



**Annual Town Meeting
Budget Approval
Thursday, June 16, 2022**

To: Courtney Brown a Resident of 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 **Public Safety, 333 Billings Road in Hermon on Thursday the 16th day of June, 2022, at 7:00 p.m.**, then and there to act upon Articles 3 through 42 as set out below. Articles 1 and 2 were acted upon at the Election on 6/14/2022.

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: Shall the Town vote to appropriate the revenues received for the following accounts to offset the associated expense accounts, for fiscal year 2023 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)
12-185 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
12-02 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 4: Shall the Town raise and appropriate the following sums of money for each of the listed reserves?

HERM02 Unemployment Reserve	\$ 5,000
HERM05 Fire Equipment Reserve	\$ 50,000
HERM08 Public Works Facility/Equip Reserve	\$ 75,000
HERM09 Recreation Equip/Facility Reserve	\$ 10,000
HERM11 Municipal Office Reserve	\$ 25,000
HERM12 Sewer Maintenance Reserve	\$ 20,000
HERM17 Public Safety Building Reserve	\$ 10,000
HERM19 Town Office Equip. & Tech. Reserve	\$ 40,000
HERM32 Veterans Memorial Park Reserve	\$ 5,000
Total Appropriation to Reserves	\$ 240,000

Recommended by the Town Council

ARTICLE 5: Shall the Town vote to authorize the expenditure of up to \$85,000 from the Fire Department Reserve Account (HERM05) to purchase hose, tools radios, and equipment to outfit the new 1871W 4-door custom pumper truck?

Recommended by the Town Council

ARTICLE 6: Shall the Town vote to authorize the expenditure of up to \$24,000 from the Cemetery Reserve (HERM04) for the purchase of a stone repair/cleaning, road repair and tree removal at each cemetery?

Recommended by the Town Council

ARTICLE 7: Shall the Town vote to authorize the expenditure of up to \$30,000 from the Recreation Reserve (HERM09) for repairing and making improvements to LL field 1, 2 & 3 project awarded to Sports Fields?

Recommended by the Town Council

ARTICLE 8: Shall the Town vote to authorize the transfer of up to \$100,000 from the undesignated fund balance to the Fire Department Reserve Account (HERM05)?

Recommended by Town Council

ARTICLE 9: Shall the Town vote to authorize the transfer of up to \$25,000 from the undesignated fund balance to the Planning and Ordinance Reserve Account (HERM14)?

Recommended by Town Council

ARTICLE 10: Shall the Town vote to authorize the expenditure of up to \$35,000 from the Planning and Ordinance Reserve Account (HERM14) for reviewing and updating the Town's Comprehensive Plan project awarded to Rudman & Winchell?

Recommended by Town Council

ARTICLE 11: Shall the Town vote to appropriate \$400,000 from the Coronavirus Local Fiscal Recovery Funds (aka American Rescue Plan Act or ARPA funds) received by the Town from the federal government for the following project: **Hermon Track Project?**

Recommended by Town Council

ARTICLE 12: Shall the Town vote to authorize the transfer of funds from Tax Incremental Financing (TIF) Revenue in the amount up to \$900,862, to off-set authorized expenditures for Economic Development general accounts #11-01-01-01 to 11-01-20-06 in the amount of \$790,862 including the reconstruction of Logistics Lane, industrial park upgrades, GIS mapping, and Ryder incentive prog.; and account # 19-02-25-03 TIF Credit Enhancement Agreements (\$110,000)?

Recommended by Town Council

ARTICLE 13:

To see what sums the Town will authorize and transfer to the Hermon School Department to expend from the School Repair Reserve Account (HERM07) for the expenditures at Hermon High School for Boiler replacement, the repair to the Hermon High School Auditorium roof, the repair to the Hermon Elementary School well, Hermon Middle School for Boiler Repair, and Hermon Middle School fuel tank replacement (\$290,000)?

Town Council Recommends:

Boiler replacement (\$98,000)

Repair to the Hermon High School Auditorium roof (\$176,700)

Repair to the Hermon Elementary School well (\$40,000)

Hermon Middle School for Boiler Repair (\$30,000)

Hermon Middle School fuel tank replacement (\$290,000)

ARTICLE 14: Shall the Town vote to authorize an expenditure of up to \$22,700 from Municipal Office Reserve (HERM11) to repair the front entrance door for ADA compliance and other repairs inside the town office?

Recommended by Town Council

ARTICLE 15: To see if the Town will vote to appropriate \$240,000 from the TIF account for the following project: **Sewer project on Hammond Street lift station and extend public sewer entire length of Logistics Lane?**

Recommended by Town Council

ARTICLE 16: Shall the Town vote to authorize an expenditure of up to \$190,000 from Sewer Reserve (HERM12) to install new generators for sewer lift stations at Cedarbrook Drive and North Street extension (\$40,000)? Install new SCADA system at Autocar Lane and Mack Lane (\$15,000) and pump station and sewer line repair at Autocar Lane awarded to Gardner Construction (135,000)?

Recommended by Town Council

ARTICLE 17: Shall the Town vote to authorize an expenditure of up to \$25,000 from School Repair Reserve (HERM07) to repair and restore the school house property on Billings Road awarded to Jeff Byers Construction?

Recommended by Town Council

ARTICLE 18: Shall the Town vote to authorize an expenditure of up to \$15,500 from Veterans Memorial Park Reserve (HERM32) to pave parking lot project awarded to Witham's Paving?

Recommended by Town Council

ARTICLE 19: Shall the Town vote to raise and appropriate for municipal purposes for Fiscal Year 2023 for the period July 1, 2022 to June 30, 2023 the following sums of money?

Appropriation by category:

General Government/Administration	\$ 1,363,725
Economic Development/Technology	\$ 790,862
Public Safety	\$ 1,113,618
Public Works	\$ 1,445,706
Solid Waste	\$ 446,056
Recreation/Social Service/HVRS	\$ 429,391
Debt Service	\$ 0
Reserves	\$ 240,000
Special Assessments (includes County)	\$ 1,074,000
General Assistance	<u>\$ 5,000</u>
Total Municipal & County Appropriation	\$6,908,358

Recommended by the Town Council

ARTICLE 20: Shall the Town appropriate from Overlay Account an amount not to exceed \$30,000 for tax abatements?

Recommended by the Town Council

**ARTICLES 21 THROUGH 31
AUTHORIZE SCHOOL DEPARTMENT EXPENDITURES IN COST CENTER
CATEGORIES**

ARTICLE 21: Shall the School Department be authorized to spend \$7,104,213.81 for Regular Instruction?

Town Council and School Board Recommend \$7,104,213.81

ARTICLE 22: Shall the School Department be authorized to spend \$2,549,706.48 for Special Education?

Town Council and School Department Recommend \$2,549,706.48

ARTICLE 23: Shall the School Department be authorized to spend \$0 for Career and Technical Education?

Town Council and School Department Recommend \$0

ARTICLE 24: Shall the School Department be authorized to spend \$570,186.74 for Other Instruction (summer School/extra Act)?

Town Council and School Department Recommend \$570,186.74

ARTICLE 25: Shall the School Department be authorized to spend \$1,756,263.30 for Student/Staff Support?

Town Council Recommends \$1,756,263.30
School Department Recommends \$1,846,263.30

Explanation: The Town Council Recommends reducing the School Department's Recommended budget by \$90,000 by reducing IT expenses because no IT audit took place following the vote requiring an IT audit at the Special Town Meeting in September 2021.

ARTICLE 26: Shall the School Department be authorized to spend \$516,692.22 for System Administration?

Town Council Recommends \$516,692.22
School Department Recommends \$526,692.22

Explanation: The Town Council Recommends reducing the School Department's Recommended budget by \$10,000 by reducing legal fees

ARTICLE 27: Shall the School Department be authorized to spend \$970,051.75 for School Administration?

Town Council and School Department Recommend \$970,051.75

ARTICLE 28: Shall the School Department be authorized to spend \$751,521.37 for Transportation/buses?

Town Council and School Department Recommend \$751,521.37

ARTICLE 29: Shall the School Department be authorized to spend \$2,656,828.40 for Facilities/Maintenance?

Town Council and School Department Recommend \$2,656,828.40

ARTICLE 30: Shall the School Department be authorized to spend \$591,523.50 for Debt/Other Commitments?

Town Council and School Department Recommend \$591,523.50

ARTICLE 31: Shall the School Department be authorized to spend \$50,000.00 for All Others Including Food Service?

Town Council and School Department Recommend \$50,000.00

ARTICLES 32-34

RAISE FUNDS FOR THE SCHOOL BUDGET

ARTICLE 32: Shall the Town of Hermon appropriate the recommended amounts below for 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 Maine Revised Statutes, Title 20-A, section 15688.

School Committee & Town Council Recommend the Below Amounts:

Total Appropriated: \$11,359,412.04

Total Raised: \$4,005,465.00.

***Explanation:** 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 33: Shall the Town of Hermon raise and appropriate \$591,523.50 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 Recommend \$591,523.50

***Explanation:** 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 34: (WRITTEN BALLOT REQUIRED) Shall the Town of Hermon raise and appropriate \$1,113,865.67 in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$1,113,865.67 as required to fund the budget recommended by the School Committee?

Town Council Recommends \$1,113,865.67
School Committee Recommends \$1,600,778.67

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

The School Committee gives the following reasons for recommending the State's Essential Programs and Services funding model be raised in the amount of \$1,600,778.67: to pay for increases in salaries, enrichment programs and field trips, guidance and mental health services, professional development activities and costs of co-curricular and athletic programs not fully funded by the State EPS formula.

While the Town Council agrees additional local funds are needed for the reasons provided by the School Committee, it recommends reducing the amount raised by \$486,913.00 to \$1,113,865.67. The Town Council recommends the reduced amount raised is paid for using \$386,913.00 of the School Committee's Unexpended Fund Balance (which is currently approximately \$2,800,00.00), and \$100,000.00 in expenditure reductions recommended by the Town Council in Articles 25 and 26.

WRITTEN BALLOT REQUIRED

SUMMARIZES THE SCHOOL BUDGET

ARTICLE 35: Shall the Town authorize the School Committee to expend \$17,516,987.57 for the fiscal year beginning July 1, 2022 and ending June 30, 2023 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?

Town Council Recommends \$17,516,987.57

School Committee Recommends \$17,616,987.57

ARTICLE 36: In addition to the amounts approved in the preceding articles, shall the Town authorize the School Committee to expend other such sums as may be received from state and federal grants, aid, and receipts during the fiscal year beginning July 1, 2022 and ending June 30, 2023 for school purposes, provided that such grants, aid and receipts do not require expenditure of local funds not previously appropriated?

School Committee & Town Council Recommend YES

ARTICLE 37: Shall the Region Four Vocational Budget as approved by the Cooperative Board for the year July 1, 2022 – June 30, 2023 be approved in the amount of \$3,682,608.18?

Explanation: 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 Recommend YES

ARTICLE 38: 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 Recommend YES

ARTICLE 39: Shall the Town vote to authorize the expenditure of \$30,000 from the School Bus Purchase Reserve (HERM33) to offset a portion of the lease/purchase payment for a school bus in addition to the local appropriation for education?

School Committee & Town Council Recommend YES

ARTICLE 40: Shall the Region Four Vocational Budget as approved by the Cooperative Board for **adult education** for the year July 1, 2022 – June 30, 2023 be approved in the amount of \$318,528.80?

Explanation: The Region Four Vocational Budget for Adult Education supports adult education classes held at United Technologies Center in Bangor for communities that belong to the Region Four consortium. Hermon's share of the regional adult education budget is \$3,410.77.

School Committee & Town Council Recommends YES

ARTICLE 41: To see what sum the Town of Hermon will raise and appropriate in additional local dollars in support of the food service program.

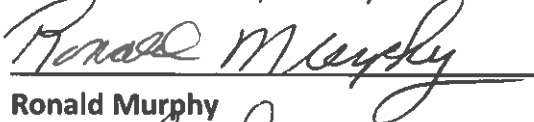
School Committee & Town Council Recommends \$50,000.00

ARTICLE 42: Shall the Town set the Fiscal Year 2023 Tax Commitment excluding the Overlay Account as follows:

Municipal Expenses:	\$ 5,944,358.00
County Assessment	\$ 964,000.00
Local contribution to Schools:	<u>\$ 6,247,767.17</u>
Total Expenses	\$13,156,125.17
Less Municipal Revenues	<u>-\$ 5,074,372.00</u>

Total Commitment less Overlay	\$8,081,753.17
Town Council Recommends	\$7,594,840.17
School Committee Recommends	\$8,081,753.17

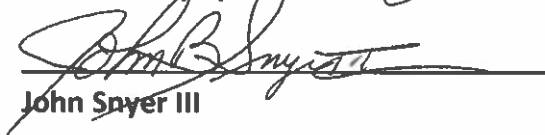
SIGNED this June 7, 2022 by the Hermon Town Council:



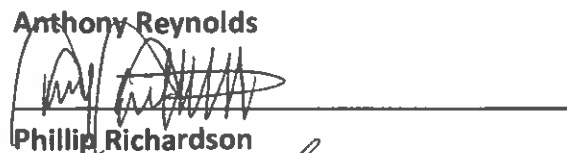
Ronald Murphy



Charles Lever IV

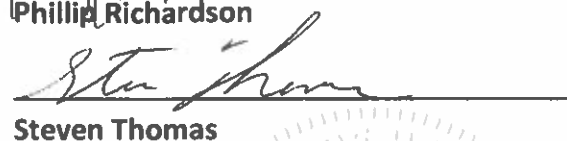


John Snyder III



Anthony Reynolds

G. Steve Watson



Phillip Richardson



Steven Thomas

Attest
Original:



