

**Town of Andover
Board of Finance**
Special Meeting Budget Workshop Minutes
Wednesday, March 13th, 2024 – 7:00pm
Location: virtual Zoom meeting

Members Present: Marc Brinker, Joanne Hebert, Bill Desrosiers, Robert England, Louise Goodwin, Brian Briggs, Kimberly Person

Town Administrator: Eric Anderson

RHAM Board of Education: Superintendent Dr. Colin McNamara, Kirsten Erlandsen

Public Works: Jay Tuttle

Public Present: none

1. Call to Order/Pledge of Allegiance – Marc Brinker called the meeting to order at 7:02pm. The Pledge was recited.

2. Public Speak – none

4. Receive RHAM Budget –

Eric Anderson shared screen with RHAM Budget presentation – Superintendent McNamara, acknowledged and thanked Andover residents who sit on the RHAM Board of Education and Andover elected officials. Proposed Administrative Budget for Fiscal Year 2024- 2025 is \$31,960,459 overall increase of 2.64% - \$31,462,040 Operation Budget and \$498,419 Capital Budget. Anticipating changes (reductions to operating budget yet to be discussed with Region 8 Board of Education) - Board meeting on coming Monday night, discussion around budget to be had and will let Eric Anderson know of any changes.

LEVY payment is based on percentage of Andover students enrolled for 2024-2025 school year. Currently projected 13.34% decrease of \$189,996 Operating Budget and \$11,127 Capital Budget over the current year budget - \$201,123 total

Audit of 2022-2023 of RHAM budget was accepted at February 2024 meeting, voted to allocate max amount of surplus to Capital Non-Recurring account (2% of total operating budget) \$609,720. These funds to be used for addressing longstanding issues with athletic fields - additional funds of \$830,212 in surplus allocated as credit offset back to each Town LEVY for next year – credit for Andover is \$119,800 – decrease of \$320,923 to Andover LEVY for 2024-2025 year.

Drivers for increase in budget – health insurance (16.5% increase, currently – having consortium meeting to establish final number), salary increases, SpEd outplacement, SpEd transportation, utilities, software, instructional and general supplies.

Notable reductions in Operating Budget – principal and interest on bond payment for High School renovation - \$421,413 decrease from \$655,000 from current fiscal year – will stay at this payment until end of 2026-2027 year. Decrease in general education transportation, purchased and professional services, flatlining financing cycle for Chromebooks & technology through stabilization plan.

Reviewed object distribution pie chart by category to make up total budget. Capital Budget – \$3,318,000 total identified projects, proposed budget for 2024-2025 is \$498,419; decrease of \$42,000 over current year. Projects include safety and security improvements, addressing maintenance of buildings, replace aging furniture, fixtures and equipment.

Reviewed table and chart of budget increases for Region 8 per economic standpoint. Per Pupil expenditure is a slight increase over 2023-2024. Enrollment – October 1, 2023 enrollment numbers since 2015 and projected enrollment through 2033-2034 school year. Current enrollment is 1,188 students over the district. Projections indicate decrease in enrollment in 2025-2026 school year but will then increase to numbers exceeding the current enrollment in years after. Middle School enrollment currently around 369 students, remain steady for next 3 years and increase in 2027-2028 school year. High School enrollment currently around 779 students, slight decrease through 2026-2027, increasing and surpassing eventually. Pre K-6 and elementary enrollments growth increasing – reviewed projections.

Administrative budget proposal reflects efforts of district and administration, department coordinators, staff and Board of Education to maintain high quality education from RHAM. RHAM Board of Education meeting April 1, 2024 to adopt budget – will then go to referendum in May.

Board discussion and questions posed and answered by Superintendent McNamara. Marc Brinker - reviewed separate process of voting on budget, impact of increase of enrollment of students over the coming years. Robert England – commented on enrollment projections, could we see a projection of Andover's share for the coming years? – Superintendent McNamara will get numbers to Eric Anderson to share with Board. Eric Anderson – stated that the LEVY amount for Andover has stayed around 16%. Bill Desrosiers – commented regarding other decreases in budget as enrollment increases (such as bond payment) could possibly help offset enrollment increase costs. Joanne Hebert - diversity and equity training in Professional Development – Superintendent McNamara replied that there are no dollars specifically budgeted for this topic but there is money budgeted for Professional Development and to utilize Professional Development time to provide training for staff related to increasing staff ability and preparedness to be culturally responsive. Louise Goodwin – posed a question regarding the increase of elementary students, if there will be an increase in SpEd outplacement? Superintendent McNamara answered that there is collaboration with SpEd Directors and Administrators in each district. Each student's needs are reviewed through an IEP or PPT process if they will continue the need to be outplaced as they age up through the district.

5. DPW Mower

a. Motion to send to Public Meeting for approval by Town of a debt obligation

Request for mower and new equipment trailer has been presented and accepted by CIP and BOS now BOF to review. Funds available in current budget to purchase trailer in full – mower will be purchased through leasing program which would require Town meeting. Information provided in packet.
(continued on next page)

Jay Tuttle – shared screen with information – received quotes on financing for mower (Sourcewell approved) company will allow Town to take possession of equipment prior to first payment – payment to be made July 1, 2024. Reviewed financing for both pieces of equipment - \$47,000~ annual payment for the mower with trailer cost subtracted out (\$56,000~ annual payment with trailer purchase combined with mower). Reviewed issues with current trailer – can't take trailer out of Town for any necessary equipment or vehicle moves for repair, picking up supplies and other repairs necessary to keep trailer operable. Selling used equipment to offset purchase cost of new equipment – resale value of mower is \$10,000 to \$20,000, trailer resale \$1,000 to \$2,000 or scrap value. Leasing versus purchasing option on taking possession of mower with making full purchase amount on July 1. Mower is part of modernization plan – plan is about a year ahead of schedule. Next step is to review at Town meeting for public input and vote. Reviewed modernization plan from 2018, payment/financing/leasing options for mower and trailer purchase – using Capital Equipment fund. Robert England MOTIONED to approve the purchase of the new equipment trailer as requested up to \$37,000, to be taken from the Capital Equipment fund and additionally authorize the financing of the new mower (subject to approval by the Town) at 5 payments of \$47,400. Bill Desrosiers SECONDED. MOTION CARRIED 7:0:0

3. Budget Workshop for Fiscal Year 2023-2024 Proposed Town Budget

Eric Anderson shared screen with top 10 changes in budget – major increases related to Capital funds.

1. Funding AES Capital Fund (\$100,000) – School district to prepare capital plan to address projects
2. Total budget for Community/Senior Center (staffing and operating costs)
3. Bridge and Culvert fund – increase funding to \$75,000 towards culvert project for Lake Road at Bausola Road for 2024-2025 FY and 2025-2026 FY for other culvert projects in Town (Bear Swamp & Hutchinson Road) – will continue to fund account and apply for grants through State/Local Bridge Program.
4. Increase to health insurance costs – additional staff member at Community Center
5. Planning & Zoning Commission – request to add \$50,000 to Open Space fund
6. Multi-Use Building Fund
- 7a. Treasurer Salary – increase in allotted hours
- 7b. Assistant Treasurer Salary – increase in hours; look to have Treasurer on future meeting to discuss
8. Senior Transportation Driver salaries
9. Part-time Project Manager position
10. Fire Department Fund

Board discussion – finishing/furnishing Community Center, finishing Senior Transportation garage, finish athletic field upgrades. Eric Anderson provided current balance in permanent funds, proposed funding for the 2024-2025 year, reviewed each fund account for potential projects or costs that will be associated throughout the year.

Open Space fund discussion – what ideas the Planning and Zoning Commission has for fund use, reviewed recent expenses out of account and pieces of property the Town has purchased through Open Space.

Will continue to review budget at next meeting, look to schedule AES to present budget. Robert England to continue working with Board of Education members on policy for Capital account. Potentially speak with Planning and Zoning Commission member(s) during meeting regarding Open Space.

6. Approve Draft Audit

Board read through Corrective Action Plan proposed by AES – will need to be submitted by the end of March. Joanne Hebert will reach out to AES on scheduling meeting and add audit review to next meeting agenda to discuss and review the Corrective Action Plan.

7. Adjournment – Robert England MOTIONED to adjourn the meeting at 9:17pm. Bill Desrosiers SECONDED. MOTION CARRIED 7:0:0