



## **A Primer for the 2021 Andover Annual Town Meeting**

Andover Annual Town Meeting is **Saturday, June 5th beginning at 9:30 AM**, with check-in beginning at 8:45 AM. The meeting will run until all articles have been considered.

The meeting will be held outdoors, under a tent, on the field between Andover High School and West Middle School at 70 Shawsheen Road. Parking is available throughout the AHS/West Middle campus. Seats within the tent will provide for appropriate social distancing.

Town Meeting is convened annually to adopt an operating budget and to consider other matters such as zoning changes, town purchases, by-law additions and amendments. The business of each Town Meeting is contained in a document known as "the warrant," which is mailed to all registered voters as part of the Finance Committee Report. The 2021 report has a magenta cover and will arrive at Andover residences the week before Town Meeting. You can also view the report on the town website here: <https://andoverma.gov/ArchiveCenter/ViewFile/Item/1614>

Every article at Town Meeting is important and will have an impact on the town, but these specific articles have particular bearing on Andover schools:

<b><u>Article Number</u></b>	<b><u>Article Title</u></b>
Article 4	FY2022 Budget
Article 5	FY2022 Capital Projects Fund
Articles 6F & 6G	Financial Housekeeping
Article 7	Unfunded Pension Liability
Article 9D, 9E & 9F	General Housekeeping
Article 12	Granting Easements
Article 15	West Elementary School Design and Construction (includes Shawsheen Preschool)
Article 17	Solar Panels on Sanborn Roof:
Article 18	Authorize Electricity Supply/On Bill Credit Purchase Agreements at
Article 19	Sanborn School (17); Authorize Lease of Land/Rooftop Space at Sanborn School for Solar Photovoltaic Facilities (18); Authorize Agreements for Payment in Lieu of Taxes at Sanborn (19)
Article 20	Andover High School Design
Article 23	Capital Projects from General Fund Borrowing
Article 24	Capital Projects from Free Cash

More information on each of these articles is summarized on the following pages.

## **Warrant Article Summary**

### **Article 4: FY2022 Operating Budget**

The operating budgets for each Town department, including the School Department, will be considered as under Article 4. The School Committee will present a school operating budget of \$ 92,593,452, which represents an increase of \$3,346,752 or 3.75% over the FY21 operating budget and is the lowest percent increase since FY16. More than 80 pages of detail can be found in the Andover Public Schools FY22 Preliminary Budget Book available at [www.aps1.net/budget](http://www.aps1.net/budget).

**This budget proposal has the support of the School Committee, Select Board & Finance Committee.**  
*The School Committee recommends approval of this Article.*

### **Article 5: FY2022 Capital Projects Fund**

This is the annual “pay-as-you-go” funding from FY22 tax dollars for a variety of Town and School projects. The total amount of this article is \$3,010,000 of which \$1,185,000 is intended for school capital projects and facility maintenance including: security system upgrades, sidewalk repairs and replacements, restroom renovations (including Doherty, AHS and South schools), energy conservation upgrades, professional engineering for capital projects, ADA accessibility, asbestos survey and remediation, HVAC upgrades, carpet and flooring replacement, rubber stairwell treads, classroom renovations (flooring, paint, ceilings and lighting), cafeteria patio at Sanborn, nurse office renovation at South. (See also SCH-1 and SCH-2 in the Capital Improvement Plan.) This article also allocates \$125,000 for town and school security projects (FAC-3).

*The School Committee recommends approval of this Article.*

### **Article 6: Financial Housekeeping Articles (6A to 6H)**

There are several financial housekeeping items that Town Meeting is asked to approve every year by law. The School Committee took a formal position only on Articles 6F and 6G.

**6F:** Unexpended Appropriations article provides a mechanism for balances remaining in budget accounts from special articles to be carried forward from year to year, rather than lapsing at year end to free cash.

**6G:** Revolving Accounts article authorizes a number of different revolving accounts including a field maintenance account for municipal services and a school department account for photocopy fees.

*The School Committee recommends approval of both these Articles.*

### **Article 7: Unfunded Pension Liability**

This article would authorize the town to issue pension obligation bonds to address the unfunded pension liability. The current pension funding schedule will cost taxpayers approximately \$346M over the next 18 years. The annual increase in pension costs will likely result in impacts to service delivery and will continue to represent the greatest threat to the Town’s overall financial condition. The proposed plan for pension obligation bonds has been designed to reduce the overall impact of fully funding the pension system by the legally required mandatory funding date of 2040. Funding pension obligation bonds and establishing a reserve fund will require a debt exclusion outside of the limits of Proposition 2 ½ and requires both Town Meeting and Ballot Box approval. This article only authorizes the borrowing authorization and allows the Town to continue to analyze market conditions and review the recommendations of the Investment Advisory Committee. This article does not require the Town to proceed with borrowing the funds should the market conditions and recommendations of the Investment Advisory Committee suggest otherwise. For more information visit [www.andoverma.gov/IFP](http://www.andoverma.gov/IFP)

*The School Committee recommends approval of this Article.*

**Article 9: General Housekeeping Articles (9A to 9G)**

These are several general housekeeping items that Town Meeting is asked to approve every year by law. The School Committee took a formal position only on Articles 9E and 9F.

9D: Property Tax Exemptions article allows adoption of a state law providing for property tax exemptions for older citizens, surviving spouses, minor children of deceased parents or the blind who meet specific income eligibility and/or medical requirements. This article would allow these exemptions to be increased, under certain conditions, to provide some protection from large increases in property taxes.

9E: Contracts in Excess of Three Years article allows the Town Manager or Superintendent to enter into contracts exceeding three years but no greater than five years. The School Committee has, in the past, used this flexibility in the negotiation of transportation contracts with optional term extensions.

9F: Accepting Easements article allows the Select Board and the School Committee to accept grants of easements for streets, water, drainage, sewer and utility purposes or any public purpose on terms and conditions the Board and the Committee deem in the best interests of the Town.

*The School Committee recommends approval of these three Articles.*

**Article 12: Granting Easements**

This article authorizes the Select Board and the School Committee to grant easements for water, drainage, sewer and utility purposes or any public purpose deemed to be in the best interests of the Town.

*The School Committee recommends approval of this Article.*

**Article 15: West Elementary School Design and Construction** (also includes Shawsheen PreK)

West Elementary School, though well maintained, has reached the end of its useful life and lacks appropriate spaces for a breadth of teaching and learning, including special education and other curricular programs. Additionally, for more than a decade the district has considered numerous options for moving students out of Shawsheen Preschool to a more suitable educational space. To assist with those needs, this project was accepted to the highly competitive Massachusetts School Building Authority (MSBA) program in 2017. Through that process, multiple project options were explored before a preferred solution was determined, which is to construct a new 925-student kindergarten through fifth-grade school with a conjoined 130-student preschool. The proposed new school will be constructed adjacent to the existing West Elementary School at 58 Beacon Street. It will feature three-story academic wings located on the existing fields. Approximately 300 parking spaces will be provided, at least three age-appropriate separate play areas (PreK/K, ages 2-5; 5-12), and natural and synthetic turf field areas for physical education, recess and community use outside of school hours. The existing school can remain in full operation during the construction, with the new building erected behind the current building. Upon completion of the new facility, the current West Elementary will be removed from the site and the future use of the current Shawsheen Preschool facility will be determined through a community-wide process. Through partnership with the MSBA, the state will contribute approximately \$38 million to the construction of the new \$152 million school, an effective reimbursement rate of 25.4%. The warrant article before Town Meeting seeks funding of the Town's portion of construction costs, which will be financed through a debt exclusion. The debt exclusion requires two favorable votes: by two-thirds at Town Meeting and by a majority of voters at the polls during the June 15th special town election.

*The School Committee recommends approval of this Article.*

**Articles 17, 18, & 19: Solar Panels on Sanborn School Roof**

These three separate, but related, articles allow the school and facility departments to install solar voltaic facilities (solar panels) on the roof at Sanborn School and gain benefit from their operation. The electricity generated has potential to be approximately 180% of current electricity usage with a long-term net positive savings of more than \$200,000 over 20 years.

17: This article authorizes the School Committee to enter into a long-term power purchase and other related agreement(s) with a third-party developer, and apply any excess renewable electricity generated by the Sanborn rooftop solar system as an on-bill credit and/or solar net metering credit to other Andover school utility account(s).

18: This article authorizes the School Committee to enter into a long-term rooftop space leasing and other related agreement(s) with a third-party developer for the purpose of designing, constructing and maintaining the Sanborn solar system, installing any related equipment, and making any necessary property modifications required for electricity generation, power grid interconnection and on-site power use.

19: This article authorizes the Town to generate revenue in the form of the Payment in Lieu of Taxes (PILOT) from the Sanborn solar development as consistent with Massachusetts General Law Chapter 59, Sections 2B and 38H(b).

*The School Committee recommends approval of these three Articles.*

**Article 20: Andover High School Design**

This article authorizes the Town to use the funds left over from the Bancroft School construction project (\$1,238,419.73 from Article 1 of the 2013 Special Town meeting) for the purpose of the analysis of the options to alleviate the overcrowding issues at Andover High School. Because this money is already in a town account, this article has no impact on tax bills.

*The School Committee recommends approval of this Article.*

**Article 23: Capital Projects from General Fund Borrowing**

This article would authorize borrowing \$6,595,000, which includes \$2,825,000 in Major School Projects. Each year the School Department and the Department of Facilities work together to identify needs and develop a schedule for major repairs and improvements to school buildings and property. This year's requests for Major School Projects (SCH-5) would fund roof replacement at Sanborn, elevator renovation/repair at Andover High, library air conditioning at Doherty, media center carpet replacement at AHS, parking and roadway repaving at Sanborn, asbestos removal at West Elementary, and playground renovation at Wood Hill/High Plain. This article also appropriates \$530,000 to town and school energy initiatives (FAC-7).

*The School Committee recommends approval of this Article.*

**Article 24: Capital Projects from Free Cash**

This article will appropriate funds out of free cash, including \$627,744 for staff device refresh (IT-1), \$418,128 for student device refresh (IT-2), and \$687,500 for IT platforms and infrastructure (IT-3).

*The School Committee recommends approval of this Article.*

## **Appendix A: Summary of Important School Budget Components**

The School Committee will present a fiscal year 2022 school budget of \$92,593,452 for voter consideration and approval at Town Meeting. This budget responds to many hours of analysis, work and public discussion, and we appreciate all the feedback provided by the community. As a summary, the FY22 school budget includes these important components:

**Staffing and Collective Bargaining.** As in most school districts, the operating budget is heavily driven by personnel costs, which make up about 82% of FY22 spending. One of the major drivers for FY22 is step and track changes which account for approximately \$1.3 million of the budget increase. Collective bargaining agreements with several unions, including Andover teachers, are beyond expiration. The Committee has been negotiating new agreements with these unions for more than a year, and though final costs remain undetermined, FY22 includes funding to support fair and responsible settlements.

**Support for Pandemic Health & Safety.** The FY22 budget provides for continued spending in important areas of health and safety, and allows flexibility for evolving circumstances, including work to bring all students back to typical in-person learning. As with FY21, there is an expectation that funding for COVID-related items will come from grants in addition to the operating budget. Continued expenditures are expected in the areas of personal protective equipment and cleaning supplies and, importantly, HVAC costs have increased by more than \$400,000 per year in order to provide appropriate ventilation of school buildings.

**State Aid (Chapter 70 Funding).** Andover is one of the 78% of Massachusetts districts receiving only the minimum increase in Chapter 70 state aid in FY22, which is \$30 per student or \$168,840. Available state funding has been impacted by the pandemic, which has also delayed implementation of significant portions of the Student Opportunity Act, passed in November 2019 to update the complex state formula by which local school districts receive aid for education.

**Full-Day Kindergarten Tuition Offset.** Starting with the 2020/2021 school year, families are no longer charged tuition for their children to attend full-day kindergarten (FDK) in Andover. This decision was made prior to the COVID pandemic, and the school department expected the loss in tuition revenue to be covered by the normal and expected benefit in the state aid formula for changing from half-day to FDK. Instead, with Andover Chapter 70 aid being at an unexpected and minimal level for FY22, \$306,098 of FDK staff salaries will be paid from the FY22 operating budget and approximately \$400,000 from funds carried over from the FDK revolving account.

**Mitigating Student Learning Gaps.** Similar to other districts across the country, Andover intends to place a strong emphasis on regaining learning loss that came as a result of the pandemic. The district has developed a thoughtful approach to targeted investments in the FY22 budget to best support student learning. First, existing staff will be maintained in order to keep student-to-teacher ratios as low as practical, and allow the district to absorb any students returning to APS from homeschool or private school programs. Second, the budget adds 3.0 FTEs in music teachers which will impact each level of learning (K-12) and provide scheduling flexibility to increase time on learning for core subjects, particularly in middle schools. There is currently a reliance on shared band/orchestra/chorus (BOC) teachers across schools and between levels, creating significant constraints on class schedules. By adding more teachers in this area, the middle school schedule will have flexibility to add learning time for core subjects (math, ELA, science and/or social studies), the high school will be able to add to its course of studies, and elementary schools will be able to provide equity across schools by bringing BOC into the school day, rather than as an extra-curricular activity.

**Additional Budgetary Adjustments.** The budget also includes increases in hours for limited existing staff, bringing a high school guidance counselor from 0.6 to 1.0 FTE, and (following a successful pilot program) two elementary math coaches from 0.5 to 1.0 FTE each. Also added is a full-time school nurse for West Elementary, at least a portion of which we expect to be subsidized through COVID grant money in the near-term. In order to offset these and other increases, the budget recognizes savings in the areas of out-of-district special education tuition expenses (plus \$332,342 shifted to circuit breaker revenue), athletics (\$50,000), custodial overtime (\$15,000), and transportation (\$10,000). Additionally, the budget anticipates savings of approximately \$50,000 from staff turnover and replacement of experienced retirees at the top of the pay scale with newly hired staff at the other end of the pay scale.

**Building Projects.** Separate from the operating budget, there are two articles on the Town Meeting warrant that help improve school facilities. First, in Article 15, the town has an opportunity to approve funding for the construction of a new West Elementary and Shawsheen Preschool facility to replace two school buildings long past their useful lives. This project has partnership with the Massachusetts School Building Authority (MSBA) program, which will offset more than \$38 million of the \$152 million total cost, for an effective reimbursement rate of 25.4%. Second, in Article 20, Town Meeting will consider reallocating approximately \$1.2 million left from the Bancroft construction project to continue work on improving the overcrowding conditions at Andover High School. The reallocation proposed in this article would have no cost to taxpayers, and would allow refinement of options with community input toward schematic design. Any additional expenses – such as funding for an addition, renovation or new construction – would come back to Town Meeting at a later date.

More than 80 pages of detail on the school budget can be found in the  
Andover Public Schools FY22 Preliminary Budget Book available at:  
**[www.aps1.net/budget](http://www.aps1.net/budget)**