



Annual Town Meeting
Budget Approval
Thursday, June 14, 2018

To: David Quinn a Constable for, the Town of Hermon, in the County of Penobscot, State of Maine,

GREETING:

In the name of the State of Maine, you are hereby required to notify and warn the inhabitants of the Town of Hermon in Penobscot County, Maine, qualified by law to vote in town affairs, to meet at the **High School Auditorium in Hermon on Thursday the 14th day of June, 2018, at 7:00 p.m.**, then and there to act upon Articles 3 through 41 as set out below. Articles 1 and 2 were acted upon at the Election on 6/12/2018.

ARTICLE 1: To elect a Moderator by written ballot to preside at said meeting.

ARTICLE 2: To elect all municipal officers and school committee members as are required to be elected.

ARTICLE 3: To see what sum the Hermon School Department will be authorized to expend for Regular Instruction.

School Committee & Town Council Recommends \$6,012,212.

ARTICLE 4: To see what sum the Hermon School Department will be authorized to expend for Special Education.

School Committee & Town Council Recommends \$2,233,246.

ARTICLE 5: To see what sum the Hermon School Department will be authorized to expend for Career and Technical Education.

School Committee & Town Council Recommends \$0.

ARTICLE 6: To see what sum the Hermon School Department will be authorized to expend for Other Instruction: Summer School, Extra and Co-curricular Activities.

School Committee & Town Council Recommends \$447,062.

ARTICLE 7: To see what sum the Hermon School Department will be authorized to expend for Student and Staff Support.

School Committee & Town Council Recommends \$1,398,871.

ARTICLE 8: To see what sum the Hermon School Department will be authorized to expend for System Administration.

School Committee & Town Council Recommends \$376,022.

ARTICLE 9: To see what sum the Hermon School Department will be authorized to expend for School Administration.

School Committee & Town Council Recommends \$702,337.

ARTICLE 10: To see what sum the Hermon School Department will be authorized to expend for Student Transportation and Buses.

School Committee & Town Council Recommends \$616,307.

ARTICLE 11: To see what sum the Hermon School Department will be authorized to expend for Facilities Maintenance.

School Committee & Town Council Recommends \$1,614,447.

ARTICLE 12: To see what sum the Hermon School Department will be authorized to expend for Debt Service and Other Commitments.

School Committee & Town Council Recommends \$470,810.

ARTICLE 13: To see what sum the Hermon School Department will be authorized to expend for Other Expenditures including School Lunch.

School Committee & Town Council Recommends \$35,000.

ARTICLE 14: To see what sum the Town of Hermon will appropriate for the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act.

Recommends \$10,090,814 and to see what sum the Town will raise as the Town's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

School Committee & Town Council Recommends \$4,104,799.

The school administrative unit's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise to receive the full amount of state dollars.

ARTICLE 15: To see what sum the Town of Hermon will raise and appropriate for the annual payments on debt service previously approved by the town voters for non-state funded school construction projects, or non-state funded portions of school construction projects in addition to funds appropriated as local share of the Town's contribution to the total cost of funding public education from pre-kindergarten to grade 12.

School Committee & Town Council Recommends \$470,810.

Non-state funded debt service is the amount of money needed for annual payments on Hermon's long-term debt service for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters.

ARTICLE 16: Shall the Town of Hermon raise and appropriate \$374,291 in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$374,291 as required to fund the budget recommended by the School Committee?

The School Committee recommends \$374,291 for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model. Additional funds needed for increases in salaries and benefits, loss of part of State subsidy for System Administration costs, and coverage of co curricular and athletic programs not fully funded by the State EPS formula.

School Committee & Town Council Recommends \$374,291.

The additional local funds are those locally raised funds over and above the Town of Hermon's local contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act and local amounts raised for the annual payment on non-state funded debt service that will help the Town of Hermon budget for educational programs.

ARTICLE 17: To see what sum the Town will authorize the School Committee to expend for the fiscal year beginning July 1, 2018 and ending June 30, 2019 from the Town's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Act, non-state funded school construction projects, additional local funds for school purposes under the Maine Revised Statutes, Title 20-A, section 15690, unexpended balances, tuition receipts, state subsidy and other receipts for support of schools.

School Committee & Town Council Recommends \$13,906,314.

ARTICLE 18: To see if the Town will authorize the school committee to expend in addition to Article 15, any sums as may be received from state and federal grants, aid, and receipts during the fiscal year beginning July 1, 2018 and ending June 30, 2019 for school purposes provided that such grants, aid and receipts do not require expenditure of local funds not previously appropriated?

School Committee & Town Council Recommends YES

ARTICLE 19: Shall the Region Four Vocational Budget as approved by the Cooperative Board for the year July 1, 2018 – June 30, 2019 be approved in the amount of \$2,651,077?

Cooperative Board for Regional Vocational Budget is not subject to amendment from the floor. It may be accepted or rejected by the voters. Hermon's share of the Region Four budget is \$0.

School Committee & Town Council Recommends YES

ARTICLE 20: To see what sum the Town of Hermon will raise and to appropriate the sum of (Recommend \$35,000) in additional local dollars in support of the food service program.

School Committee & Town Council Recommends \$35,000.

ARTICLE 21: In the event that the Hermon School Department receives more state education subsidy than the amount included in its budget, shall the School Committee be authorized to use all or part of the additional state subsidy to increase the allocation of finances to reserve funds approved by the School Committee?

School Committee & Town Council Recommends YES

ARTICLE 22: Shall the Town vote to appropriate the revenues received for the following accounts to offset the associated expense accounts, for fiscal year 2018-2019 with approval of the Town Council?

Revenues

10-130 Hermon Connection Revenue
10-121 Local Plumbing Fees
14-140 Transfer Station Fees
14-150 Tipping Fee Revenue (PERC)
12-182 Police Revenue
12-185 Fire Dept. Revenue
35 Recreation Enterprise Revenues

Expenses

10-13-04-05 Hermon Connection Expenses
10-13-05-04 Local Plumbing Expenses
14-01 Landfill Expense
14-02 Household Waste Expense
12-01 Police Expenses
12-02 Fire Dept. Expenses
35 Recreation Enterprise Expenses

*(Explanation: The listed revenue accounts are special funds received by the Town for specific purposes. Approval by the citizens will allow the Town Council to expend these revenues for the expense accounts listed above. **Recommended by the Town Council***

ARTICLE 23: Shall the Town raise and appropriate the following sums of money for each of the listed reserves?

HERM01 Police Equipment Reserve	\$ 25,000
HERM02 Unemployment Reserve	\$ 5,000
HERM04 Cemetery Reserve	\$ 8,000
HERM05 Fire Equipment Reserve	\$ 53,000
HERM06 Highway Improvement Reserve	\$ 250,000
HERM08 Public Works Facility/Equip Reserve	\$ 77,000
HERM09 Recreation Equip/Facility Reserve	\$ 22,000
HERM11 Municipal Office Reserve	\$ 8,000
HERM12 Sewer Maintenance Reserve	\$ 15,000
HERM17 Public Safety Building Reserve	\$ 10,000
HERM19 Town Office Equip. & Tech. Reserve	\$ 10,000
HERM28 Jackson Beach Reserve	\$ 3,000
HERM30 Rural Fire Protection Reserve	\$ 1,000
HERM32 Veterans Memorial Park Reserve	\$ 3,000
Total Appropriation to Reserves	\$ 490,000

Recommended by the Town Council

ARTICLE 24: Shall the Town vote to authorize the expenditure of up to \$10,800 from the Police Equipment Reserve (HERM01) to pay for three (3) new police cruiser laptops? **Recommended by the Town Council**

ARTICLE 25: Shall the Town vote to authorize the expenditure of up to \$82,800 from the Fire Equipment Reserve (HERM05) to purchase four (4) new fire thermal imaging cameras (\$30,800), Cascade/Compressor (\$44,000) and a new dryer for fire gear (\$8,000)? **Recommended by the Town Council**

ARTICLE 26: Shall the Town vote to authorize the expenditure of up to \$175,000 from the Highway Improvement Reserve (HERM06) in addition to the amount raised in the annual operating budget for drainage improvements, culvert replacements and surface repair for several Hermon Roads including Smith Road, Skyway Valley, School House Lane, Skyway Drive, Bond Road, Stoneybrook, Reed Hill Road, Copper Ridge, McDougal Drive and Westwood Drive? **Recommended by the Town Council**

ARTICLE 27: Shall the Town vote to authorize the expenditure of up to \$75,000 from the Highway Improvement Reserve (HERM06) for clearing trees and brush from the right of way for several Hermon roads including Smith Road, Skyway Valley, School House Lane, Skyway Drive, Bond Road, Stoneybrook, Reed Hill Road, Copper Ridge, McDougal Drive and Westwood Drive and for curing other necessary sight distance issues? **Recommended by the Town Council**

ARTICLE 28: Shall the Town vote to authorize the expenditure of up to \$27,000 from the Recreation Reserve (HERM11) for repairing fences (\$6,000-Baseball Field & Softball Field), purchasing wood fiber chips for the area around playground equipment (\$3,000), purchasing and installing three (3) heat pumps in the Elementary School Cafeteria (\$15,000) and to make improvements to the walking trail (\$3,000)? **Recommended by the Town Council**

ARTICLE 29: Shall the Town vote to authorize the transfer of \$100,000 from the undesignated fund balance to the Fire Department Reserve Account (HERM05)? **Recommended by the Town Council**

ARTICLE 30: Shall the Town vote to authorize an expenditure of up to \$81,852 from the Public Works Reserve (HERM08) to purchase a ¾ ton pickup truck with a Fisher Plow (\$28,000), Steamer/Trailer (\$3,000) and the final debt payment for the 2018 Western Star truck (\$50,852)? **Recommended by Town Council**

ARTICLE 31: Shall the Town vote to authorize an expenditure of up to \$8,100 from Municipal Office Reserve (HERM11) to purchase 9 new voting booths? **Recommended by Town Council**

ARTICLE 32: Shall the Town vote to authorize the transfer of funds from Tax Incremental Financing (TIF) Revenue in the amount of \$396,072, to off-set authorized expenditures for Economic Development general accounts #11-01-01-01 to 11-01-20-06 in the amount of (\$146,072); for account #30-16-57-16 Economic Development Reserve HERM16 (\$100,000); and account # 19-02-25-03 TIF Credit Enhancement Agreements(\$150,000)? **Recommended by the Town Council**

ARTICLE 33: Shall the Town vote to authorize expenditures of up to \$100,000 from the Economic Development Reserve (HERM16) for improvements to Freedom Industrial Park (\$50,000) Freedom Industrial Park Entrance sign (\$25,000) and improvements to Coldbrook Industrial Park (\$25,000)? **Recommended by the Town Council**

ARTICLE 34: Shall the Town vote to authorize an expenditure of up to \$25,000 from Sewer Reserve (HERM12) to install a SCADA System at Hammond Street Pump Station, complete manhole riser repairs, clean and televise lines near Propane Lane and repair main line connections per Sewer Maintenance Plan? **Recommended by Town Council**

ARTICLE 35: Shall the Town vote to authorize the expenditure of \$200,000 from the School Tax Stabilization Reserve (HERM24) to offset a portion of the cost for the Hermon Middle School debt service in addition to the local appropriation for education? **Recommended by Town Council**

ARTICLE 36: Shall the Town vote to raise and appropriate for municipal purposes for Fiscal Year 2018-2019 for the period July 1, 2018 to June 30, 2019 the following sums of money?

Appropriation by category:

General Government/Administration	\$925,776
Economic Development/Technology	\$146,072
Public Safety	\$869,236
Public Works	\$950,466
Solid Waste	\$558,026
Recreation/Social Service/Library	\$143,971
Debt Service	\$ 89,900
Reserves	\$490,000
Special Assessments	\$859,548
General Assistance	<u>\$ 5,000</u>
Total Municipal & County Appropriation	\$5,037,995

Recommended by the Town Council

ARTICLE 37: Shall the Town set the Fiscal Year 2018-2019 Tax Commitment excluding the Overlay Account as follows:

Municipal Expenses:	\$4,328,447
County Assessment	\$ 709,548
Local contribution to Schools:	<u>\$5,005,440</u>
Total Expenses	\$10,043,435
Less Municipal Revenues	<u>-\$3,579,645</u>

Total Commitment less Overlay \$6,463,790

ARTICLE 38: Shall the Town appropriate from Overlay Account an amount not to exceed \$60,000 for tax abatements?

Recommended by the Town Council

ARTICLE 39: Shall the Town reconsider the approval of Article 2 from the January 25, 2018 Special Town Meeting entitled "Shall the Town appropriate \$463,000 from the School Repair Reserve (HERM07) for the purpose of repairing the entire roof, excluding the new wing, at the Patricia Duran Elementary School and seek qualified bids in accordance with the Town Purchasing Policy?"

Recommended by the Town Council

ARTICLE 40: Shall the Town appropriate \$463,000 from the School Repair Reserve (HERM 07) for the purpose of repairing the entire roof, excluding the new wing, at the Patricia Duran Elementary School and seek qualified bids in accordance with the Town Purchasing Policy?

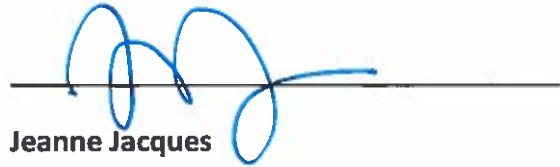
Recommended AGAINST by Town Council

ARTICLE 41: Shall the Town amend an ordinance titled "Financing Improvements at the Hermon Elementary School" to include repairing the entire roof at the Patricia A. Duran Elementary School and to change the total project cost not to exceed \$7,600,000 (includes an additional \$700,000 for the roof repair costs) **Recommended by Town Council**

SIGNED this June 5, 2018 by the Hermon Town Council:



Donna Ellis



Jeanne Jacques



John Snyder



Steve Watson



Douglas Sinclair, Sr.



Steven Thomas



Tim McCluskey

Attest
Original: 