



Town of Hermon
Public Safety Meeting Room
July 7, 2022
Town Council Meeting
7:00 PM
AGENDA

To watch Council Meetings, go to hermonmaine.gov click Council click Town Council Meetings click Zoom
Council Meetings will be archived online after the meeting has taken place.

ALL ITEMS ARE SUBJECT TO APPROPRIATE COUNCIL ACTION

- I. CALL TO ORDER BY CHAIRPERSON**
- II. PLEDGE OF ALLEGIANCE**
- III. ROLL CALL**
- IV. REVIEW CONSENT CALENDAR: REGULAR BUSINESS, APPOINTMENTS, SIGNATURES, And APPROVAL OF MINUTES:**

SIGNATURES. –APPROVE
MINUTES. -APPROVE 5/26/2022, Annual Town Meeting 6/16/2022
WARRANTS. –SIGN 6/10/2022, 6/24/2022, 7/8/2022
RESOLVES. -SIGN
- V. NEWS, PRESENTATIONS AND RECOGNITIONS:**
- VI. PUBLIC ITEMS OR COMMENTS: (*Items Not Already on Agenda*)**

Carol Lackedy – Update on food pantry
- VII. PUBLIC HEARINGS:**
- VIII. COMMITTEE REPORTS:**



IX. SCHEDULED AGENDA ITEMS:

A. OLD BUSINESS:

B. NEW BUSINESS:

Elect Council Chairperson

Elect Council Vice-Chairperson

D. OTHER ITEMS: (from Table Package)

X. APPOINTMENTS:

XI. MANAGER STATUS REPORT:

XII. FINAL PUBLIC ITEMS OR COMMENT: (*Items Not Already on Agenda*)

XIII. COUNCIL ITEMS:

XIV. EXECUTIVE SESSION:

Consider entering Executive Session to discuss an economic development matter per 1 M.S.R.A. § 405(6)(C)

Consider entering Executive Session to discuss a legal matter per 1 M.S.R.A. § 405(6)(E)

XV. ADJOURNMENT:

Explanatory note #1: All items in the CONSENT CALENDAR are considered routine and are proposed for adoption by the Town Council with one motion without DISCUSSION or deliberation. If DISCUSSION on any item is desired, any member of the Council or public may request the removal of an item for it to be placed in the regular agenda prior to the motion to approve the Consent Agenda.

Explanatory Note #2: In the interest of effect decision-making: At 10:00 p.m., the Chairman shall poll the Council and Town Manager to identify remaining items which shall be carried forward to the next Regular Meeting.

Explanatory Note #3: A Councilor who feels the need for the Council excusing his/her absence will make the request to the Town Manager or the Town Clerk prior to the meeting.



Town of Hermon

Public Safety Meeting Room

May 26, 2022

Town Council Meeting

7:00 PM

MINUTES

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*****ALL ITEMS ARE SUBJECT TO APPROPRIATE COUNCIL ACTION*****

I. CALL TO ORDER BY CHAIRPERSON

II. PLEDGE OF ALLEGIANCE

Chair Thomas led those in attendance in the Pledge of Allegiance

III. ROLL CALL

Members Present: Ronald "Ron" Murphy, Anthony "Tony" Reynolds, Phillip "Phil" Richardson, G. Stephen "Steve" Watson, Steven "Steve" Thomas, and John Snyder III

Members Absent: Charles Lever IV - Excused

Others Present: Town Manager Howard Kroll, Kristen Cushman Town Clerk, Town Attorney Timothy Pease, and 109 guests

IV. REVIEW CONSENT CALENDAR: REGULAR BUSINESS, APPOINTMENTS, SIGNATURES, And APPROVAL OF MINUTES:

SIGNATURES. -APPROVE

MINUTES. -APPROVE 5/5/2022 Minutes

WARRANTS. -SIGN 5/13/2022 Warrant, 5/27/2022 Warrant

RESOLVES. -SIGN

Councilor Murphy moved to approve the Consent Calendar as presented. Councilor Snyder seconded the motion. Motion passes 6-0.



V. NEWS, PRESENTATIONS AND RECOGNITIONS:

Town Manager Howard Kroll: Welcomed Sergeant Gary Decker as the new Sergeant for Hermon.

VI. PUBLIC ITEMS OR COMMENTS: *(Items Not Already on Agenda)*

Donald Page 720 Newburgh Rd: Hermon is a great town to live in. Mr. Page thanked the staff, council and school board for their hard work and service as they are tough jobs.

Shawn McBreairty from Hampden Maine: I understand you as Hermon town council members have influence but no real authority over the Hermon School District. Except that little item of having to approve or hopefully disapprove of the budget. Hermon School District has a lawsuit against Shawn McBreairty. I submit to you Mr. Chair, this lawsuit against me, Sean McBrearty, from the school department. And I would like to submit into the minutes.

Nicole LaBarnes 6th grade math teacher at Hermon Middle School: We just saw the shooting in Texas....We care about the kids and would protect them as if they were our own.

Mallory Cook Hermon High School teacher and Gender and Sexuality Alliance Advisor: This is a club for students created by students to create a safe space.

Ernest Wheeler 20 Billings Rd: Requested water test results.

Howard Kroll: 20 Billings Road water test was negative for E. coli. LPI (Licensed Plumbing Inspector) will review.

Reverend Carl Schreiber Jr 2009 Skyway Valley: I have had four children who have come through the Hermon school system and are now a nurse practitioner, a teacher, department head at St. Joseph Hospital and Covenant Health IT security. All have done well through the Hermon school system. When you give back to the students, it will pay back in this community tenfold.

VII. PUBLIC HEARINGS:

- Hold Public Hearing – Municipal Budget for FY 2022-2023

Chair Thomas opened the public hearing at 7:23PM. Public comments were given. The hearing closed at 7:31PM

Manager Kroll gave an overview of the Municipal Budget.



Amy Oliver Stubbs 640 York Rd: Resident for over 40 years. If putting a moratorium on new subdivisions and new apartment complexes is on the table because we can't sustain our services and the growth we have right now.

Chair Thomas: There has been a lot of discussion about some type of moratorium because there is concerned about the residential growth. Every house if they have one or two students, it does add a lot to the burden of the schools. Having said that, if you look at the numbers for the high school, right now we have 267 tuition students. That's 48% of the student population. These are kids that are coming from Carmel, Levant, and Glenburn. Even if there was a moratorium, it doesn't prevent developers from building in Carmel and Levant. If the houses are built in those communities, they don't have a high school. They come here and they pay less. If they live in Carmel, and come here, the tuition that we receive is less per student than if they lived here on Hermon. We are experiencing growth, but a moratorium based on these numbers probably will not fix the issue.

Amy Oliver-Stubbs: Can something be done with the tuition rates?

Chair Thomas: That's something that the school committee or the superintendent would have to address.

- Hold Public Hearing -- School Budget for FY 2022-2023

Chair Thomas opened the public hearing at 7:31PM. Public comments were given. The hearing closed at 8:47PM

Superintendent Micah Grant gave an overview of the school budget.

Chair Thomas: At the last council meeting we talked about the surplus. After the deposits tomorrow, the school will have over \$3.5 million and the operating account. If this was the last day of the month, and those funds were in there that would be a surplus. And what's happened over the past several years is that surplus has grown every year. At the end of last year, that was \$2.8 million on undesignated surplus. And if this \$3.5 million figure holds, I know you're going have some expenditures over the next month, but you're going get almost another million dollars.

Micah Grant: We've overspent our revenues by just under a million dollars, we will not be taking any money into undesignated funds, we will spend to zero. We still have six payrolls to go, that's almost a million and a half dollars. We still have a variety of other expenses that have to be rounded out, we will not be adding money to the undesignated fund.



Chair Thomas: So even in the worst-case scenario, you're still going to have close to \$2.8 million from the surplus fund. This is a significant amount of money. A law in the State of Maine states schools is not supposed to carry a surplus of over 9%. And what's in the checking account right now is 22% of last year's budget, that's more than twice the legal limit. You're asking us to increase taxes when the money is in the bank to cover operating requirements.

Micah Grant: Yes, that's correct. Because these expenses are operational costs.

Brian Walsh 48 Hardwood Dr: I was the principal if Hermon High school before we had to put a buzzer on the door and lock the place up and add 38 security cameras. During my tenure, I have four times including this year, asked for an SRO that's a school resource officer. And I realize money is tight. I did ask for that back in the fall when we started the budget process. And I'm not going to ask the Council for \$110,000 for an SRO. However, I would just ask you to take that into consideration if indeed we really do have 4.1 million, and another 2.7 million. It looks like the town with \$6.8 million is healthy. I think we've been conservative and smart, fiscally responsible for many years. And I just want to bring that up when it comes to student safety. And I just want to say that we've had this conversation multiple times over the years when a tragedy has occurred. We've had the conversation when a tragedy has not occurred. Some of you may or may not remember, I held a safety summit with the FBI, federal agents, US Marshals, TSA, John Snyder, we had 22 agencies at the high school. We had a real serious conversation about school safety. We had Glenn Barnes from the FBI, some of you may remember when he was at Columbine. He lived in town; his kids went through this through the system. And one of the interesting things that came out of that they said, they'd never sat down together and had that conversation. And the bottom line was we think school resources officers a great idea, but there's expense to it. I'm not asking you for anything other than conversation to continue.

Danielle Haggerty 10 Bog Rd: And I got the opportunity to go over the budget extensively. Budgets aren't foreign to me, it's something I do on my everyday life. And I feel like the committee and Micah did a great job looking at expenditures. They seem to be hitting the IT concerns head on with both federal funds and making use outside funds. The much-needed raises, as you guys all said, everything's going up for everybody. And then the added staff at the high school, which the numbers show is necessary. We as a town are in the most amazing position. Towns all over the United States would like to be in our position. We have reserved funds that are adequately funded and we're making use of in this budget. We have funds in our checking account



that aren't designated. We have 2.8 million. The city also has undesignated fund balance, which I believe you're required to carry. Am I right?

Howard Kroll: We have a fund balance policy in town that we can go up to 25% of all combined budgets, school, and municipal County. It would be around \$6 million. That would be the cap that we could combine for undesignated fund balance?

Danielle Haggerty: And what do you do with it? Because it sounds like a lot of money, like the books going to close, and you're going to have \$4 million. What are you going to do with the \$4 million?

Howard Kroll: We send out our tax bills, late August 1 first of September. They are not due until April. The majority pay taxes at the end of March and first of April. We go about nine months with no cash flow other than excise tax. So that \$4.2 million, every month I pay the school about \$471,000 a month, the end of September, pay the county commitment, which was \$960,000. And by the time we start collecting the money, we're down to about \$1.8 million in the checking account. I can spend all that money and we go borrow July 1 and have a tax anticipation note. However, I think the philosophy of this town is that's not the way we're going to live. And that's not the way we are going operate. I know this council is very prideful on the mill rate, but also, how do we protect the town from the unforeseen. Two years ago, March when pandemic hits we were down about \$400,000 in excise tax. And the only thing that really saved us was the timing and we were getting, about 90% of our property taxes paid the end of March 1 and April. We had an influx of money, but I couldn't spend it. We had a freeze on our municipal budget, based on the unforeseen. And you know what we got lucky, we opened back up the town office in mid-May. And we came within \$10,000 of what we projected for that FY. We got lucky, but it was all based-on time. That money is there to keep operations afloat for about three quarters of the year.

Danielle Haggerty: It's not uncommon for towns to collect taxes twice a year, correct?

Howard Kroll: I've worked in four or five other municipalities, and we cut your bill in half and we bill you in late summer and in the spring. This is for cash flow purposes only.

Danielle Haggerty: I believe that part of the problem that has been created by two major things one is the tuition we are not capturing the maximum number of tuition dollars could. And not to blame anybody or anything federal funds were coming. We were in a pandemic, everybody's doing the best they can. And then we're on the other end and realize, Oh, no. And then I think the



other part that we talked about was there was a huge drop in census students in 2020. Do you want to explain how that impacts what you are getting paid?

Micah Grant: Yes, they wanted the EPSE279. They took a two-year average and so they take the fall average of 2020 and the fall average of 2021. In October our census calculation fall average is 1270. And then this year was 1390. We're getting hit for less kids. They're paying us for 1319 kids, but we have more like 1350. And next year, we're going to have 1378. We're going to get a little bit higher but that fall count really hurt us in respect to our average number of kids, which is money directly from the state.

Danielle Haggerty: Further talks that next year, when the census calculation is done based on the fall, it would be a 50 student's gap. The gap will start to close.

Micah Grant: Yes, the gap will start to close.

Danielle Haggerty: And does that equate to revenues coming in?

Micah Grant. Yes.

Danielle Haggerty: At the same time, if say we were to add maybe 300, more from your undesignated funds, the tuition going up through the great things you're doing with staffing at the high school, and the state calculation going up? It doesn't really create as huge of a difference in two to three years, then it may seem.

Micah Grant: Hopefully not.

Danielle Haggerty: I really encourage you guys to consider using the Undesignated funds a little more this year, if you have any say in that tonight at all, just to maybe use them more this year, and a little less and a little less. While Micah is doing the good work to close the gap. And the state calculation is going to work to our favor. It may work out that we could get away with not as big of a gap as it may have seemed on paper.

VIII. COMMITTEE REPORTS:

IX. SCHEDULED AGENDA ITEMS:

A. OLD BUSINESS:

B. NEW BUSINESS:



R21-22-27 Consider scheduling and setting Secret Ballot Election to June 14, 2022, and Annual Town Meeting to June 16, 2022

Councilor Reynolds moved to approve R21-22-27. Councilor Snyder seconded the motion. The motion was accepted unless doubted. Motion carries.

O21-22-11 Consider amending Council meeting schedule from original Order 20-21-21

Councilor Reynolds moved to approve O21-22-11. Councilor Watson seconded the motion. The motion was accepted unless doubted. Motion carries.

R21-22-28 Consider approving hauler license applications for 2022-2023.

Bolster's Rubbish Removal, LLC has requested to renew their license to haul solid waste to PERC.

Casella & Waste Management has requested to renew their License to haul solid waste to PERC.

Waste Management has requested to renew their License to haul solid waste to PERC.

IF approved – sign permits

Councilor Snyder moved to approve R21-22-28. Councilor Murphy seconded the motion. The motion was accepted unless doubted. Motion carries.

FR21-22-10 Consider approving 2022-2023 FY Municipal Budget

Councilor Reynolds moved to approve FR21-22-10. Councilor Snyder seconded the motion. The motion was accepted. Motion passes 6-0.

FR21-22-11 Consider approving 2022-2023 FY School Budget

Councilor Murphy moved to amend FR21-22-11 as follows: School is asking for \$17,616,987 to be reduced by \$100,000 for a total of \$17,516,987.

Proposed use of the schools' undesignated fund is \$ 1,228,628.00 for FY23. Councilor Richardson seconded the motion. The motion was accepted. Motion passes 4-2.

C. WORKSHOPS:

D. OTHER ITEMS: (from Table Package)

X. APPOINTMENTS:



XI. MANAGER STATUS REPORT:

Manager Kroll: Annual Town Meeting will be held on June 16, 2022, and I encourage you to come out and vote. June 14, 2022 is the Election at PADS where you will vote on elected officials. Thank you for the turn out tonight. Lastly, I would like to wish everyone a Happy Memorial Day and to honor our veterans who sacrificed their life for this county.

XII. FINAL PUBLIC ITEMS OR COMMENT: *(Items Not Already on Agenda)*

XIII. COUNCIL ITEMS:

Councilor Reynolds: Should we be notifying the State about the E. coli at C & K.?

Manager Kroll: DEP was notified and the licensed plumbing inspector.

XIV. EXECUTIVE SESSION:

XV. ADJOURNMENT:

Councilor Murphy made a motion to adjourn the council meeting at 9:08 pm. Councilor Snyder seconded. With no objection the council meeting was adjourned at 9:08 pm.

Respectfully Submitted,

**Kristen Cushman
Town Clerk**

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

~ MINUTES ~

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.

The morning of the Municipal Election on June 14, 2022 Rylee Cushman nominated Timothy Pease as Moderator. Vicki Gonyea seconded the motion. Hearing no other nominations, nominations ceased. Timothy Pease from the law firm Rudman Winchell Law firm was elected Moderator by a written vote on June 14, 2022 followed by signing his oath. Mr. Pease will continue as Moderator on June 16, 2022.

6/16/2022 Town Clerk led those in attendance in the Pledge of Allegiance

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

The results of the June 14, 2022 election for School Board:

<u>Rachel Deabay:</u>	<u>84 votes</u>	
<u>Tanya Fox:</u>	<u>186 votes</u>	
<u>Haily Keezer:</u>	<u>402 votes</u>	<u>- Winner</u>
<u>Samantha Lang:</u>	<u>106 votes</u>	
<u>Deborah Langille:</u>	<u>225 votes</u>	
<u>Christopher McLaughlin:</u>	<u>318 votes</u>	<u>- Winner</u>
<u>Anthony Reynolds:</u>	<u>300 votes</u>	
<u>Kim Shaffer:</u>	<u>223 votes</u>	

The results of the June 14, 2022 election for Town Council:

<u>Richard Cyr:</u>	<u>210 votes</u>	<u>- Winner</u>
<u>Eric Russell:</u>	<u>255 votes</u>	
<u>John Snyder III:</u>	<u>298 votes</u>	<u>- Winner</u>
<u>Derek Wood:</u>	<u>708 votes</u>	<u>- Winner</u>

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

Councilor Snyder made a motion to accept Article 3 – 20 as written. Motion was seconded.

Micah Grant, Superintendent made an amendment to the motion to take up Article 3 to 10 and 12 to 20. Motion was seconded. There was limited discussion. A show of Hands was unanimous in favor of the motion. The motion carries: Amendment passes.

Motion on the floor is the amended motion Article 3 – 12 – 20 except Article 11. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

Motion to accept Articles 3 - 10 and 12 - 20 except Article 11 as a whole and waive the reading of those Articles. Motion was seconded. There was limited discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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

Councilor Reynolds: If the Town Council has never talked about this, how can they recommend it?

Motion to allow Stephen Wagner to speak as Town Attorney. Motion was seconded. A show of Hands was unanimous in favor of the motion. The motion carries.

Motion to allow Howard Kroll to speak as Town Attorney. Motion was seconded. A show of Hands was unanimous in favor of the motion. The motion carries.

Howard Kroll: Article 11, the \$400,000 from the Coronavirus, local fiscal recovery fund was not part of the Town Council item. It was voted on in November to accept these funds for various uses. At the time we allocated some of the funds to go towards Northern Maine for Borders Grant for sewer expansion. These funds, unlike what the school receives can only be used for three things: sewer, water, or broadband. And obviously the track project which has a drainage water component of it, I thought this was appropriate. Obviously, if it's not appropriate this evening, we can discuss it at a future time and bring it back.

Stephen Wagner: Just to clarify was Article 11 included in the draft warrant that the Town Council reviewed and approved at a publicly noticed meeting?

Howard Kroll: They signed it, yes. After the meeting.

Stephen Wagner: The draft that was proposed to them included Article 11?

Howard Kroll: Yes.

Stephen Wagner: I would rule that it's valid.

Tony Reynolds: There was no meeting.

Resident: Printed the warrant off the website on 6/7/2022 with signatures but does not have Tony's signature on it.

Tim Pease: I'm going to ask the Town Attorney, is the warrant signed by a majority of the council members?

Stephen Wagner: Yes, the warrant is signed by the majority of the council members and that is all that's required.

Tony Reynolds: But you haven't answered my question, we did not have a meeting and it's required by Town Charter.

Tim Pease: So just so I understand Mr. Attorney, the question that is being raised by the councilor is whether the warrant Articles were presented to the Town Council, in a way that they had the opportunity to review and discuss them before they were put on the warrant.

Stephen Wagner: My opinion would be that the warrant would not be properly called if there was not a public disclosure of the meeting to consider a warrant. Now, there was at some point a draft warrant presented and just Article 11 wasn't on there. That's an appropriate motion would be to pass over Article 11.

Tim Pease: Just so I understand the concern is that in particular Article 11, was not discussed at a public meeting?

Tony Reynolds: Correct.

Stephen Wagner: I would suggest that response to your comment, I would agree with you if it was not discussed and disclosed and public and there was not adequate notice that would be inconsistent. The charter and state law and the proper motion, if the town meeting agreed with that opinion, would be to pass over.

Tim Pease: The opinion of the town's attorney is to pass over Article 11.

Howard Kroll: Town Council signed the warrant on June 7, 2022 and posted within seven days of the meeting.

Tim Pease: There's no question that the counselors who signed the warrant, it's their signature on it? The clerk is indicated that the counselors sign in front of her and posted on June 7, 2022.

Danielle Haggerty 10 Bog Rd: Warrant was posted on June 7, 2022. I pulled it off the website during a School Board meeting.

Amy Oliver-Stubbs: I have a two-part question. The first part is if we passed this over tonight, when would it be discussed again? The second part is if we don't allocate the funds for this, do they expire at some point?

Tim Pease: The town has the opportunity to call a special town meeting with proper notice. So it could be scheduled at some time in the future up to the Council.

Howard Kroll: I will note that those funds were approved at a special town meeting in November 2021 and \$617,000 was awarded to the town. I don't believe there is an expiration date on these funds. We have allocated some of them towards a sewer project as part of a bigger project down on Hammond Street with a number of other federal funds. And these are just funds that are available for projects that are either water, sewer or broadband.

Stephanie Oiler: And how was the moderator determined? Because in the past, I'd seen that it was when we got to this meeting. So I was wondering how that was predetermined.

Howard Kroll: Every special town meeting that we've had in Hermon, the moderator is a selected and voted on that evening. Whereas the annual town meeting, traditionally it's taken place the day of the election that includes the elected officials for the School Board and Town Council. It happens on the Tuesday and on Thursday, we take up the remaining part of the Articles. I can't find anywhere in the history where it's been any different that.

Stephanie Oiler: Where did we vote on that as citizens of the town?

Kristen Cushman: We opened up the meeting at 6:30am approximately on Tuesday, with residents in the room. And Mr. Pease was elected as moderator and then he was voted in. This was published on the warrant.

Micah Grant, Superintendent: I just don't feel like Mr. Reynolds' question is being answered. It sounds like there was not a meeting, that these were just signed at will. And I'm under the impression from the Town Attorney, I believe I heard him correctly, that there needs to be a meeting where these are presented and then signed off. I just want to know, was there a meeting? And I feel like that question has ceased to be answered. My second concern, and I'm speaking to the track now, that shall the town of Hermon issue a bond and the amount not to exceed \$2,400,000 for improvements at Hermon High School, such as improvements to include all necessary engineering for repair and installation of drainage for Pottle Field, and an eight lane track to the west of the tennis courts, and authorize the Superintendent of schools to take all steps necessary, including securing interim financing, management of the project and undertake all procurement hereby authorize in the terms of the current town of Hermon purchase policy. I have not been approached, talked to about, and I'm concerned that this would be a violation of what the people voted on convincingly last year, and we're in completely different economic times. And I'm not going to quote somebody, but the \$400,000 still doesn't get us all the way there. We are still short. And this hasn't been discussed in public. So that's my primary concern. And I would like the question answered, was there a meeting regarding these warrants.

Stephen Wagner: I need to clarify some of my prior statements. I have benefit of the statute in front of me now. So 30A section 2521 says each town meeting must be called by warrant, the warrant must be signed by authority. Here we have the warrant that was signed by a majority of the selectmen. So the next piece of authority, I would turn to, a question of if that draft warrant was not presented, and that signing did not occur in a public meeting, does that invalidate the warrant? My opinion is no. I look to the Austin v. the Inhabitants of York case by the law court in 1869. And what that work focuses on is a warrant is, at foremost, a notice. An emphasis is that a warrant is, at foremost, a notice and a warning to the voters of the various Articles. There's no question a warrant was signed by a majority of the Select Board and it was posted with adequate time. So that in

my opinion provides reasonable notice. Now I also realized, to require there should be notice at any Select Board meeting where action of the Select Board is going to occur. And I haven't heard anything to suggest that as additional Articles not including 11, that the town was not provided reasonable notice that the Select Board would be considering or discussing a draft form and the Articles that would be put on that warrant. So nothing I've heard today about the facts disclosed so far would lead me to the conclusion that the remaining Articles did not give adequate notice of those Articles for the warrant to be invalidated.

Motion to allow Greg Im, attorney from Drummond and Woodsum representing the Hermon School Department, to speak. Motion was seconded. A show of Hands was unanimous in favor of the motion. The motion carries.

Greg Im: So, about the notice. It's not about the fact that the warrant was signed and posted. The question is, you know, was that the council can't act outside of the meeting. They need to approve the warrant. They need a meeting that's properly noticed. And they need to meet to approve it, and then they can sign it. So, my question is, did that happen? And I'm hearing that it didn't. Which to me says we're not here validly.

Tim Pease: Mr. Wagner, a question for you: Do you find a distinction between whether the warrant itself is valid and whether or not there's adequate discussion ahead of Article 11 getting on the warrant with respect to the Hermon track project? Says it's recommended by the Town Council, we've heard information that there may not have been any public discussion among the town councilors about the Hermon track project and Article 11.

Stephen Wagner: So, I think there's two questions: whether you have a validly approving warrant and was that warrant approved in a public meeting? The focus is not on technical deficiencies. Was the public provided reasonable notice? And so, what I have heard is that there was a draft form circulated that was discussed at a publicly noticed meeting of the Council, with the exception of Article 11, which was not discussed and should be struck. And that is a separate question, validity of the warrant itself, and that turns on whether the public was provided reasonable notice of the council's action. Again, I think it would be inconsistent to find a default in the warrant on the technical grounds that the signing occurred outside a meeting.

Greg Im: So, the point is not that. I mean, you said the point is that there was no public meeting where this was considered and approved. And the public wasn't noticed about that in the public did not attend, could not.

Tim Pease: We're not going to solve this tonight. And I'm going to allow the votes to go ahead on these Articles. And if anybody wants to challenge them in court they can, I don't think we're going to get to the bottom of whether or not there was a sufficient public hearing at tonight's meeting. So, I'm going to allow these to move forward.

Tim Pease: The question is there a motion on the table to approve Article 11? Yes, that is correct.

Motion to approve Article 11. Motion was seconded. There was no other discussion. A show of Hands was unanimous in opposing of the motion. The motion failed 42 yes 61 no.

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

Rick Burgess 21 Crogan Road: I was under the impression reading the ordinances and other state laws that we could not break down the budget that is going to be voted on whether to approve or not. We didn't have that ability to do that here tonight. If that's correct, then why would we have 12 and 13 Articles that are all breaking down the \$17.6 million?

Tim Pease: It's a good question. So under state law, school budgets are required to be presented in certain cost center categories. And under the Hermon charter as well, it addresses how the school budget is to be presented. So the categories that you see here, indicate the areas where the School Board would be authorized to spend up to under the Hermon charter.

Rick Burgess: If that's correct, and they negatively turn down any one of these Articles that are proposing certain amounts in certain categories, then that throws off the numbers in \$17.6 million figure.

Tim Pease: So my understanding of the Hermon charter, in Article 8 and the budget section, the school committee has the discretion to spend the money that is approved by the town meeting, which is tonight, up to that limit of whatever the town authorizes with respect to whether they can move money around from one cost center to another, I really am not in a position to answer that.

Micah Grant: Will Articles 21 through 33 or 34 be put out to the public for a budget voter referendum (BVR)? I believe that was approved in 2010. So, I was just curious if the council and or Mr. Kroll had that in mind?

Tim Pease: I believe that I can elaborate on the question that just came up. So you said BVR, that's a budget validation referendum. About 15 years ago, state statute was passed, which required school administrative units, including municipal school units, to present their budget to the legislative body through a budget meeting, which is happening right now. And then have what is essentially a second approval for a validation referendum. Which would mean that people in the voting district in this case, the town will go to the polls like you did a couple of days ago and vote yes or no on the budget, that was passed the budget meeting. My understanding and speaking with the town manager is that this town has not had a budget validation referendum on the school budget has been passed at the town meeting for quite some time. And so, I don't believe that Town Council has had

the opportunity to debate and discuss next steps with respect to that particular issue. Under state law, that referendum has to occur within 30 days of meeting. So, if you pass the budget tonight you have 30 days to do that. So, I think the Town Council will have the opportunity to discuss what to do with respect to that state law.

Motion to accept Articles 21. Motion was seconded. There was limited discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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

Motion to accept Articles 22. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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

Town Council and School Department Recommend \$0

Motion to accept Articles 23. Motion was seconded. There was limited discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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

Motion to accept Articles 24. Motion was seconded. There was limited discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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.

Motion to accept the school department in the amount of \$1,846,263.30. Tim Pease ruled this motion is out of order per Article 3 in the Town's Charter. The town meeting shall not increase the amount of any corporation above the amount of recommended by the council. In this Article, the council is recommended \$1,756,263.30. That is the most that the town meeting can appropriate.

Micah Grant: Motion to override the moderator, the council has recommended two amounts by placing two amounts in their recommendation of these Articles. This meeting does not violate the Charter by accepting one of the recommendations as placed in the charter, the voters should have the right to decide. So, my motion is to override the moderator.

Tim Pease: I'm going to ask the Town Attorney to comment on the validity of that motion and the impact of it. The question I had is the interpretation of the charter with respect to the validity of that motion itself, which will be to allow the town meeting to consider an amount above what the Town Council's recommended.

Stephen Wagner: The question is for a legal opinion on the argument that the town meeting would be authorized to make a motion to pass an Article above what the Town Council has recommended, and in my opinion, that would be in violation of Section 302 of the Charter which states that the town meeting does not have the authority to pass an Article above an amount the Town Council has recommended. The Article in question sticks the amount the Town Council is recommended. So when in effect that is a capped Article in the town meeting would not have authority to exceed that. I understand that in section eight that talks about the budget process and it anticipates that essentially the big picture here as I interpret it is the school committee proposes a budget that goes to the Town Council, Section 8 of your charter is clear, the Town Council shall put before the voters with or without change, meaning the council has the authority to put its recommendation on here and control how the Article will be worded. And it so chose to do that for an amount less than what the school committee has created. So the legal effect of that consistent with 302 is that the town meeting would not have authority to go above what the Town Council has recommended. They can certainly go below, they could move to pass over the warrant Article or vote it to zero, but they cannot exceed.

Stephen Wagner: And sorry, Mr. Moderator, please clarify the procedure for overruling a moderator. I think we should be clear.

Tim Pease: Yes, the majority vote. So, there's a motion and a second on the floor to override my ruling. My ruling was that the vote that the town meeting can prove in this Article is what the town councilors recommended. So, the challenge has been to that particular ruling. So I've entertained questions and comments on that particular issue.

Tony Reynolds: So, you're basically telling the town, if they came here to support the schools with their numbers? They can't.

Tim Pease: What I'm saying is that the charter in Section 302 says specifically the town meeting shall not increase the amount of any appropriation above the amount recommended by the council.

Tony Reynolds: Then the school committee's numbers can't be supported by the town.

Tim Pease: I'm saying that if Article 25 says the Town Council recommends \$1,756,253.30, the school department's recommendations is in there for information. The town meeting is not permitted, according to the charter, to exceed what the Town Council recommends.

Resident: I came to the last town meeting where they talked about the budget. And there was a lot of people who were there to support the school budget. And this is a democratic process with people who are elected by the town. And I feel like we're not actually being given the chance to vote for what we believe. We've never been given the opportunity and a lot of people showed up to vote for a town budget with a school recommendation. And we're being told that we as town voters have no say in the town budget. I just can't understand why people aren't given the ability and as councilors and why you wouldn't want to hear what the town public feels, because you represent us. And so, I would think that you care about what we think.

Carl Schreiber 2009 Skyway Valley: Mr. Moderator, I have a question that you can pass on to the committee. Reading the explanation why this was cut. The way I'm reading this is because somebody did not follow through with an item, my grandchildren and many children, this community will be punished because something wasn't followed through because it says because there was no IT audit, they're going to punish the School Board, the residents of this community, because of a lack of action. I just want to clarification is that what the Town Council is really saying? That because the audit wasn't done, I'm going to punish my grandchildren, and the children of this community because of that mistake, I would like that answered. This is approved by 1,2,3,4,5 council members. So any of those five members, I would be glad to have any answer. If that's what is written here, you really meant what you wrote, that because we had a change of leadership in the School Board, the superintendent changed over, one superintendent didn't follow through with something. And so the rest of us voters are being punished because the IT audit did not take place. At the last Council meeting, it was very, very well explained why that

could not happen. So I'm just asking, is that why, out of pettiness that this is being taken down by X amount of dollars?

Tim Pease: I'm going to ask if any councilors would like to respond.

Steve Thomas: So the town collectively, there was a special town meeting and voted to have an audit of the Hermon IT department network. At that point in time, the Hermon IT network was both the municipal side and the school side. You had an IT director that was running his business through the school and there were a lot of questions as far as the use of town assets. The audit was going to help identify and clarify exactly how the town assets were being used. And a plan would be developed. If there are things that have to be fixed, to be fixed. Over the past year, the school committee has fought the Council on completing an audit. And so at this point, it doesn't seem to make sense to just throw another 100,000 to increase the budget from about \$515,000 to \$615,000 without an audit without identifying exactly what the weaknesses are and what has to be done.

Carl Schreiber: So a follow up question then, was there any law broken by somebody using the internet service for their own thing? Was any law broken? Was anything illegal, though?

Steve Thomas: We don't know, that is what the audit was for.

Carl Schreiber: Mr. Moderator, the question that I asked was not answered. Are we doing this out of punishing one person or a couple of people? And punishing the rest of the community that was very much at the other meeting in support of the school budget? It's a simple question. So you're saying the school budget's being cut because of one person in the IT department that your questioning? That does not make sense to me sir.

Terry Hamm-Morris: I was at that meeting, too. And that's not why I was there about the IT thing. I was there because I know that the school budget has a to \$2.7 million non-discretionary fund that they could use to fill out the rest of their budget and not lose one thing for any students. And that will give them plenty of money. It's 22%, more than what of the school budget is, to my understanding, is supposed to have 9% above the school budget and the discretionary fund. I was there and a lot of people supporting our side too. We believe that the school should use that money that they have in the discretionary fund to fill out their budget for this year. Because there are a lot of people who are fixed income in this town who can't afford heating oil next winter and that sort of thing. We are looking out for the people of the town because that money is available to them, and they have to use it. So why not use it and not raise the mill rate issue? That's what I think this is all about. I'm not worrying, you know, the IT thing is a side item to me. I think this is about them using their discretionary money and they have available this way beyond what they're supposed to have to fill out the town budget so that we don't have to pay another mill rate in the future.

Tim Pease: So just to keep in mind, the motion on the floor is whether my interpretation, the charter with respect to Article 25 is appropriate or not. The Town Attorney has weighed in on that issue. I know people want to get into the debate over the validity of the numbers, but we really need to address that issue.

Micah Grant: Mr. Pease, I just want to hear from yourself or the Town Attorney and just verify and I'm quoting you from the last meeting: The superintendent is correct. So as the council cannot direct what the school committee does with the money that it gets. And the council is correct that if you make changes to it, it makes sense to put a recommendation in front of the town. So if you've got \$100,000, from what the school committee is recommending you explain that to the voters, and you have the chance to see why they're doing that, and the school committee should have the opportunity. In fact, they are given the opportunity to explain what they think the full amount of the budget should be. The school was not given the opportunity, it had to go through its own resources and channels to say what he wanted to do with that \$90,000. And I want to verify from you that indeed, the school, although the Council put that in their explanation, they cannot direct us to what lines we have to cut on the \$90,000 that is our decision to make within the confines or the restrictions of the charter.

Tim Pease: Going to read from Article 8.06 from the Charter, the first paragraph. Gross appropriation for each department shall not be exceeded. The school budget shall be expanded under the direction and control of the school committee. All budgets shall be considered to be line-item budgets and money should not be transferred from one corporation to another except as provided in Section 8.08. So, superintendent with respect to the school committee's control over the money that is expended which appropriation in each Article is a separate appropriation.

Ernest Wheeler 20 Billings Rd: In the past nine months, I've heard a lot of conversations about our IT department. In my opinion, there isn't anything has stuck yet. Everything is cleared, everything is above board. I would also like to point out to several people that three of our sitting councilors have a letter of cease and desist against the IT department director. But yet, every time I come to a meeting, I continue to hear this employee bashed or bad mouthed. And I'm wondering what's going to stop because 20 years ago, we voted to put the Internet into the Town of Hermon and all we want to do now is tear it down. And I don't understand why after 20 years of product, that we now want to go after these people and penalize the IT department when they have done nothing but stand up and pass muster every time.

Stephanie Oiler: I just want to make sure I get it right, you want to call it \$90,000 from the budget, which we've said we're going to use for school resource officer, and you're not worried about the safety of our kids? I'm wondering about the \$90,000, you've seen that we want to use it for school resource officer. So why do you still want to cut that from our budget?

Steve Thomas: Resource Officer was never discussed in any meetings leading to this. It was not part of the warrant conversation. It wasn't part of the public hearings. You guys came up with this, and you voted on this last week? That that's not part of warrant.

Stephanie Oiler: So you're right. We voted on it the School Board night that you elected a moderator. So just out of curiosity, we hear about the impact the mill rate for individuals? What's that impact for a small business owner? Just curious.

Greg Im: So, I will bring us back to the motion on the floor, about whether we can overrule the moderator. And so, your town's attorney 3.02 of the charter says that Town Council recommendations can't be exceeded or increased. And as the superintendent said, you know, these were put on the warrant. And they noticed the public that these things were on there. But I also want to say that those points were made. But there's also other parts of the charter 8.02 to says the council has authority to determine the total amount the school budget. Doesn't say they have authority over specific cost centers. Assuming for argument's sake that 3.02 is controlling here? I think you're also, I mean, we're being selective in what parts of the charter we conform to and what we don't. So, I think there's enough uncertainty about what recommendation was on the warrant, that it is in order to overrule the Moderator.

Tim Pease: Does anybody else have any questions or comments about my ruling, which is that it's out of order to move to approve an amount that exceeds the Town Council's recommendation?

Danielle Haggerty: In times like this, it can be really easy to take the easy way out and to eject the moderator because you don't like that it's not going to get you what you want. And I think that this town is better than that. And it is clear in the town charter, that it cannot be approved more than the Town Council, I was at the Town Council meeting. And the budget items were clearly reflected in the warrant Articles, as they were discussed publicly with a very large turnout. And I think that we should continue to use the moderator because it does not appear that he is out of line with the Articles.

Micah Grant: Just to be clear, my motion was to override the moderator and not eject him. I think, for me, it's a question and a statement. I sat down with Michael Chammings, and we wrote the Articles, and how they should be drafted and what the numbers should look like the day after the council meeting. And at that time, both the Town Attorney and the town manager said June 16, is your time to come and vote. This is the legislative body. And if you're like me, you opened up the human connection to see Article, for example, 24, that had in the closed paragraph, the \$17,616,000. And you saw the undesignated funds section, even though it's labeled incorrectly, you saw the undesignated fund that said \$1.6 million, and then you saw the town recommendations, so there was leeway for this legislative body to select one of the two. And then at the 11th hour, when we saw the legal documents posted, all of those numbers were switched, so that there was no legislative option. And so I have a question, was this incompetence? Or was it intentional? That's my question. Were these intentionally changed to box in the budget that the

council wanted to get out? And I just have to assume that it's somewhat personal? Or was this just a mistake that now that it's seven days before we can't change it, because the way this was submitted to the Town of Hermon residents, in the Connection, there was options, and the legal document posted the day that it couldn't be changed, the options were taken away.

Tim Pease: To bring us back to the question on the floor. Just as a reminder, there was a motion and a second, to approve the school department's recommended number. I rolled that motion out of order and did so on the basis of the charter, based in the Town Attorney's opinion. We've had some good discussion about the implications of the charter, I would ask that people focus on that. And then ultimately, you need to decide whether to overrule my ruling. And that is a majority vote. So, I'm going to call a vote on that pretty quickly, unless more people have conversations about the charter.

Sally Hartford 2185 Union St: I would suggest that we not overrule the moderator. I believe we should continue as we've been going forward. I also just want to mention that our legislative right here as a vote, if you want to vote for what the Town Council has recommended, you vote positively. If you do not like that number, whether you want it higher or lower, that doesn't matter in this forum, you had your chance before this. This forum is to vote on that number. Do you want to vote on a different number? You don't like that number? You vote no. And this has to go back to a vote again. I don't think everybody realizes that if it gets voted down, it doesn't get approved tonight. You all have to vote again on this and at that point, you will come back, you will go through the legislative process. You will meet with the School Board you will meet with the Town Council and you will go through that process. Again, any new number will come out. And we will vote on that number. We have one number to vote on either yes or no, it's a very simple process.

Tony Reynolds: It seems like the Town Manager, who in the charter is supposed to write these Articles, I believe. Who wrote the Articles? If the town manager sent them out in the Hermon Connection, who wrote these Articles? It says in the Town Charter Town Manager is in charge of the budget.

Howard Kroll: I know I've had this discussion with you. And I told you, I wrote those Articles that were in the Hermon Connection, I own it. I own it. Those are ones that I put in there that was based on the meeting that we had on the 26th. There's nothing that I'm trying to hide or throw anyone under the bus or anything like that, you know what, I wrote them as I was interpreting them. And I was overruled by our Town Attorney and consulting with the school's attorney, that the numbers that could only be used was the Town Council's recommendation. Do I agree with it? No, not really. But I was overruled. I'm just being upfront with everyone in the audience that this wasn't personal. I wrote them the way I was told the 26th at the end of that meeting, so that's why I wrote them this way and submitted to the public. And at the end of that page seven on the Hermon Connection, it says "Articles subject to change". I guess I learned something very

valuable from this. That'll be the last time I put the Annual Town Meeting draft warrant in the Hermon Connection. You'll get it the day that it comes out when it's posted.

Tony Reynolds: Who wrote these Articles that we're looking at? You didn't write them? Right?

Howard Kroll: I did not write those; those were in consulting with the Town's Attorney. You had councilors that didn't agree with the explanations for Articles 25, 26 and 34.

Stephen Wagner: Nothing that was described is in my opinion in any way impermissible to answer your direct question. Yes, Rudman Winchell was involved in the drafting. It is under the direction of the Town Manager who operates under the direction of the Town Council, that is perfectly in my opinion in order with the town charter.

Tony Reynolds: I just wanted to point out how the Articles we are looking at tonight was drafted.

Stephen Wagner: I think that what we've heard is that Howard drafted a portion of that, Rudman Winchell advised on that and drafted a portion and some of that came from parties before that. I think we can all acknowledge that there are something called drafts, things go through drafts and many people are involved in drafting. So, I would challenge your characterization of, did someone individual person write this exact thing. So, I just want the record to be clear, of course, yes, the Town Manager, on the direction of the council consulted with Town Attorneys and multiple people were involved in the drafting. And all of that was consistent with the town charter.

Time Pease: Okay, I think we've had enough discussion on whether or not my ruling should be overruled. And regardless of the outcome of this vote, I'm not going to leave, you're sort of stuck with me. So, if you vote yes, then you are voting to overrule my ruling, which was that the school department's recommendation can't be voted on. If you and if there are not yeses, that you overrule me than we will go to debate on that motion, which is the school department's recommendation.

By a show of Hands the yes and no the vote was too close. 58 to 52. Mr. Pease called for a written vote. Written vote was Yes 56 and No 69. Mr. Pease's ruling is not overruled.

Article 25 a motion to accept the Town Council's recommendation. Motion was seconded. No discussion. By a show of Hands the yes and no vote was too close. Mr. Pease called for a written vote. Written vote Yes 65 and No 63. The motion passes.

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

Motion to accept Articles 26 for the recommended Town Council amount \$516,692.22. Motion was seconded. There was limited discussion. A show of Hands had Yes 59 and 64. Motion failed.

Deb Langille 368 Billings Rd: You have two lawyers here tonight as Mr. Grant just said we have one. We need a lawyer for our business at school. I don't understand why you want to decrease out of a petty reason for something that happened last year. No offense to anybody else. Don't you think we deserve to have a lawyer to represent the school, the students, and the staff?

Steve Thomas: I'm not saying you can't. We can't dictate how the funds are going to be used.

Deb Langille: Well, just a minute ago, we couldn't even vote for our school budget. There's two numbers and we couldn't even vote for that. I'm just trying to understand the reasoning why we can't have a lawyer while you're making our point. There's no good answer for that. Do any other council members have an answer for me? Can any of you answer my question? Why are we reducing our legal fees? Does anybody have a logical reasonable explanation for me? Please? Nobody can answer my question. We all voted him into office, nobody can answer my question.

Ronald Murphy: I think Steve already answered that.

Resident: Have a point of order? Yes. Is it allowed for this body to send the budget back to the Town Council and have a special meeting after the Town Council has a second chance to reconsider the votes or the public switch?

Tim Pease: Let me give you my understanding of the implications of not passing a school budget this evening. I'm not sure exactly what you're suggesting. But let me answer my question, which is what happens if the school budget doesn't pass? There would be an interim budget that the school committee has to spend. And that would be a prior budget that had been approved. I think Mr. Im is probably at the edge of the seat ready to talk about that a bit. There won't be an amount of money that the school committee can spend at its own risk until you go back through the process of getting the school committee in front of the Town Council, have a public hearing, have warrant, and come back out and vote on the budget again, and it does happen in communities around the state where the school budget fails, and you come back and do it again.

Terry Hamm-Morris: I would like to have another ballot vote. The count was off and then it could turn into a change.

Tim Pease: I would point out that many people choose to or not vote and people can come and go and so forth. So don't I would not read anything into variations in voting. So I understand what you're requesting it be written down. Six other voters who would agree with that, all right, then we're going to have another written ballot vote on Article 26. And again, shall the school department be authorized to spend \$516,692.22 vote yes if you want to approve that, but no if you don't?

Motion to accept Articles 26 for the recommended Town Council amount \$ 516,692.22. Motion was seconded. There was limited discussion. A show of Hands had Yes 61 and No 63. Motion failed.

Tim Pease: We could entertain another amount on Article 26 or I would entertain a motion to pass it over, which would require two thirds vote. What's the will of the body?

Resident: Motion to pass over Article 26.

Motion to pass over Article 26. Motion was seconded.

Tim Pease: So, the motion on the floor is to pass over Article 26 means we wouldn't have a vote on it tonight. We need two thirds vote of the body, then that would result in passing over Article 26. There are implications about that, again, it requires two thirds vote.

Resident: What does it mean to pass over because it was just voted down?

Jerimiah Randcourt: I don't think anybody wants this to be passed over, or at least, maybe they don't think they do. Because we're just passing the buck down the road. People want things resolved. I think today. I suggest, instead, why don't we use the school department recommended number? You know, that's what my suggestion would be. Put that number forward vote on that would be my suggestion.

Tim Pease: I am going look to the two attorneys; the school attorney and the town's attorney to address the implications of what that would mean, because I see some people asking for that type of explanation.

Greg Im: So if we pass this over, which means we don't decide on it, as you said, we would not have a complete school budget, and the council would have to call another drafting of a warrant for a special meeting to reconsider the school budget, because, as you said, if we don't have a school budget by July 1, the school department runs on an interim school budget. The town still has to adopt a school budget. And they go through the process until it's done.

Tim Pease: Are you indicating if one of the cost centers fails tonight, then there is no school budget?

Greg Im: That's my position. Yeah. If you have an Article that's not adopted in any dollar amount at all, which is different from the \$0 amount, and you don't have a complete school budget.

Stephen Wagner: As I read the warrant and state law, that this is just an allocation for this particular cost budget items. So I don't see the basis for concluding that this would be in the entire budget. This specific budget allocation fails.

Sally Hartford: Just trying to clarify what you had said earlier. You had said after this, after you read the count of the votes, you said that this was voted down? What are our other options? You said is there another number? I don't know your exact words. Was there another number you would like to put forth or something to that effect? Are you saying that I thought we already hashed that out that we can't pick another number here? It's either this one or none.

Tim Pease: No, you can decrease. You didn't have a vote on the amount that's lower and at the time.

Sally Hartford: We just cannot increase, right?

Tim Pease: Correct

Sally Hartford: If this does not pass, we will have to do this all over again. The School Board will come back, they will make some more numbers, right? Town council will work through it in that process. We will have to have another vote. Is that correct? And another date?

Tim Pease: The schools attorney has suggested that.

Sally Harford: If we do that, what is the cost to the town to do that? Because we are talking about \$10,000 here. Between the number the town recommends the number the school recommends, we're talking about \$10,000. Will, this entire process cost more than \$10,000 for the taxpayers if we have to do this all again.

Howard Kroll: I would say no, but at the same time, it would probably be about half that, I'm guessing.

Sally Hartford: So, we're now going to spend \$15,000. If we end up getting the \$10,000 in the budget plus another \$5,000 to do all this administrative, and I'm not saying that means that we shouldn't do it. I'm not suggesting, I'm just asking the question of what the cost is? So you're saying that another vote is going to cost the town approximately \$5,000 to pull off?

Tim Pease: The motion on the floor is to pass over Article 26, in which case we wouldn't vote on Article 26. It would not be acted on tonight, whereas two thirds vote to enact on. If you don't reach two thirds vote on that, we will be discussing Article 26 again, and I'll be entertaining other motions.

Motion to pass over Article 26. Motion seconded. There was discussion. A show of Hands was Yes 58 No 56. Threshold was not met. We are not passing over Article 26 but will entertain another motion. The motion fails.

Motion shall the school department be authorized to spend \$ 516,690 for system administration. Motion was seconded. There was no discussion. A show of Hands was Yes 54 No 52. That is a vote unless doubted. The motion passes.

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

Motion to accept Articles 27 – 31 and waive the reading. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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.

Motion to accept Article 32. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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.

Motion to accept Article 33. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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

Motion to accept Article 34. Motion was seconded. There was no discussion. A written vote Yes 66 No 59. The motion passes.

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

Terry Hamm-Morris: When I made that comment before about using the discretionary funds to fill out the budget, so you don't need to raise the mill rate, this is where I should have made the comment. I believe that money is there and should be used. We don't know what's going to happen next year, but they'll still be plenty of money in that fund for next year for the school, and everything will be funded. So, nobody's going to suffer. Now, the SRO officer they were talking about wasn't even on the budget, when we had our meetings. So that really is irrelevant for this purpose tonight. So, it's going to have to be discussed at another point. So that \$100,000 difference I think they can take that out of that discretionary fund and I believe that they should. Schools aren't the only people that are needy, parents have to feed kids and clothe kids and heat the house and pay the water bills and everything. And we all know it's gone up and at the school, too, I understand that. They have that extra money. A lot of other people don't. And I think we have to consider that. When we vote on this budget, even though it's not a big difference. The school discretionary fund that they have could make that up very easily and not change the mill rate.

Greg Im: Want to clarify that, you know, if the school wants to spend \$100,000 on something that wasn't voted on in the first 11 Articles, just because they have fund balance, doesn't mean they're not legally allowed to expend.

Steve Thomas: So do we have to reduce that \$17,516,987.57 by \$2.22.

Tim Pease: So there's a motion to reduce the amount by \$2.22 with respect to how the body voted on Article 26. So we have an amendment to the motion. Is there a second? Right. So the amendment is what we're going to vote on next. And that is to be reduced the amount that I discussed which was \$17,516,987.57 by \$2.22 and that new amount was \$17,516,985.35.

Motion to amend the amount in Article 34 from \$17,516,987.57 by \$2.22 and that new amount was \$17,516,985.35. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. Motion passes.

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

Motion to accept Articles 36 - 42 as a whole and waive the reading of those Articles. Motion was seconded. There was no discussion. A show of Hands was unanimous in favor of the motion. The motion passes.

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 Recommend YES

ARTICLE 41: Shall the Town of Hermon raise and appropriate \$50,000.00 in additional local dollars in support of the food service program?

School Committee & Town Council Recommend \$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

Tim Pease: Folks, that's the end of the meeting. I just want to tell you. You should be very proud of yourselves. This was a lot of work, a lot of debate and handled it very civilly; divided house but stay together as community. You guys should be proud.

Motion to adjourn the meeting at 9:56 PM. Motion was seconded. With no objection the meeting was adjourned at 9:56PM.

**Respectfully Submitted,
Kristen Cushman, Town Clerk**