schools in the State who are receiving benefits from the Plan. The Plan provides healthcare insurance benefits to eligible retirees and their spouses. Any member that is currently receiving a retirement or disability benefit through the Plan is eligible to participate in the healthcare portion of the Plan. Subsidized Local School District Coverage provides a subsidy paid to members still receiving coverage through their former employer and the TRB Sponsored Medicare Supplemental Plans provide coverage for those participating in Medicare, but not receiving Subsidized Local School District Coverage.

Any member that is not currently participating in Medicare Parts A & B is eligible to continue health care coverage with their former employer. A subsidy of up to \$110 per month for a retired member plus an additional \$110 per month for a spouse enrolled in a local school district plan is provided to the school district to first offset the retiree's share of the cost of coverage, any remaining portion is used to offset the district's cost. The subsidy amount is set by statute, and has not increased since July of 1996. A subsidy amount of \$220 per month may be paid for a retired member, spouse or the surviving spouse of a member who has attained the normal retirement age to participate in Medicare, is not eligible for Part A of Medicare without cost, and contributes at least \$220 per month towards coverage under a local school district plan.

Any member that is currently participating in Medicare Parts A & B is eligible to either continue health care coverage with their former employer, if offered, or enroll in the plan sponsored by the System. If they elect to remain in the Plan with their former employer, the same subsidies as above will be paid to offset the cost of coverage.

If a member participating in Medicare Parts A & B so elects, they may enroll in one of the CTRB Sponsored Medicare Supplemental Plans. Active members, retirees, and the State pay equally toward the cost of the basic coverage (medical and prescription drug benefits).

Employees are eligible to retire at age 60 with 20 years of credited service in Connecticut, or 35 years of credited service including at least 25 years of service in Connecticut.

Contributions

Per CGS 10-183z, which reflects Public Act 79-436 as amended), contribution requirements of active employees and the State of Connecticut are amended and certified by the TRB and appropriated by the General Assembly. The State pays for one third of plan costs through and annual appropriation in the General Fund. School district employers are not required to make contributions to the Plan.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Contributions *(Continued)*

The cost of providing plan benefits is financed on a pay-as-you-go basis as follows: active teachers' pay for one third of the Plan costs through a contribution of 1.25% of their pensionable salaries, and retired teachers pay for one third of the Plan costs through monthly premiums, which helps reduce the cost of health insurance for eligible retired members and dependents.

Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Administrative Expenses

Administrative costs of the Plan are to be paid by the General Assembly per Section 10-183r of the Connecticut General Statutes.

Basis of Presentation

The schedule of employer allocations and schedule of OPEB amounts by employer (the Schedules) are prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America, as promulgated by the Governmental Accounting Standards Board (GASB). The Schedules present amounts that are elements of financial statements of TRS or its participating employers. Accordingly, they do not purport to be a complete presentation of the net position or changes in net position of TRS or its participating employers.

Contributions remitted by the State are recognized when legally due, based upon statutory requirements.

Allocation Methodology

The schedules have been prepared to provide the total amount of employer contributions from the State and the proportionate share percentages that have been determined based on these contributions. Based on these percentages the proportionate share amounts of the net OPEB liability associated with each participating employer and the employer OPEB expense and revenue for State support for each participating employer for the year ending June 30, 2018, are calculated to six decimal places.

For fiscal year 2018, the Town's expected contribution effort for allocation purposes totaled \$16,019 or 0.045% of the total expected contribution effort. The Town has recognized this amount as an on-behalf payment into the TRS as intergovernmental revenues and related education expenditures of the General Fund for the year ended June 30, 2019.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Allocation Methodology *(Continued)*

The components associated with the collective OPEB expense and deferred outflows and inflows of resources for the TRS have been determined based on the fiduciary net position as audited by the State of Connecticut Auditors of Public Accounts as part of the State of Connecticut's Comprehensive Annual Financial Report as of and for the year ended June 30, 2018. The portion of the negative collective OPEB expense allocated to the Town totaled \$(396,724). The Town has recognized this amount as an operating contribution and related education expense of the governmental activities for the year ended June 30, 2018.

The total collective net OPEB liability of participating employers for the TRS was approximately \$2.632 billion as of the June 30, 2017 measurement date. The portion attributed to the Town totaled \$1,194,000 or approximately 0.045% of the total collective net OPEB liability.

Actuarial Assumptions

The total OPEB liability was determined by an actuarial valuation as of June 30, 2018 using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	2.75%
Real Wage Growth	0.50%
Wage Inflation	3.25%
Salary increases	3.25% - 6.50%, including inflation
Long-term investment rate of return	3.00%, net of OPEB plan investment expense, including inflation

Mortality rates were based on the RPH-2014 White Collar table with employee and annuitant rates blended from ages 50 to 80, projected to the year 2020 using the BB improvement scale.

Long-Term Rate of Return

The long-term expected rate of return on plan assets is reviewed as part of the actuarial valuation process. Several factors are considered in evaluation the long-term rate of return assumption, including the Plan's current asset allocations and a log-normal distribution analysis using the best-estimate ranges of expected future real rates of return (expected return, net of investment expense and inflation) for each major asset class.

The long-term expected rate of return was determined by weighing the expected future real rates of return by the target asset allocation percentage and then adding expected inflation. The assumption is not expected to change absent a significant change in the asset allocation, a change in the inflation assumption, or a fundamental change in the market that alters expected returns in future years.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Long-Term Rate of Return *(Continued)*

The target asset allocation and best estimates of geometric real rates of return for each major asset class are summarized in the following table:

<u>Asset Class</u>	<u>Target Allocation</u>	<u>Expected 10-Year Geometric Real Rate of Return</u>
U.S. Treasuries (Cash Equivalents)	100.0%	0.27%

Discount Rate

The discount rate used to measure the total OPEB liability was 3.87%. The projection of cash flows used to determine the discount rate was performed in accordance with the applicable standards. The projection's basis was an actuarial valuation performed as of June 30, 2018. In addition to the actuarial methods and assumptions of the June 30, 2018 actuarial valuation, the following actuarial methods and assumptions were used in the projection of cash flows:

- Total payroll for the initial projection year consists of the payroll of the active membership present on the valuation date. In subsequent projection years, total payroll was assumed to increase annual at a rate of 3.25%.
- Employee contributions were assumed to be made at the current member contribution rate.
- Employee contributions for future plan members were used to reduce the estimated amount of total service costs for future plan members.
- No future employer contributions were assumed to be made.

Based on those assumptions, the Plan's fiduciary net position was projected to be depleted in 2019 and, as a result, the Municipal Bond Index Rate was used in the determination of the single equivalent rate.

Proportionate Share of the Collective Net Pension Liability

Sensitivity of the Net OPEB Liability to Changes in the Discount Rate - The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2018 measurement date, calculated using a discount rate of 3.87%, as well as what the proportionate share of the net OPEB liability attributed to the Town would be if it were calculated using a discount rate that is 1-percentage point lower (2.87%) or 1-percentage-point higher (4.87%) than the current rate:

	<u>1.00% Decrease</u>	<u>Current Rate</u>	<u>1.00% Increase</u>
Proportionate share of the net OPEB liability attributed to the Town	\$ 1,418,000	\$ 1,194,000	\$ 1,015,000

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 11 - OTHER POST-EMPLOYMENT BENEFITS (OPEB) *(Continued)*

Connecticut State Teachers' Retirement System *(Continued)*

Proportionate Share of the Collective Net Pension Liability *(Continued)*

Sensitivity of the Net OPEB liability to Changes in the Healthcare Cost Trend Rates - The following presents the proportionate share of the collective net OPEB liability attributed to the Town as of the June 30, 2018 measurement date, calculated using healthcare cost trend rates that are 1-percentage-point lower or 1-percentage-point higher than the current healthcare cost trend rates:

	<u>1% Decrease in Trend Rates</u>	<u>Current Trend Rates</u>	<u>1% Increase in Trend Rates</u>
Proportionate share of the net OPEB liability attributed to the Town	\$ 983,000	\$ 1,194,000	\$ 1,478,000

NOTE 12 - RISK MANAGEMENT

The Town is exposed to various risks of loss related to torts, thefts of, damage to, or destruction of assets; errors or omissions; injuries to employees or acts of God. The Town purchases commercial insurance for all risks of loss except workers' compensation and liability-automobile-property insurance for which it participates in risk sharing pools. During the year ended June 30, 2019, deductibles paid by the Town were insignificant. Neither the Town nor its insurers have settled any claims that exceeded the Town's insurance coverage during the past three years. In addition, there have been no significant reductions in pooled or insured liability coverage from coverage in the prior year.

The Town is a member of the Connecticut Interlocal Risk Management Agency (CIRMA), an unincorporated association of Connecticut local public agencies that was formed in 1980 by the Connecticut Conference of Municipalities for the purpose of establishing and administering an interlocal risk management program.

Workers' Compensation Pool

The Town is a member of CIRMA's Workers' Compensation Pool, a risk-sharing pool. The Workers' Compensation Pool provides statutory benefits pursuant to the provisions of the Connecticut Workers' Compensation Act. The coverage is subject to an incurred loss retrospective rating plan, and losses incurred in the coverage period will be evaluated at 18, 30 and 42 months after the effective date of coverage. The premium is subject to payroll audit at the close of the coverage period. CIRMA's Workers' Compensation Pool retains \$1,000,000 per occurrence.

Liability-Automobile-Property Pool

The Town is a member of CIRMA's Liability-Automobile-Property Pool, a risk-sharing pool. The Liability-Automobile-Property Pool provides general liability, automobile liability, employee benefit liability, law enforcement liability, public officials and property coverage. The premium is subject to these coverages, and claims and expense payments falling within the deductible amounts are the responsibility of the Town. CIRMA's Liability-Automobile-Property Pool retains \$1,000,000 per occurrence for each line of liability coverage.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS (Continued)
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 12 - RISK MANAGEMENT (Continued)

Insurance Consortium

The Town is a member of the Regional School District No. 8 Health and Medical Insurance Consortium (the "Consortium"), a cooperative formed in accordance with Public Act 10-174 of the Connecticut General Statutes. The Consortium provides medical and dental benefits to the employees and eligible retirees of its member Towns and Boards of Education. The costs of claims are paid by the Consortium and the risk of claims are shared collectively by its members. The Consortium has purchased a stop-loss policy for claims in excess of \$150,000 per member and \$6,627,424 per subscriber. Each member is responsible for its share of any assessment or additional contribution. This share is based on its relative premium or equivalency contribution to the plan(s) as a percentage of the aggregate net total premium equivalency contribution to the plan(s), as is appropriate based on the nature of the assessment or contribution. In addition, each member is liable, on a pro rata basis, for any additional contributions required in the event the Consortium funding falls below specified levels. The Town believes that no additional contributions will be assessed for the year ended June 30, 2019.

NOTE 13 - CONTINGENCIES

Litigation

There are several legal matters pending against the Town. The outcome and eventual liability to the Town, if any, in these cases is not known at this time. The Town's management, based upon consultation with legal counsel, estimates that potential claims against the Town, not covered by insurance, resulting from such litigation would not materially affect the financial position of the Town.

Federal Awards and State Financial Assistance

The Town has received state and federal grants for specific purposes that are subject to review and audit by the grantor agencies. Such audits could lead to requests for reimbursement to the grantor agency for any expenditure disallowed under terms of the grant. Based on prior experience, Town management believes such disallowances, if any, will not be material.

NOTE 14 - SUBSEQUENT EVENT

In early March 2020, the World Health Organization declared the global outbreak of COVID-19 pandemic. The impact of the pandemic has resulted in an economic downturn, changes in global supply and demand, and the temporary closure of non-essential businesses within the State of Connecticut. The magnitude of any potential direct and indirect negative impacts to the Town cannot be determined at this time, but these events could have a significant impact on Town revenues. In addition, the subsequent decline and volatility of the financial markets could have a significant impact on the funded status of the Town's pension benefit plans.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO FINANCIAL STATEMENTS *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 15 - IMPACT OF NEW ACCOUNTING STANDARDS NOT YET EFFECTIVE

In January 2017, the GASB issued Statement No. 84, *Fiduciary Activities*. The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

In June 2017, the GASB issued Statement No. 87, *Leases*. The objective of this Statement is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2020. The Town is currently evaluating the potential impact of adopting this Statement on its financial statements.

In June 2018, the GASB issued Statement No. 89, *Accounting for Interest Cost Incurred before the End of a Construction Period*. The objective of this Statement are (a) to enhance the relevance and comparability of information about capital assets and the cost of borrowing for a reporting period and (b) to simplify accounting for interest cost incurred before the end of a construction period. The requirements of this Statement should be applied prospectively and are effective for the Town's reporting period beginning July 1, 2020. The Town does not expect this statement to have a material effect on its financial statements.

In August 2018, the GASB issued Statement No. 90, *Majority Equity Interests - An Amendment of GASB Statements No. 14 and No. 61*. The objectives of this statement are to improve the consistency and comparability of reporting a government's majority equity interest in a legally separate organization and to improve the relevance of financial statement information for certain component units. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2019. The Town does not expect this statement to have a material effect on its financial statements.

In May 2019, the GASB issued Statement No. 91, *Conduit Debt Obligations*. The objectives of this statement are to provide a single method of reporting conduit debt obligations by issuers and eliminate diversity in practice associated with (1) commitments extended by issuers, (2) arrangements associated with conduit debt obligations, and (3) related note disclosures. This statement achieves those objectives by clarifying the existing definition of a conduit debt obligation; establishing that a conduit debt obligation is not a liability of the issuer; establishing standards for accounting and financial reporting of additional commitments and voluntary commitments extended by issuers and arrangements associated with conduit debt obligations; and improving required note disclosures. The requirements of this statement are effective for the Town's reporting period beginning July 1, 2021. The Town does not expect this statement to have a material effect on its financial statements.

REQUIRED SUPPLEMENTARY INFORMATION

TOWN OF ANDOVER, CONNECTICUT
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET
AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
				Over (Under)
REVENUES				
Property taxes	\$ 8,830,334	\$ 8,830,334	\$ 8,887,452	\$ 57,118
Intergovernmental	2,218,070	2,218,070	2,203,315	(14,755)
Charges for services	89,140	89,140	149,306	60,166
Interest income	12,000	12,000	52,301	40,301
Other	9,200	9,200	29,305	20,105
Total revenues	<u>11,158,744</u>	<u>11,158,744</u>	<u>11,321,679</u>	<u>162,935</u>
EXPENDITURES				
Current:				
General government	1,160,529	1,159,094	1,097,132	(61,962)
Public works	425,661	405,552	379,174	(26,378)
Public safety	329,895	329,895	286,297	(43,598)
Sanitation and waste	142,352	142,352	117,345	(25,007)
Building planning and zoning	83,119	83,913	57,177	(26,736)
Community services	125,644	128,769	126,567	(2,202)
Health and welfare	60,860	60,610	56,379	(4,231)
Recreation	8,465	8,465	6,056	(2,409)
Education	8,667,121	8,667,121	8,459,435	(207,686)
Capital outlays	70,000	124,070	113,885	(10,185)
Debt service:				
Principal payments	90,000	90,000	90,000	-
Interest and fiscal charges	15,098	15,098	15,098	-
Total expenditures	<u>11,178,744</u>	<u>11,214,939</u>	<u>10,804,545</u>	<u>(410,394)</u>
Excess (deficiency) of revenues over expenditures / net change	(20,000)	(56,195)	517,134	573,329
OTHER FINANCING SOURCES				
Appropriation of Fund Balance	<u>20,000</u>	<u>56,195</u>	<u>-</u>	<u>(56,195)</u>
Net change in fund balances	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 517,134</u>	<u>\$ 517,134</u>

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Town's proportion of the net pension liability	0.1586%	0.2446%	0.2167%	0.2887%	0.4242%
Town's proportionate share of the net pension liability	<u>\$ 1,517,000</u>	<u>\$ 607,000</u>	<u>\$ 720,749</u>	<u>\$ 556,399</u>	<u>\$ 418,050</u>
Town's covered payroll	\$ 1,116,491	\$ 927,104	\$ 861,430	\$ 901,809	\$ 908,272
Town's proportionate share of the net pension liability as a percentage of its covered payroll	135.9%	65.5%	83.7%	61.7%	46.0%
Plan fiduciary net position as a percentage of the total pension liability	73.60%	91.68%	88.29%	92.72%	96.06%

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF CONTRIBUTIONS (UNAUDITED)
CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS

	2019	2018	2017	2016	2015
Contractually required contribution	\$ 119,159	\$ 108,842	\$ 96,571	\$ 103,708	\$ 108,266
Contributions in relation to the contractually required contribution	<u>119,159</u>	<u>108,842</u>	<u>96,571</u>	<u>103,708</u>	<u>108,266</u>
Contribution deficiency (excess)	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Covered payroll	\$ 1,116,491	\$ 927,104	\$ 861,430	\$ 901,809	\$ 908,272
Contributions as a percentage of covered payroll	10.67%	11.74%	11.21%	11.50%	11.92%

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY (UNAUDITED)
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
LAST FIVE FISCAL YEARS
(Rounded to Nearest Thousand)

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
Proportion of the net pension liability attributed to the Town	0.045%	0.053%	0.053%	0.056%	0.056%
Town's proportionate share of the net pension liability	\$ -	\$ -	\$ -	\$ -	\$ -
State's proportionate share of the net pension liability attributed to the Town	5,974,000	7,092,000	7,482,000	6,105,000	5,643,000
Total	<u>\$ 5,974,000</u>	<u>\$ 7,092,000</u>	<u>\$ 7,482,000</u>	<u>\$ 6,105,000</u>	<u>\$ 5,643,000</u>
Town's covered payroll	1,834,000	2,176,000	\$ 2,097,000	\$ 2,077,000	\$ 2,083,000
Town's proportionate share of the net pension liability as a percentage of its covered payroll	0.0%	0.0%	0.0%	0.0%	0.0%
Plan fiduciary net position as a percentage of the total pension liability	57.69%	55.93%	52.26%	59.50%	61.51%

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY (UNAUDITED)
OTHER POST-EMPLOYMENT BENEFITS PLAN
LAST TWO FISCAL YEARS
(Rounded to Nearest Thousand)

	2019	2018
Total OPEB liability:		
Service cost	\$ 13,916	\$ 13,773
Interest	20,561	19,447
Changes in benefit terms	-	-
Changes of assumptions and differences between expected and actual experience	(110,017)	(13,745)
Benefit payments, including refunds	(33,973)	(29,151)
Net change in total OPEB liability	(109,513)	(9,676)
Total OPEB liability - beginning	534,195	543,871
Total OPEB liability - ending	<u>\$ 424,682</u>	<u>\$ 534,195</u>

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OPEB LIABILITY (UNAUDITED)
CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM
LAST TWO FISCAL YEARS
(Rounded to Nearest Thousand)

	<u>2019</u>	<u>2018</u>
Proportion of the net OPEB liability attributed to the Town	0.045%	0.053%
Town's proportionate share of the net OPEB liability	\$ -	\$ -
State's proportionate share of the net OPEB liability attributed to the Town	1,194,000	1,825,000
Total	<u>\$ 1,194,000</u>	<u>\$ 1,825,000</u>
Town's covered employee payroll	\$ 1,834,000	\$ 2,176,000
Town's proportionate share of the net OPEB liability as a percentage of its covered employee payroll	0.0%	0.0%
Plan fiduciary net position as a percentage of the total OPEB liability	1.49%	61.51%

See accompanying notes to required supplementary information.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED)
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND

BUDGETARY INFORMATION

The Town adheres to the following procedures in establishing the budgetary data included in the General Fund financial statements in accordance with provisions of Connecticut General Statutes and annually adopted budget policies.

- The head of each department, office or agency of the Town, supported wholly or in part from Town funds, except the Board of Education, files with the Board of Selectmen a detailed estimate of the expenditures to be made and the revenues, other than property taxes, to be collected in the ensuing fiscal year.
- The Board of Selectmen presents a budget message, estimates of revenues and expenditures and justifications to the Board of Finance for all Town-supported functions. The Board of Education presents estimates of revenues and expenditures and justifications to the Board of Finance for all local education functions.
- The Regional School District No. 8 (the "District") Board of Education presents the proposed District budget to the Board of Finance. A separate public hearing and referendum for the District's budget are administered by the District's Board of Education.
- The Board of Finance holds at least one public hearing on the proposed budget. The Board of Finance may review the budget requests with the head of each department, board, agency and commission including the local Board of Education. The Board of Finance then prepares a budget to be presented at the Town's Annual Budget meeting. This meeting shall consider the budget presented by the Board of Finance and may approve or lower the General Government, Andover Board of Education and/or Capital Projects budgets. The District's budget cannot be approved or lowered during this meeting as it is subject to a separate referendum held by the District. The Annual Budget meeting will adjourn to referendum.
- Expenditures are budgeted by function, department and object. The legal level of budgetary control, the level at which expenditures may not exceed appropriations, is established at the department level. Transfers of budgeted amounts between departments must be approved by the Board of Selectman and the Board of Finance. The Board of Selectman may transfer amounts between line items within a department. Additional appropriation requests are submitted by the department heads to the Board of Selectmen. The Board of Selectmen acts on the requests, which, if approved are sent to the Board of Finance. The Board of Finance may approve additional appropriations for a department, provided such additional appropriations do not exceed \$20,000 or are not a second request for an appropriation by the asking board, commission or department. Appropriations in excess of the amount which the Board of Finance may approve or a second request by the requesting board, commission or department, must also be approved by vote of a Town Meeting. During the year ended June 30, 2019, additional appropriations of \$32,615 from fund balance were authorized.
- Formal budgetary integration is employed as a management control device during the year.
- The budget is prepared on the modified accrual basis of accounting. Encumbrances are recognized as a valid and proper charge against a budget appropriation in the year in which the purchase order, contract or other commitment is issued and, accordingly, encumbrances outstanding at year-end are reported in budgetary reports as expenditures of the current year.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 1 - STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL - BUDGETARY BASIS - GENERAL FUND (CONTINUED)

BUDGETARY INFORMATION *(Continued)*

- All unexpended appropriations lapse at year-end, except those amounts appropriated within the Capital Reserve Fund and certain amounts approved by the Board of Finance for carryover. Appropriations for capital projects are continued until completion of applicable projects, even when projects extend more than one fiscal year.

Accounting principles applied for purposes of developing data on a budgetary basis differ from those used to present financial statements in conformity with accounting principles generally accepted in the United States of America ("GAAP basis"). The differences consist primarily of payments made by the State of Connecticut "on-behalf" of the Town into the State Teachers' Retirement System, which are not recorded for budgetary purposes, and certain reclassifications between revenues, expenditures and other financing sources (uses) due to perspective differences.

A reconciliation of General Fund amounts presented on the budgetary basis to amounts presented on the GAAP basis is as follows for the year ended June 30, 2019:

	Total Revenues	Total Expenditures	Other Financing Uses	Net Change in Fund Balance
Budgetary basis	\$ 11,321,679	\$ 10,804,545	\$ -	\$ 517,134
"On-behalf" payments - State Teachers Retirement Fund	593,372	593,372	-	-
Change in encumbrances	-	23,306	-	(23,306)
Reclassification of transfers for GAAP purposes	-	(165,600)	(165,600)	-
Recording of capital lease financing	-	123,003	123,003	-
Other	-	11,744	-	(11,744)
GAAP basis	<u>\$ 11,915,051</u>	<u>\$ 11,390,370</u>	<u>\$ (42,597)</u>	<u>\$ 482,084</u>

TOWN OF ANDOVER, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 2 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

The Town began to report this schedule in fiscal year 2019. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2018. This information is utilized by the Town for reporting as of June 30, 2019.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumption Changes - The following assumption changes had a significant effect on the measurement of the total pension liability reported as of June 30, 2019.

- Investment return assumed rate changed from 8.00% to 7.00%;
- Wage inflation assumed rate changed from 3.50% to 3.00%; and
- Assumed rates of Withdrawal, Disability, Retirement, and Mortality have been adjusted to more closely reflect experience.

NOTE 3 - SCHEDULE OF CONTRIBUTIONS - CONNECTICUT MUNICIPAL EMPLOYEES' RETIREMENT SYSTEM

The Town began to report the schedule of contributions and investment returns in fiscal year 2019. GASB Statement No. 68, *Accounting and Financial Reporting for Pensions - An Amendment of GASB Statement No. 27* requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarially determined contribution rates are calculated as of June 30, two years prior to the end of the fiscal year in which contributions are reported.

Methods and Assumptions Utilized

- Actuarial cost method: Entry Age Actuarial Cost Method;
- Amortization method: Level dollar, closed;
- Remaining amortization period: 21 years;
- Asset valuation method: Smoothed market with 20% recognition of investment gains and losses;
- Inflation: 2.50%;
- Investment rate of return: 7.00%, net of investment related expenses;
- Salary increases: Varies 3.50% to 10.00%;
- Cost of living adjustments: 2.50% for those retiring on or after January 1, 2002, for retirements prior to January 1, 2002 2.50% up to age 65, 3.25% afterwards;
- Social Security Wage Base: 3.00%; and
- Mortality: The RP-2014 Combined Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB is used by General Employees for the period after retirement and for dependent beneficiaries. The RP-2014 Blue Collar Mortality Table adjusted to 2006 and projected to 2015 with Scale MP-2017 and projected to 2022 with Scale BB is used by Police and Fire for the period after retirement and for dependent beneficiaries. For disabled retirees, the RP-2014 Disabled Retiree Mortality Table projected to 2020 by Scale BB is used.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 4 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET PENSION LIABILITY - CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 68, *Accounting and Financial Reporting for Pensions – An Amendment of GASB Statement No. 27*, in fiscal year 2015. GASB Statement No. 68 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2018. This information is utilized by the Town for reporting as of June 30, 2019.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total pension liability.

Assumption Changes - The following assumption changes had a significant effect on the measurement of the total pension liability reported as of June 30, 2019.

- the inflation assumption was reduced from 2.75% to 2.50%;
- the real rate of return assumption was reduced from 5.25% to 4.40%, which when combined with the inflation assumption change, results in a decrease in the investment rate of return assumption from 8.00% to 6.90%; and
- the annual rate of wage increase assumption was increased from 0.50% to 0.75%.

NOTE 5 - SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY - OTHER POST-EMPLOYMENT BENEFITS PLAN

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years. This schedule will present 10 years of information as additional information becomes available.

The July 1, 2018 actuarial valuation was utilized to calculate the July 1, 2018 total OPEB liability. The July 1, 2018 total OPEB liability was increased by service cost and interest and decreased by benefit payments to estimate the TOL as of June 30, 2019.

Benefit Changes - There have been no changes in benefit terms that have had a significant effect on the measurement of the total OPEB liability.

Assumption Changes - There have been no changes in assumptions that have had a significant effect on the measurement of the total OPEB liability.

TOWN OF ANDOVER, CONNECTICUT
NOTES TO REQUIRED SUPPLEMENTARY INFORMATION (UNAUDITED) *(Continued)*
AS OF AND FOR THE YEAR JUNE 30, 2019

NOTE 6 - SCHEDULE OF THE TOWN'S PROPORTIONATE SHARE OF THE NET OTHER POST-EMPLOYMENT BENEFITS LIABILITY - CONNECTICUT STATE TEACHERS' RETIREMENT SYSTEM

The Town began to report this schedule when it implemented GASB Statement No. 75, *Accounting and Financial Reporting for Postemployment Benefits Other Than Pension*, in fiscal year 2018. GASB Statement No. 75 requires the information within this schedule to be presented for the ten most recent fiscal years.

Actuarial valuations are prepared every two years with the most recent available actuarial valuation performed as of June 30, 2018. This information is utilized by the Town for reporting as of June 30, 2019.

Benefit Changes - Effective July 1, 2018, the Plan changed the "base plan" to the Medicare Advantage Plan for the purposes of determining retiree health care plan subsidies and/or cost sharing amount(s), and introduced a two year waiting period for re-enrollment in a system-sponsored health care plan for those who cancel their coverage or choose not to enroll in a health care coverage option on or after the effective date.

Assumption Changes - The following assumption changes collectively had a significant effect on the measurement of the net OPEB liability reported as of June 30, 2018:

- the expected rate of return on Plan assets was changed from 4.25% to 3.00% to better reflect the anticipated returns on cash and other high quality short-term fixed income investments;
- the discount rate used to measure Plan obligations and amortize supplemental costs was updated to match the expected rate of return on assets selected as of June 30, 2018;
- long-term health care cost trend rates were updated to better reflect the anticipated impact of changes in medical inflation, utilization, leverage in the plan design, improvements in technology, and fees and charges on expected claims and retiree contributions in future periods; and
- the percentage of retired members who are not currently participating in the Plan, but are expected to elect coverage for themselves and their spouses under a system-sponsored health care plan option in the future was updated to better reflect anticipated plan experience.

COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES

GENERAL FUND

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF REVENUES - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget
				Over (Under)
PROPERTY TAXES				
Tax collections - current year	\$ 8,699,334	\$ 8,699,334	\$ 8,738,072	\$ 38,738
Tax collections - prior year	100,000	100,000	99,191	(809)
Tax interest and liens	31,000	31,000	50,189	19,189
TOTAL PROPERTY TAXES	8,830,334	8,830,334	8,887,452	57,118
INTERGOVERNMENTAL REVENUES				
Town:				
Municipal Stabilization Grant	43,820	43,820	43,820	-
Mashantucket Pequot and Mohegan Fund Grant	6,680	6,680	6,680	-
State miscellaneous	6,620	6,620	4,465	(2,155)
Telephone access	6,000	6,000	4,790	(1,210)
Payment in Lieu of Taxes on State-owned Property	9,631	9,631	9,631	-
Tax Relief for Veterans	-	-	1,106	1,106
Tax Relief on Property of Totally Disabled Persons	434	434	476	42
	73,185	73,185	70,968	(2,217)
Education:				
Education cost sharing	2,132,335	2,132,335	2,132,347	12
Transportation grant	12,550	12,550	-	(12,550)
	2,144,885	2,144,885	2,132,347	(12,538)
TOTAL INTERGOVERNMENTAL REVENUES	2,218,070	2,218,070	2,203,315	(14,755)
CHARGES FOR SERVICES				
Town clerk	43,000	43,000	59,441	16,441
Building department	25,000	25,000	41,925	16,925
Dial-A-Ride	-	-	9,694	9,694
Transfer station	20,000	20,000	36,460	16,460
Permits	1,000	1,000	-	(1,000)
Waste redemption	140	140	1,786	1,646
TOTAL CHARGES FOR SERVICES	89,140	89,140	149,306	60,166
INVESTMENT INCOME	12,000	12,000	52,301	40,301
OTHER REVENUES	9,200	9,200	29,305	20,105
TOTAL REVENUES	11,158,744	11,158,744	11,321,679	162,935
OTHER FINANCING SOURCES				
Appropriation of Fund Balance	20,000	56,195	-	(56,195)
TOTAL REVENUES				
AND OTHER FINANCING SOURCES	\$ 11,178,744	\$ 11,214,939	\$ 11,321,679	\$ 106,740

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts			Variance With
	Original	Final	Actual	Final Budget Over (Under)
GENERAL GOVERNMENT				
Selectmen	\$ 8,285	\$ 8,285	\$ 7,440	\$ (845)
Town Administrator	90,549	88,049	87,357	(692)
Board Clerks	1,765	1,765	795	(970)
Audit, actuarial and consulting services	36,250	36,250	27,500	(8,750)
Town Attorney	25,000	30,050	28,387	(1,663)
Treasurer	97,962	90,962	88,610	(2,352)
Tax Collector	43,275	55,275	54,610	(665)
Assessor	46,276	45,951	43,159	(2,792)
Board of Assessment Appeals	1,010	1,010	637	(373)
Town Clerk	62,310	61,905	60,145	(1,760)
Probate Court	3,054	3,054	3,054	-
Elections	24,804	24,804	21,902	(2,902)
Old Town Hall maintenance	4,724	4,724	4,295	(429)
Registrars	13,288	13,288	10,134	(3,154)
Advertising	5,000	5,000	3,820	(1,180)
Town Office building	71,886	83,806	76,045	(7,761)
Administrative assistants	98,148	99,898	99,390	(508)
Dog damage	200	200	-	(200)
Insurance	111,602	111,602	110,385	(1,217)
Employee benefits	351,141	356,091	356,935	844
Custodial and cleaning services	10,000	7,500	6,674	(826)
Dog Warden	3,800	5,800	5,667	(133)
Contingency	50,000	23,625	-	(23,625)
Historical	200	200	191	(9)
TOTAL GENERAL GOVERNMENT	1,160,529	1,159,094	1,097,132	(61,962)
PUBLIC WORKS				
Public Works Department	276,061	264,396	246,535	(17,861)
Snow removal	99,400	91,636	89,368	(2,268)
Town Garage	14,750	16,490	15,772	(718)
Street lighting	7,500	7,500	6,107	(1,393)
Engineer	7,500	7,500	3,556	(3,944)
Ground maintenance	20,450	18,030	17,836	(194)
TOTAL PUBLIC WORKS	425,661	405,552	379,174	(26,378)
PUBLIC SAFETY				
Fire Department	124,850	124,850	124,843	(7)
Law enforcement	187,000	187,000	148,040	(38,960)
Old Fire House	9,800	9,800	6,336	(3,464)
Fire marshal	5,595	5,595	5,053	(542)
Civil preparedness	2,650	2,650	2,025	(625)
TOTAL PUBLIC SAFETY	329,895	329,895	286,297	(43,598)
SANITATION AND WASTE				
Transfer Station	139,300	139,300	115,713	(23,587)
Recycling	3,052	3,052	1,632	(1,420)
TOTAL SANITATION AND WASTE	142,352	142,352	117,345	(25,007)
				(Continued)

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL -
BUDGETARY BASIS - GENERAL FUND (UNAUDITED) (Concluded)
FOR THE YEAR ENDED JUNE 30, 2019

	Budgeted Amounts		Actual	Variance With Final Budget Over (Under)
	Original	Final		
BUILDING PLANNING AND ZONING				
Building Department	\$ 13,920	\$ 14,714	\$ 14,398	\$ (316)
Zoning Agent	5,075	9,875	9,875	-
Conservation Commission	20,500	20,500	9,239	(11,261)
Capital Region Council of Governments	7,800	7,800	7,869	69
Planning and Zoning	24,709	19,909	7,792	(12,117)
Inlands Wetlands Commission	8,265	8,265	6,888	(1,377)
Memorial Commission	800	800	646	(154)
Economic Development	500	500	350	(150)
Zoning Board of Appeals	1,550	1,550	120	(1,430)
TOTAL BUILDING PLANNING AND ZONING	83,119	83,913	57,177	(26,736)
COMMUNITY SERVICES				
Library	95,559	95,559	93,704	(1,855)
Senior transportation	20,740	23,615	23,320	(295)
Senior citizens	9,345	9,595	9,543	(52)
TOTAL COMMUNITY SERVICES	125,644	128,769	126,567	(2,202)
HEALTH AND WELFARE				
Youth services	38,239	38,239	38,238	(1)
Health services	18,751	18,751	17,499	(1,252)
Social services	3,870	3,620	642	(2,978)
TOTAL HEALTH AND WELFARE	60,860	60,610	56,379	(4,231)
RECREATION	8,465	8,465	6,056	(2,409)
EDUCATION				
Andover Elementary School	4,155,000	4,155,000	3,956,694	(198,306)
Regional School District No. 8	4,512,121	4,512,121	4,502,741	(9,380)
TOTAL EDUCATION	8,667,121	8,667,121	8,459,435	(207,686)
CAPITAL OUTLAYS	70,000	124,070	113,885	(10,185)
DEBT SERVICE				
Principal	90,000	90,000	90,000	-
Interest	15,098	15,098	15,098	-
TOTAL DEBT SERVICE	105,098	105,098	105,098	-
TOTAL EXPENDITURES	\$ 11,178,744	\$ 11,214,939	\$ 10,804,545	\$ (410,394)
				<i>(Concluded)</i>

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF PROPERTY TAXES LEVIED, COLLECTED AND OUTSTANDING
FOR THE YEAR ENDED JUNE 30, 2019

Grand List Year	Balance Uncollected June 30, 2018	Current Levy	Lawful Corrections		Transfers To (From) Suspense	Balance To Be Collected	Collections			Balance Uncollected June 30, 2019
			Additions	Deductions			Taxes	Interest and Lien Fees	Total	
2017	\$ -	\$ 8,893,241	\$ 18,567	\$ 30,268	\$ -	\$ 8,881,540	\$ 8,739,477	\$ 26,502	\$ 8,765,979	\$ 142,063
2016	117,902		816	3,164	-	115,554	82,458	17,231	99,689	33,096
2015	36,598	-	81	101	-	36,578	14,576	4,888	19,464	22,002
2014	16,549	-	72	180	-	16,441	1,463	1,046	2,509	14,978
2013	8,981	-	-	-	-	8,981	614	550	1,164	8,367
2012	8,913	-	-	-	-	8,913	60	50	110	8,853
2011	7,518	-	-	-	-	7,518	-	-	-	7,518
2010	1,481	-	-	-	-	1,481	20	34	54	1,461
2009	580	-	-	-	-	580	-	-	-	580
2008	549	-	-	-	-	549	-	-	-	549
2007	548	-	-	-	-	548	-	-	-	548
2006	207	-	-	-	-	207	-	-	-	207
Total	<u>\$ 199,826</u>	<u>\$ 8,893,241</u>	<u>\$ 19,536</u>	<u>\$ 33,713</u>	<u>\$ -</u>	<u>\$ 9,078,890</u>	<u>\$ 8,838,668</u>	<u>\$ 50,301</u>	<u>\$ 8,888,969</u>	<u>\$ 240,222</u>

TOWN OF ANDOVER, CONNECTICUT
SCHEDULE OF DEBT LIMITATION
CONNECTICUT GENERAL STATUTES, SECTION 7-374(b)
FOR THE YEAR ENDED JUNE 30, 2019

Total cash collections for the year ended
June 30, 2019:

Taxes	\$ 8,838,668
Interest and lien fees	50,301
Total	<u>8,888,969</u>

Reimbursement for revenue loss:

Tax relief (CGS 12-129d)	1,274
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Base	<u><u>\$ 8,890,243</u></u>
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	General Purposes	Schools	Sewers	Urban Renewal	Pension Deficit
Debt limitation:					
2-1/4 times base	\$ 20,003,047	\$ -	\$ -	\$ -	\$ -
4-1/2 times base	-	40,006,094	-	-	-
3-3/4 times base	-	-	33,338,411	-	-
3-1/4 times base	-	-	-	28,893,290	-
3 times base	-	-	-	-	26,670,729
Total debt limitation	<u>20,003,047</u>	<u>40,006,094</u>	<u>33,338,411</u>	<u>28,893,290</u>	<u>26,670,729</u>
Indebtedness:					
Bonds payable	270,000	-	-	-	-
Capital lease financing	90,388	-	-	-	-
Bonds payable, net - Regional School District No. 8	<u>-</u>	<u>1,551,360 *</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total indebtedness	<u>360,388</u>	<u>1,551,360</u>	<u>-</u>	<u>-</u>	<u>-</u>
Debt limitation in excess of outstanding and authorized debt	<u><u>\$ 19,642,659</u></u>	<u><u>\$ 38,454,734</u></u>	<u><u>\$ 33,338,411</u></u>	<u><u>\$ 28,893,290</u></u>	<u><u>\$ 26,670,729</u></u>
Total capacity of borrowing (7 times base)	\$ 62,231,701				
Total present indebtedness	<u>1,911,748</u>				
Margin for additional borrowing	<u><u>\$ 60,319,953</u></u>				

* Andover is a member of Regional School District No. 8, which provides education for grades seven through twelve for the Towns of Marlborough, Andover and Hebron. As of June 30, 2019, the District has bonds outstanding of \$10,100,000. The Town of Andover's share is approximately 15.36%. These are general obligations of Regional School District No. 8 and its member towns.

CAPITAL RESERVE FUND

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET AND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
CAPITAL RESERVE FUND
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

	Nonrecurring Reserve Fund	Fire Engine Reserve Fund	School Improvement Reserve Fund	Equipment Reserve Fund	Library Reserve Fund
ASSETS					
Cash and cash equivalents	\$ 106,240	\$ 53,397	\$ 163,651	\$ 25,007	\$ 180,966
Due from other funds	-	-	10,164	-	-
Total assets	<u>\$ 106,240</u>	<u>\$ 53,397</u>	<u>\$ 173,815</u>	<u>\$ 25,007</u>	<u>\$ 180,966</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	65,850	-	-	-	-
Total liabilities	<u>65,850</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES					
Committed	40,390	53,397	173,815	25,007	180,966
Total fund balances	40,390	53,397	173,815	25,007	180,966
Total liabilities and fund balances	<u>\$ 106,240</u>	<u>\$ 53,397</u>	<u>\$ 173,815</u>	<u>\$ 25,007</u>	<u>\$ 180,966</u>
REVENUES					
Interest income	\$ 1,398	\$ 702	\$ 2,153	\$ 329	\$ 2,381
EXPENDITURES					
Capital outlays	-	-	9,050	-	-
Excess (deficiency) of revenues over expenditures	1,398	702	(6,897)	329	2,381
OTHER FINANCING SOURCES					
Transfers in	-	-	-	-	-
Net change in fund balances	1,398	702	(6,897)	329	2,381
Fund balances - beginning	38,992	52,695	180,712	24,678	178,585
Fund balances - ending	<u>\$ 40,390</u>	<u>\$ 53,397</u>	<u>\$ 173,815</u>	<u>\$ 25,007</u>	<u>\$ 180,966</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET AND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES (Concluded)
CAPITAL RESERVE FUND
AS OF AND FOR THE YEAR ENDED JUNE 30, 2019

	Conservation and Development Reserve Fund	Revaluation Reserve Fund	Town Garage Fund	Multi-use Building Fund	Total Capital Reserve Fund
ASSETS					
Cash and cash equivalents	\$ -	\$ 65,844	\$ -	\$ -	\$ 595,105
Due from other funds	14,200	-	100,000	200,000	324,364
Total assets	<u>\$ 14,200</u>	<u>\$ 65,844</u>	<u>\$ 100,000</u>	<u>\$ 200,000</u>	<u>\$ 919,469</u>
LIABILITIES					
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	18,072	-	-	83,922
Total liabilities	<u>-</u>	<u>18,072</u>	<u>-</u>	<u>-</u>	<u>83,922</u>
FUND BALANCES					
Committed	14,200	47,772	100,000	200,000	835,547
Total fund balances	14,200	47,772	100,000	200,000	835,547
Total liabilities and fund balances	<u>\$ 14,200</u>	<u>\$ 65,844</u>	<u>\$ 100,000</u>	<u>\$ 200,000</u>	<u>\$ 919,469</u>
REVENUES					
Interest income	\$ -	\$ 866	\$ -	\$ -	\$ 7,829
EXPENDITURES					
Capital outlays	-	-	-	-	9,050
Excess (deficiency) of revenues over expenditures	-	866	-	-	(1,221)
OTHER FINANCING SOURCES					
Transfers in	5,000	10,000	-	-	15,000
Net change in fund balances	5,000	10,866	-	-	13,779
Fund balances - beginning	9,200	36,906	100,000	200,000	821,768
Fund balances - ending	<u>\$ 14,200</u>	<u>\$ 47,772</u>	<u>\$ 100,000</u>	<u>\$ 200,000</u>	<u>\$ 835,547</u>

(Concluded)

NONMAJOR GOVERNMENTAL FUNDS

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
AS OF JUNE 30, 2019

	Nonmajor Special Revenue Funds							
	Andover Public Library Fund	Andover Fire Commission Fund	Open Space Fund	Severance Pay Fund	Historic Preservation Fund	Community Investment Fund	Town Aid Road Fund	Housing Incentive Grant Fund
ASSETS								
Cash and cash equivalents	\$ 36,829	\$ 3,907	\$ 245,237	\$ 51,210	\$ 1,017	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Due from other funds	-	-	-	8,961	1,611	39,614	99,509	2,500
Total assets	<u>\$ 36,829</u>	<u>\$ 3,907</u>	<u>\$ 245,237</u>	<u>\$ 60,171</u>	<u>\$ 2,628</u>	<u>\$ 39,614</u>	<u>\$ 99,509</u>	<u>\$ 2,500</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ 382	\$ -	\$ -	\$ -
Due to other funds	-	3,740	14,394	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	2,500
Total liabilities	<u>-</u>	<u>3,740</u>	<u>14,394</u>	<u>-</u>	<u>382</u>	<u>-</u>	<u>-</u>	<u>2,500</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	-	-	-	-	2,246	-	99,509	-
Committed	36,829	167	230,843	60,171	-	39,614	-	-
Total fund balances	<u>36,829</u>	<u>167</u>	<u>230,843</u>	<u>60,171</u>	<u>2,246</u>	<u>39,614</u>	<u>99,509</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 36,829</u>	<u>\$ 3,907</u>	<u>\$ 245,237</u>	<u>\$ 60,171</u>	<u>\$ 2,628</u>	<u>\$ 39,614</u>	<u>\$ 99,509</u>	<u>\$ 2,500</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
AS OF JUNE 30, 2019

	Nonmajor Special Revenue Funds							
	Hartford Foundation Grant Fund	Energy Assurance Grant Fund	Senior Services Grant Fund	Eversource Energy Grant Fund	Civil Preparedness Grant Fund	Senior Activities Fund	Social Services Fund	Recreation Scholarship Fund
ASSETS								
Cash and cash equivalents	\$ 505	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Investments	-	-	-	-	-	-	-	-
Due from other funds	8,962	600	425	138	-	1,927	4,959	-
Total assets	<u>\$ 9,467</u>	<u>\$ 600</u>	<u>\$ 425</u>	<u>\$ 138</u>	<u>\$ -</u>	<u>\$ 1,927</u>	<u>\$ 4,959</u>	<u>\$ -</u>
LIABILITIES								
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	-	-
Unearned revenue	-	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES								
Nonspendable	-	-	-	-	-	-	-	-
Restricted	9,467	600	425	138	-	-	-	-
Committed	-	-	-	-	-	1,927	4,959	-
Total fund balances	<u>9,467</u>	<u>600</u>	<u>425</u>	<u>138</u>	<u>-</u>	<u>1,927</u>	<u>4,959</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 9,467</u>	<u>\$ 600</u>	<u>\$ 425</u>	<u>\$ 138</u>	<u>\$ -</u>	<u>\$ 1,927</u>	<u>\$ 4,959</u>	<u>\$ -</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
AS OF JUNE 30, 2019

	Nonmajor Special Revenue Funds						
	Veterans Monument Fund	Miscellaneous Donations Fund	Dog Fund	Farmers Market Fund	Andover Youth Basketball Fund	Town Conservation Fund	School Lunch Fund
ASSETS							
Cash and cash equivalents	\$ 170	\$ -	\$ -	\$ 160	\$ -	\$ 724	\$ 3,061
Investments	-	-	-	-	-	-	-
Due from other funds	1,882	3,254	2,887	814	3,051	-	-
Total assets	<u>\$ 2,052</u>	<u>\$ 3,254</u>	<u>\$ 2,887</u>	<u>\$ 974</u>	<u>\$ 3,051</u>	<u>\$ 724</u>	<u>\$ 3,061</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	-	-	1,121
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,121</u>
FUND BALANCES							
Nonspendable	-	-	-	-	-	-	-
Restricted	-	-	-	-	-	-	-
Committed	2,052	3,254	2,887	974	3,051	724	1,940
Total fund balances	<u>2,052</u>	<u>3,254</u>	<u>2,887</u>	<u>974</u>	<u>3,051</u>	<u>724</u>	<u>1,940</u>
Total liabilities and fund balances	<u>\$ 2,052</u>	<u>\$ 3,254</u>	<u>\$ 2,887</u>	<u>\$ 974</u>	<u>\$ 3,051</u>	<u>\$ 724</u>	<u>\$ 3,061</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
AS OF JUNE 30, 2019

	Nonmajor Special Revenue Funds		Nonmajor Capital Projects Funds			
	School Grants Fund	Total Special Revenue Funds	Pedestrian Bridge Fund	Andover Elementary Expansion Fund	Times Farm Bridge Fund	STEAP Ballfield Fund
ASSETS						
Cash and cash equivalents	\$ 57,533	\$ 400,353	\$ -	\$ 8,648	\$ -	\$ -
Investments	-	-	-	-	-	-
Due from other funds	-	181,094	5,820	-	171,648	-
Total assets	<u>\$ 57,533</u>	<u>\$ 581,447</u>	<u>\$ 5,820</u>	<u>\$ 8,648</u>	<u>\$ 171,648</u>	<u>\$ -</u>
LIABILITIES						
Accounts payable	\$ -	\$ 382	\$ -	\$ -	\$ -	\$ -
Due to other funds	23,119	42,374	-	-	-	-
Unearned revenue	-	2,500	-	-	-	-
Total liabilities	<u>23,119</u>	<u>45,256</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
FUND BALANCES						
Nonspendable	-	-	-	-	-	-
Restricted	34,414	146,799	-	-	-	-
Committed	-	389,392	5,820	8,648	171,648	-
Total fund balances	<u>34,414</u>	<u>536,191</u>	<u>5,820</u>	<u>8,648</u>	<u>171,648</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 57,533</u>	<u>\$ 581,447</u>	<u>\$ 5,820</u>	<u>\$ 8,648</u>	<u>\$ 171,648</u>	<u>\$ -</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Continued)
AS OF JUNE 30, 2019

	Nonmajor Capital Projects Funds		Nonmajor Permanent Funds				
	LOCIP Fund	Total Capital Projects Funds	Norton Children's Funds	Norton Library Fund	Norton School Fund	Sprague Library Fund	Irene Mooney Fund
ASSETS							
Cash and cash equivalents	\$ -	\$ 8,648	\$ 14,166	\$ 3,656	\$ 9,190	\$ 3,244	\$ 11,720
Investments	-	-	-	-	38,570	-	-
Due from other funds	-	177,468	339	-	-	-	-
Total assets	<u>\$ -</u>	<u>\$ 186,116</u>	<u>\$ 14,505</u>	<u>\$ 3,656</u>	<u>\$ 47,760</u>	<u>\$ 3,244</u>	<u>\$ 11,720</u>
LIABILITIES							
Accounts payable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Due to other funds	-	-	-	-	98	-	-
Unearned revenue	-	-	-	-	-	-	-
Total liabilities	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>98</u>	<u>-</u>	<u>-</u>
FUND BALANCES							
Nonspendable	-	-	8,795	3,000	8,000	3,000	11,000
Restricted	-	-	5,710	656	39,662	244	720
Committed	-	186,116	-	-	-	-	-
Total fund balances	<u>-</u>	<u>186,116</u>	<u>14,505</u>	<u>3,656</u>	<u>47,662</u>	<u>3,244</u>	<u>11,720</u>
Total liabilities and fund balances	<u>\$ -</u>	<u>\$ 186,116</u>	<u>\$ 14,505</u>	<u>\$ 3,656</u>	<u>\$ 47,760</u>	<u>\$ 3,244</u>	<u>\$ 11,720</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS (Concluded)
AS OF JUNE 30, 2019

	Nonmajor Permanent Funds		
	Brown & Brown Fund	Total Permanent Funds	Total Nonmajor Governmental Funds
ASSETS			
Cash and cash equivalents	\$ 25,809	\$ 67,785	\$ 476,786
Investments	-	38,570	38,570
Due from other funds	-	339	358,901
Total assets	<u>\$ 25,809</u>	<u>\$ 106,694</u>	<u>\$ 874,257</u>
LIABILITIES			
Accounts payable	\$ -	\$ -	382
Due to other funds	-	98	42,472
Unearned revenue	-	-	2,500
Total liabilities	<u>-</u>	<u>98</u>	<u>45,354</u>
FUND BALANCES			
Nonspendable	25,000	58,795	58,795
Restricted	809	47,801	194,600
Committed	-	-	575,508
Total fund balances	<u>25,809</u>	<u>106,596</u>	<u>828,903</u>
Total liabilities and fund balances	<u>\$ 25,809</u>	<u>\$ 106,694</u>	<u>\$ 874,257</u>

(Concluded)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds							
	Andover Public Library Fund	Andover Fire Commission Fund	Open Space Fund	Severance Pay Fund	Historic Preservation Fund	Community Investment Fund	Town Aid Road Fund	Housing Incentive Grant Fund
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ 4,500	\$ -	\$ 187,453	\$ -
Charges for services	-	-	1,333	-	-	2,769	-	-
Interest income	1	-	3,226	674	13	-	-	-
Other	2,656	2,831	-	-	-	-	-	-
Total revenues	2,657	2,831	4,559	674	4,513	2,769	187,453	-
EXPENDITURES								
Current:								
General government	-	-	28,250	-	4,586	2,502	-	-
Public safety	-	127,681	-	-	-	-	-	-
Public works	-	-	-	-	-	-	390,764	-
Community services	25,513	-	-	-	-	-	-	-
Education	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	25,513	127,681	28,250	-	4,586	2,502	390,764	-
Excess (deficiency) of revenues over expenditures	(22,856)	(124,850)	(23,691)	674	(73)	267	(203,311)	-
OTHER FINANCING SOURCES								
Transfers in	25,750	124,850	-	-	-	-	-	-
Net change in fund balances	2,894	-	(23,691)	674	(73)	267	(203,311)	-
Fund balances - beginning	33,935	167	254,534	59,497	2,319	39,347	302,820	-
Fund balances - ending	\$ 36,829	\$ 167	\$ 230,843	\$ 60,171	\$ 2,246	\$ 39,614	\$ 99,509	\$ -

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds							
	Hartford Foundation Grant Fund	Energy Assurance Grant Fund	Senior Services Grant Fund	Eversource Energy Grant Fund	Civil Preparedness Grant Fund	Senior Activities Fund	Social Service Fund Fund	Recreation Scholarship Fund
REVENUES								
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-	-
Interest income	7	-	-	-	-	-	-	-
Other	18,364	-	-	-	-	5,234	750	-
Total revenues	18,371	-	-	-	-	5,234	750	-
EXPENDITURES								
Current:								
General government	-	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-	-
Community services	8,910	-	-	-	-	7,865	280	-
Education	-	-	-	-	-	-	-	-
Capital outlays	-	-	-	-	-	-	-	-
Total expenditures	8,910	-	-	-	-	7,865	280	-
Excess (deficiency) of revenues over expenditures	9,461	-	-	-	-	(2,631)	470	-
OTHER FINANCING SOURCES								
Transfers in	-	-	-	-	-	-	-	-
Net change in fund balances	9,461	-	-	-	-	(2,631)	470	-
Fund balances - beginning	6	600	425	138	-	4,558	4,489	-
Fund balances - ending	\$ 9,467	\$ 600	\$ 425	\$ 138	\$ -	\$ 1,927	\$ 4,959	\$ -
	(Continued)							

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds						
	Veterans Monument Fund	Miscellaneous Donations Fund	Dog Fund	Farmers Market Fund	Andover Youth Basketball Fund	Town Conservation Fund	School Lunch Fund
REVENUES							
Intergovernmental	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	2,537	1,172	10,059	-	28,891
Interest income	-	-	-	-	-	10	-
Other	-	7,941	-	-	-	-	-
Total revenues	-	7,941	2,537	1,172	10,059	10	28,891
EXPENDITURES							
Current:							
General government	-	7,122	-	-	12,353	-	-
Public safety	-	-	1,704	-	-	-	-
Public works	-	-	-	-	-	-	-
Community services	-	-	-	481	-	-	-
Education	-	-	-	-	-	-	28,732
Capital outlays	-	-	-	-	-	-	-
Total expenditures	-	7,122	1,704	481	12,353	-	28,732
Excess (deficiency) of revenues over expenditures	-	819	833	691	(2,294)	10	159
OTHER FINANCING SOURCES							
Transfers in	-	-	-	-	-	-	-
Net change in fund balances	-	819	833	691	(2,294)	10	159
Fund balances - beginning	2,052	2,435	2,054	283	5,345	714	1,781
Fund balances - ending	\$ 2,052	\$ 3,254	\$ 2,887	\$ 974	\$ 3,051	\$ 724	\$ 1,940

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Special Revenue Funds		Nonmajor Capital Projects Funds			
	School Grants Fund	Total Special Revenue Funds	Pedestrian Bridge Fund	Andover Elementary Expansion Fund	Times Farm Bridge Fund	STEAP Ballfield Fund
REVENUES						
Intergovernmental	\$ 311,836	\$ 503,789	\$ -	\$ -	\$ 5,429	\$ -
Charges for services	64,152	110,913	-	-	-	-
Interest income	-	3,931	-	114	-	-
Other	-	37,776	-	-	-	-
Total revenues	<u>375,988</u>	<u>656,409</u>	<u>-</u>	<u>114</u>	<u>5,429</u>	<u>-</u>
EXPENDITURES						
Current:						
General government	-	54,813	-	-	-	-
Public safety	-	129,385	-	-	-	-
Public works	-	390,764	-	-	-	-
Community services	-	43,049	-	-	-	-
Education	397,514	426,246	-	-	-	-
Capital outlays	-	-	-	-	4,113	-
Total expenditures	<u>397,514</u>	<u>1,044,257</u>	<u>-</u>	<u>-</u>	<u>4,113</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	(21,526)	(387,848)	-	114	1,316	-
OTHER FINANCING SOURCES						
Transfers in	-	150,600	-	-	-	-
Net change in fund balances	(21,526)	(237,248)	-	114	1,316	-
Fund balances - beginning	<u>55,940</u>	<u>773,439</u>	<u>5,820</u>	<u>8,534</u>	<u>170,332</u>	<u>-</u>
Fund balances - ending	<u>\$ 34,414</u>	<u>\$ 536,191</u>	<u>\$ 5,820</u>	<u>\$ 8,648</u>	<u>\$ 171,648</u>	<u>\$ -</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS *(Continued)*
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Capital Projects Funds		Nonmajor Permanent Funds				
	LOCIP Fund	Total Capital Projects Funds	Norton Children's Funds	Norton Library Fund	Norton School Fund	Sprague Library Fund	Irene Mooney Fund
REVENUES							
Intergovernmental	\$ 98,500	\$ 103,929	\$ -	\$ -	\$ -	\$ -	\$ -
Charges for services	-	-	-	-	-	-	-
Interest income	-	114	186	48	1,797	43	155
Other	-	-	746	-	-	-	-
Total revenues	<u>98,500</u>	<u>104,043</u>	<u>932</u>	<u>48</u>	<u>1,797</u>	<u>43</u>	<u>155</u>
EXPENDITURES							
Current:							
General government	-	-	-	-	-	-	-
Public safety	-	-	-	-	-	-	-
Public works	-	-	-	-	-	-	-
Community services	-	-	1,380	-	-	-	-
Education	-	-	-	-	-	-	-
Capital outlays	98,500	102,613	-	-	-	-	-
Total expenditures	<u>98,500</u>	<u>102,613</u>	<u>1,380</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over expenditures	-	1,430	(448)	48	1,797	43	155
OTHER FINANCING SOURCES							
Transfers in	-	-	-	-	-	-	-
Net change in fund balances	-	1,430	(448)	48	1,797	43	155
Fund balances - beginning	-	184,686	14,953	3,608	45,865	3,201	11,565
Fund balances - ending	<u>\$ -</u>	<u>\$ 186,116</u>	<u>\$ 14,505</u>	<u>\$ 3,656</u>	<u>\$ 47,662</u>	<u>\$ 3,244</u>	<u>\$ 11,720</u>

(Continued)

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
NONMAJOR GOVERNMENTAL FUNDS *(Concluded)*
FOR THE YEAR ENDED JUNE 30, 2019

	Nonmajor Permanent Funds		
	Brown & Brown Fund	Total Permanent Funds	Total Nonmajor Governmental Funds
REVENUES			
Intergovernmental	\$ -	\$ -	\$ 607,718
Charges for services	-	-	110,913
Interest income	339	2,568	6,613
Other	-	746	38,522
Total revenues	<u>339</u>	<u>3,314</u>	<u>763,766</u>
EXPENDITURES			
Current:			
General government	-	-	54,813
Public safety	-	-	129,385
Public works	-	-	390,764
Community services	-	1,380	44,429
Education	-	-	426,246
Capital outlays	-	-	102,613
Total expenditures	<u>-</u>	<u>1,380</u>	<u>1,148,250</u>
Excess (deficiency) of revenues over expenditures	339	1,934	(384,484)
OTHER FINANCING SOURCES			
Transfers in	<u>-</u>	<u>-</u>	<u>150,600</u>
Net change in fund balances	339	1,934	(233,884)
Fund balances - beginning	<u>25,470</u>	<u>104,662</u>	<u>1,062,787</u>
Fund balances - ending	<u>\$ 25,809</u>	<u>\$ 106,596</u>	<u>\$ 828,903</u>
			<i>(Concluded)</i>

FIDUCIARY FUNDS

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
AS OF JUNE 30, 2019

	Driveway Bonds Fund	Zoning Board Bond Fund	Seniors Activity Fund	Andover Elementary Student Activity Fund	Total Agency Funds
ASSETS					
Cash and cash equivalents	\$ 26,639	\$ 12,512	\$ 3,488	\$ 33,712	\$ 76,351
Total assets	<u>\$ 26,639</u>	<u>\$ 12,512</u>	<u>\$ 3,488</u>	<u>\$ 33,712</u>	<u>\$ 76,351</u>
LIABILITIES					
Payable	\$ 3,000	\$ -	\$ -	\$ -	\$ 3,000
Due to others	23,639	12,512	3,488	33,712	73,351
Total liabilities	<u>\$ 26,639</u>	<u>\$ 12,512</u>	<u>\$ 3,488</u>	<u>\$ 33,712</u>	<u>\$ 76,351</u>

TOWN OF ANDOVER, CONNECTICUT
COMBINING STATEMENT OF CHANGES IN FIDUCIARY ASSETS AND LIABILITIES
AGENCY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	Balance, July 1, 2018	Additions	Deletions	Balance, June 30, 2019
Driveway Bonds Fund				
Assets				
Cash and cash equivalents	\$ 26,289	\$ 350	\$ -	\$ 26,639
Total assets	<u>\$ 26,289</u>	<u>\$ 350</u>	<u>\$ -</u>	<u>\$ 26,639</u>
Liabilities				
Payable	\$ -	\$ 3,500	\$ 500	\$ 3,000
Due to others	26,289	350	3,000	23,639
Total liabilities	<u>\$ 26,289</u>	<u>\$ 3,850</u>	<u>\$ 3,500</u>	<u>\$ 26,639</u>
Zoning Board Bond Fund				
Assets				
Cash and cash equivalents	\$ 12,347	\$ 165	\$ -	\$ 12,512
Total assets	<u>\$ 12,347</u>	<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 12,512</u>
Liabilities				
Due to others	\$ 12,347	\$ 165	\$ -	\$ 12,512
Total liabilities	<u>\$ 12,347</u>	<u>\$ 165</u>	<u>\$ -</u>	<u>\$ 12,512</u>
Seniors Activity Fund				
Assets				
Cash and cash equivalents	\$ 3,908	\$ 3,849	\$ 4,269	\$ 3,488
Total assets	<u>\$ 3,908</u>	<u>\$ 3,849</u>	<u>\$ 4,269</u>	<u>\$ 3,488</u>
Liabilities				
Due to others	\$ 3,908	\$ 3,849	\$ 4,269	\$ 3,488
Total liabilities	<u>\$ 3,908</u>	<u>\$ 3,849</u>	<u>\$ 4,269</u>	<u>\$ 3,488</u>
Andover Elementary Student Activity Fund				
Assets				
Cash and cash equivalents	\$ 36,168	\$ 9,927	\$ 12,383	\$ 33,712
Due from other funds	-	-	-	-
Total assets	<u>\$ 36,168</u>	<u>\$ 9,927</u>	<u>\$ 12,383</u>	<u>\$ 33,712</u>
Liabilities				
Due to others	\$ 36,168	\$ 9,927	\$ 12,383	\$ 33,712
Total liabilities	<u>\$ 36,168</u>	<u>\$ 9,927</u>	<u>\$ 12,383</u>	<u>\$ 33,712</u>
Total All Agency Funds				
Assets				
Cash and cash equivalents	\$ 78,712	\$ 14,291	\$ 16,652	\$ 76,351
Due from other funds	-	-	-	-
Total assets	<u>\$ 78,712</u>	<u>\$ 14,291</u>	<u>\$ 16,652</u>	<u>\$ 76,351</u>
Liabilities				
Due to other funds	\$ -	\$ 3,500	\$ 500	\$ 3,000
Due to others	78,712	14,291	19,652	73,351
Total liabilities	<u>\$ 78,712</u>	<u>\$ 17,791</u>	<u>\$ 20,152</u>	<u>\$ 76,351</u>