



**Town of Hermon**  
**Public Safety Meeting Room**  
**January 15, 2026**  
**Town Council Meeting**  
**6:00 PM**  
**MINUTES**

To watch Council Meetings go to [hermonmaine.gov](http://hermonmaine.gov) click Council click Town Council Meetings click Zoom

Please see the complete video at [Town Council Meetings | Hermon \(hermonmaine.gov\)](http://hermonmaine.gov)

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

**I. CALL TO ORDER BY CHAIRPERSON:**

**II. PLEDGE OF ALLEGIANCE:**

Chair Murphy led those in attendance in the Pledge of Allegiance

**III. ROLL CALL:**

**Members Present:** Joshua Berry, Adam Brewer, Richard Cyr, Jason Forbes, Christopher Gray, Terry Hamm-Morris and Ronald Murphy

**Members Absent:**

**Others Present:** Town Manager Stephen Fields, Town Clerk Kristen Cushman, and 6 residents/guests

**IV. PUBLIC ITEMS OR COMMENTS\*: *(ITEMS NOT ALREADY ON THE AGENDA)***

\*This is an opportunity for members of the public to comment on non-agenda items, contribute information that may be of interest to the Town Council or ask clarifying questions. Please wait to be recognized and identify yourself before speaking. This is not the time to register complaints or promote a personal agenda. Please remember that you may not identify any person by name or job function.

- **None**



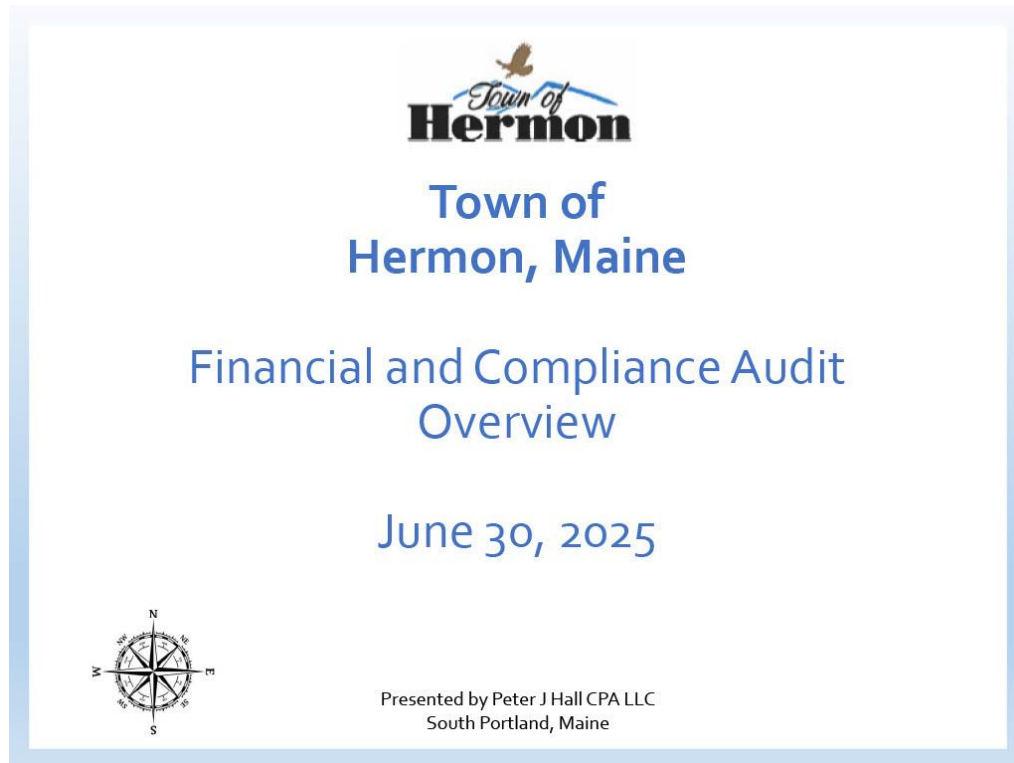
**V. REVIEW CONSENT CALENDAR: REGULAR BUSINESS, APPOINTMENTS, SIGNATURES, AND APPROVAL OF MINUTES:**

MINUTES	-APPROVE	12/11/2025, 1/13/2026
SIGNATURES	-APPROVE	
RESOLVES	-SIGN	
WARRANTS	-SIGN	12/19/2025, 1/2/2026, 1/5/2026, 1/13/2026 and 1/16/2026

**Councilor Hamm-Morris moved to approve the Consent Calendar with the 1/13/2026 Special Council Minutes. Councilor Gray seconded the motion. Motion passes 7-0.**

**VI. NEWS, PRESENTATIONS AND RECOGNITIONS:**

- Peter J. Hall CPA LLC to present the 2024 – 2025 Audit





## Town of Hermon, Maine Overview of Audit Process and Results

### *-Process*

- Management Extremely Well Prepared and Helpful
- Audit Procedures Commenced in November
- Reports Prepared for Issuance in Early January

### *-Results*

- Unmodified Audit Opinion on Financial Statements
- Unmodified Audit Opinion on Federal Compliance
- Town-Wide Financial Position Continues to Be Strong
- Town General Fund and School General Fund Both Sustained Losses for FY 2025

## Town of Hermon Net Position



### *Comments*

- Capital Assets, Net Represents Total Capital Assets Less Related Debt Outstanding
- Restricted Net Position Represents Net Position Subject to External Limitations
- Unrestricted Net Position is Simply the Residual After Backing Out the Above



### Town of Hermon Governmental Fund Balances



#### Comments

- General Fund Drawn Down by \$400K, While School Fund Balance Fell by \$745K
- Other Funds Comprise Various Reserves, Special Revenue and Other Similar Funds
- Overall, Total Governmental Funds Fell by \$835K, Primarily Due to Capital Outlays

### Town of Hermon General Fund – Components of Fund Balance



#### Comments

- Fund Balances Subject to Various Constraints on Use are Carved Out Separately
- Unassigned Fund Balance is Residual After Excluding Such Constrained Balances
- Unassigned Fund Balance Has Been Reduced Each Year Since 2021



Town of Hermon  
General Fund - Revenues

	Budget	Actual	Variance
Taxes	\$ 12,635,689	\$ 13,009,578	\$ 373,889
Intergovernmental	1,477,604	1,557,501	79,897
Licenses and Permits	70,100	98,786	28,686
Charges for Services	82,750	152,424	69,674
Interest	150,000	241,097	91,097
Miscellaneous	25,000	13,571	(11,429)
<b>Total Revenues</b>	<b>\$ 14,441,143</b>	<b>\$ 15,072,957</b>	<b>\$ 631,814</b>

*Comments*

- Favorable Variance in Tax Revenue Due to Better Than Budgeted Excise Taxes
- Favorable Intergovernmental Revenue Primarily Due to Higher Than Budgeted State Revenue Sharing
- Interest Outperformed Budget per Market Conditions

Town of Hermon  
General Fund – Expenditures

	Budget	Actual	Variance
General Government	\$ 1,524,974	\$ 1,500,624	\$ 24,350
Economic Development	618,925	642,138	(23,213)
Public Safety	1,933,196	1,877,840	55,356
Public Works	1,583,213	1,810,305	(227,092)
Solid Waste	665,555	682,541	(16,986)
Recreation and Social Services	768,499	460,212	308,287
Education (Transfer to School Department)	6,005,865	6,009,276	(3,411)
County Tax	1,156,813	1,156,813	0
Tax Increment Financing	197,679	203,594	(5,915)
General Assistance	5,000	785	4,215
Debt Service	460,710	459,796	914
Capital Outlay Transfers Out	490,000	490,000	0
<b>Total Expenditures and Other Financing Uses</b>	<b>\$ 15,410,429</b>	<b>\$ 15,293,924</b>	<b>\$ 116,505</b>

*Comments*

- Five Overspent Line Items Above Were More Than Offset by Underspent Lines Elsewhere, Leaving a Net Underspent Expenditure Budget of About \$115K



- **CES (Competitive Energy Services) – Rylee Cushman, Finance Director**



January 16, 2026

Hello Councilors,

I would like to provide you with an update regarding an order you signed in December authorizing the Town Manager and I to enter into an agreement with Competitive Energy Services (CES), in conjunction with the School Department, to reduce the Town's power supply costs.

Working collaboratively with the School Department, CES used the Town's historical power usage data and issued a competitive bid to multiple power suppliers. The bid process was successful. For reference, the Maine Public Utilities Commission has set the CMP standard offer rate for calendar year 2026 at \$0.12721 per kWh, with the Versant standard offer rate slightly higher. The accepted bid rate represents a 17.15% per kWh savings compared to the CMP standard offer rate.

Included in your packet is a breakdown of the bids received, along with an estimate of projected savings based on calendar year 2026 usage, including disclosures. Based on this analysis, **and assuming the rate had been in place for the full 2026 calendar year**, the estimated savings would be \$4,957.92 for the Town and \$23,994.86 for the School Department. These figures are provided for comparison purposes only, as the contract will take effect beginning in February.

Due to the timing of authorizations and the bid process, the new supply rates will go into effect at the beginning of February. For simplicity and consistency, all savings calculations are shown as if the rate had been locked in for the full 2026 calendar year.

Standard offer rates for 2027 have not yet been established by the Maine Public Utilities Commission. However, based on historical trends, we believe this agreement will help safeguard Hermon taxpayers from rising energy costs through the end of the contract term in November 2027. The agreement is also intentionally timed to conclude with the Penquis region, positioning the Town to participate in future bulk bidding opportunities and achieve similar cost savings.

Please let me know if you have any questions or would like additional detail.

Thank you.

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**VII. PUBLIC HEARINGS:**

**VIII. COMMITTEE REPORTS:**

**IX. SCHEDULED AGENDA ITEMS:**

**A. OLD or INCOMPLETE BUSINESS:**

**B. NEW BUSINESS:**

**C. WORKSHOPS:**

**CIP workshop – Stephen**





January 15, 2026

**Capital Improvement Plan (CIP)  
Fiscal Years 2027–2031  
Future Preview Through FY2040**

**What Is the Capital Improvement Plan?**

The Capital Improvement Plan (CIP) is the Town's long-range plan for maintaining, replacing, and improving major infrastructure, facilities, and equipment. The CIP looks ahead five years and includes a future preview to help the Town plan responsibly for long-term needs.

The CIP is a planning document. It does not approve spending by itself. All projects are subject to annual budget approval and, when required, voter approval.

**Why the CIP Matters**

The CIP helps the Town:

- Maintain safe and reliable public services
- Replace aging equipment and infrastructure before failures occur
- Spread costs over time to reduce sudden tax impacts
- Plan ahead rather than react to emergencies
- Provide transparency to residents about future needs

**What Types of Projects Are Included?**

The CIP includes major capital needs such as:

- Emergency service vehicles and equipment
- Road construction and paving
- Public Works vehicles and facilities
- Sewer infrastructure improvements
- Cemetery maintenance and preservation
- Municipal facilities and recreation planning

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Some future projects are identified without cost estimates to ensure they are considered in long-range planning.

#### **How Are Projects Funded?**

Capital projects may be funded through:

- The Town's annual operating budget
- Reserve funds built over multiple years
- Grants, when available
- Loans or municipal bonds for large projects

Existing obligations, including school bond payments and the track loan, total approximately \$950,000 per year and are already incorporated into financial planning.

#### **CIP vs. Reserve Funds**

Some projects are paid for in a single year through the CIP. Others are funded through reserve accounts over several years. Using reserve funds allows the Town to plan ahead and reduce the impact on taxes in any one year.

All reserve funds follow state law requirements.

Reserves Funding balance (as of December 31, 2025) is combined for all town accounts at \$1,986,560.

#### **Five-Year Planning (FY2027–FY2031)**

Over the next five years, the Town plans to:

- Continue annual road construction and paving
- Replace emergency and public works vehicles on a planned schedule
- Maintain sewer infrastructure reliability
- Address ongoing cemetery and facility needs

Many projects are phased over multiple years to support financial stability.

#### **Looking Ahead to FY2040**

The future preview highlights anticipated needs over the next 10–15 years, including:

- Fire and public safety equipment
- Road and facility infrastructure
- Sewer improvements



- Cemetery and recreation assets

Estimated long-term planning figures include:

- Operating Budget: approximately \$12.38 million
- Annual Capital Funding: approximately \$731,200
- Reserve Funding: approximately \$5.51 million

#### **School Department Capital Planning**

The Hermon School Department develops its own capital plan through the Superintendent, administration, and School Committee. School capital costs are included in the School Department's operating budget and are not part of the Town's CIP cost projections.

#### **What Does This Mean for Residents?**

The CIP helps ensure:

- Reliable services and infrastructure
- Thoughtful financial planning
- Transparency about future investments
- A balanced approach to taxes and service levels

Stephen Fields  
Town Manager



**D. OTHER ITEMS: (FROM TABLE PACKAGE)**

**X. APPOINTMENTS:**

**Stephen Fields, Town Manager for the Town of Hermon, has achieved the designation of Certified Town Manager, sponsored by the Maine Town, City & County Management Association (MTCMA).**

**Across the State of Maine, municipal governments are administered by town and city managers, along with 16 county managers serving at the county level. Of these professionals, only 22 individuals statewide currently hold the Certified Town Manager designation. Stephen Fields is one of these 22 certified managers, representing approximately 4.5% of all certified municipal managers in the State of Maine.**

**The Certified Town Manager designation is significant, as it requires demonstrated professional experience, a commitment to continuing education, adherence to ethical standards, and active engagement in professional development. This certification reflects a high level of competency and dedication to effective municipal leadership and public service.**

- Town Manager appointment under the terms set forth in the employment agreement to reflect charter change

**Councilor Gray moved to approve the appointment under the terms set forth in the employment agreement to reflect charter change. Councilor Cyr seconded the motion. Motion passes 7-0.**



## **XI. MANAGER STATUS REPORT:**

I would like to take a moment to recognize the tragic fatal accident that occurred earlier this week involving Maine DOT public servants. This serves as an important reminder for all of us to remain mindful and cautious around those who work to keep our communities safe our first responders in law enforcement and Fire/EMS, public works staff, independent construction crews, contractors, tow operators, and anyone assisting vehicles on the roadside.

Please remember to slow down, stay alert to your surroundings, watch for signage and flaggers, and give these individuals the space they need to do their jobs safely. Their safety depends on our attentiveness.

Additionally, be vigilant around school buses and children crossing or walking along the road. Let's all do our part to ensure that those working within the Town of Hermon and beyond can have a safe day on the job and return home to their families and loved ones.

The Town Office will be closed on Monday, January 19, in observance of the Marting Luther King Jr holiday.

The Town Office will be closed all day for mandatory annual safety and administrative training on Tuesday, February 3, 2026. I apologize for any inconvenience to the public. The office will reopen on Wednesday, February 4<sup>th</sup>.

Thank you to the town staff for continued and dedicated public service for our residents and businesses. To the citizens, thank you for the patience while the town continues regular winter storm operations and cleanup.

Thank you for the recognition of becoming a Certified Maine Manager, I appreciate the continued support of professional development for all staff.

## **XII. FINAL PUBLIC ITEMS OR COMMENT\*: (ITEMS NOT ALREADY ON THE AGENDA)**

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- None



### XIII. COUNCIL ITEMS:

- Sign orders and resolves from section IX

**Jason Forbes:** I would just like to take a second to put a spotlight on Nick Haggerty, our Public Works foreman. Nick spent three days in Gardiner doing a New England wastewater training program, and we talked about this earlier. He didn't just get his feet wet. He got thrown into the deep end. This course isn't just about what happens when a toilet gets flushed. It's about how the wastewater treatment plant operates, BDU's to use regulating horse powers on pumps velocities, the trigonometry and the algebra that's involved. Its three hours a day of mathematical classes, three hours a day of engineering classes. And Nick was just a deer in the headlights when he got there. But he was nothing but professional. I sat next to him in the front row. He took it all in. He did a heck of a job, and I was awful proud of him, and I just like to say that to the community. Nick, really put forth a great effort this week, and he was very professional. Did a good job. Thank you, Nick.

**Christopher Gray:** This is our first meeting back from Christmas and the long break over New Year's as well. Hope everyone had a great Christmas and a Happy New Year. Just to finish on what we talked about at the end of the last meeting is the girls' varsity basketball team. They had a big game against Dover Foxcroft, who was eight and one. Our girls came in with a record of five and five at the time, they won by one point in the last like second of the game through some foul shots. Congratulations, to girls' varsity. Get out and support your Hermon hawks athletics,

**Terry Hamm-Morris:** I just want to compliment Stephen and all your staff for this amazing amount of work that you've done and put together, and it's made it much easier to understand and all done early this year. Thank you and the staff have done a great job.

**Joshua Berry:** I wanted to compliment Mr. Fields and the staff on putting this together. This can be pretty nerve wracking, having this come to a public meeting, but what we asked for, and I think, is what we need to look at and I appreciate it. Great to hear on Nick. Nick from day one has been a big asset to the town. Appreciate to hear.

**Ronald Murphy:** I certainly want to say thank you to Nick. I know he's a valued employee here, and since he's come here, he's really done a tremendous job. I'm glad to hear that he really got his feet wet at that school. That's good. And Steve, and again, congratulations to you. You know for what you do, is certainly going to be an asset to this town. This road map that you've given us is certainly going to be some hefty decisions made for not only this year's Council, but Future Councils as well. I appreciate that.



**XIV. EXECUTIVE SESSION:**

**XV. ADJOURNMENT:**

**Councilor Gray moved to adjourn the meeting at 7:34 PM. Councilor Cyr seconded. With no objection the meeting was adjourned at 7:34 PM.**

**Respectfully Submitted,**

**Kristen Cushman  
Town Clerk**

**Please see the complete video at [Town Council Meetings | Hermon \(hermonmaine.gov\)](https://hermonmaine.gov/town-council-meetings)**

**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.