



**Town of Hermon**  
**Public Safety Meeting Room**  
**February 12, 2026**  
**Town Council Meeting**  
**6:00 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 Murphy led those in attendance in the Pledge of Allegiance

**III. ROLL CALL:**

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

**Members Absent:** Joshua Berry, Christopher Gray - Excused

**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	01/15/2026
SIGNATURES	-APPROVE	
RESOLVES	-SIGN	
WARRANTS	-SIGN	01/30/2026, 02/13/2026

**Councilor Forbes moved to approve the Consent Calendar. Councilor Cyr seconded the motion. Motion passes 5-0.**

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

**VII. PUBLIC HEARINGS:**

- TIF District #27 – ABM Mechanical

**Chair Murphy opened the public hearing at 6:02 PM. No public comments were made. The hearing closed at 6:02PM.**

**VIII. COMMITTEE REPORTS:**

**IX. SCHEDULED AGENDA ITEMS:**

**1. OLD or INCOMPLETE BUSINESS:**

**2. NEW BUSINESS:**

**O25-26-35 AN ORDER**

**Providing for: Designation of Town of Hermon, Maine Municipal Development and Tax Increment Financing District (No. 27) (ABM Mechanical) and Adoption of Related Development Program**

**Councilor Cyr moved to approve O25-26-35. Councilor Brewer seconded the motion. The motion was accepted. Motion passes 5-0.**

**O25-26-36 Consider enacting a moratorium ordinance to the Hermon Code of Ordinances titled “154.084 Mobile Home Parks”**

**Councilor Cyr moved to approve O25-26-36. Councilor Brewer seconded the motion. The motion was accepted. Motion passes 5-0.**



**O25-26-37 Consider** scheduling a public hearing on April 9, 2026 regarding 2038 Park Drive as a dangerous building

**Councilor Cyr moved to approve O25-26-37. Councilor Brewer seconded the motion. The motion was accepted. Motion passes 5-0.**

**R25-26-07 Consider** accepting Capital Improvement Plan for June 11, 2026 Annual Town Meeting

**Councilor Cyr moved to approve R25-26-07. Councilor Forbes seconded the motion. The motion was accepted. Motion passes 5-0.**

### 3. WORKSHOPS:

- **Budget presentation – Stephen Fields**

**March 13, 2026**

**Memorandum for Town of Hermon, Town Council**

**From: Stephen Fields, Town Manager**

**Reference: Fiscal Year 2027 Municipal Operating Budget Summary Narrative**

**Greetings to the Honorable Council Members and Citizens of Town of Hermon**

**For the Fiscal Year 2027 Municipal Operating Budget, I implemented a team approach to the development of the budget with Department Heads, who received input from staff. My process started with individual department meetings in September 2025 through November 2025. The next few months consisted of final input of data into TRIO software budgetary module, working with Assistant Town Manager and Finance Director to obtain historical budgetary information. Overall, the process was efficient and streamlined.**

**Historically the budget has been developed and maintained for the process in Microsoft Excel and upon final approval from the Annual Town Meeting Warrant Results, data was placed into TRIO Budgetary Module, prior to fiscal year 2025.**



**Beginning in Fiscal Year 2026, the administrative team developed the budget in excel with implementation into TRIO Budgetary Module for all phases. TRIO Budgetary became the record of source.**

- **Allowed for historical year comparison (based on data in system)**
- **Allowed for comparison of next year's fiscal budget entry phase budget to current budget for percentage and dollar changes, based on how reports would be printed.**
- **Excel was utilized for internal control methods only and not source of record.**

### **Impact**

**The question of mil rate estimate and impact is not adequately answered until all required financial data is provided from the legislative body vote at the Annual Town Meeting and the Municipal Valuation Return (MVR). The mil rate and range are determined by the results and data calculated in the MVR which includes many key components.**

**The MVR is completed by the Assessor. As the Town Manager, I am not the town assessor or a state-certified assessor. Therefore, without the proper data available, I will provide a projection from available budget financial data to estimate, repeat an estimated range for the tax levy, also known as the mil rate.**

**The Assessor, by statute, can collect data for the MVR for all property owners effective April 1<sup>st</sup> of each year. This significant date allows the team to move forward, and update all required taxation allocation values for the MVR.**

- **Key Components:**
- **Valuation of commercial and residential properties. Increase and/or decrease of valuation is dependent on historical market results.**
- **Approved budgetary expenses and revenues for cost centers that include:**
- **County Tax Assessment**
- **Municipal Operating Budget**
- **Tax Increment Financing (TIF)**
- **Local Education Appropriation**
- **State Revenue Share**
- **All other revenues (not including State Revenue Share)**

**All these components will result in the formulation of the tax mil rate range to establish the final mil rate required for the town to balance the operational budget/annual town fiscal budgetary warrant. Once the final approval of the annual town fiscal warrant is verified and validated, the Assessor will complete all required actions for the municipal valuation report and commitment.**



A variety of factors were reviewed in the development of the budget. Some of the factors include historical expenditure levels, revenue sources, property valuation changes, annual financials, consumer inflation and the services provided to the town. The town has been providing services to meet the needs of the community, especially with commercial and residential growth.

Special Note 1: The School Department and County Tax are not included in the calculated totals.

The County Tax Assessment I am estimating is a 25% increase.

The School Department I am estimating at 9%. A review of revenues, to be received during February, will have required adjustments by the School Administration and School Committee.

### Summary

The following budget summary view looks at the current budget and the initial recommendation requests.

The increase is compiled of the following items:

- Consumer inflation of supplies and material required to operate the administrative requirements.
- Request an increase in public work road improvement/paving and construction projects. A typical year to maintain and not fall behind in road maintenance would be funded approximately \$1,000,000. Labor, aggregate material, fuel, liquid asphalt is variable depending on the market, have seen increases in costs. I am recommending continuing a phased approach; therefore, the request is \$850,000.
- Capital Improvement funding increased to allow the administration and Council to develop and implement a sound improvement funding source for capital needs to include vehicles, equipment and facilities. The Capital Improvement Plan is a separate plan document, but the costs are included within the budget calculation.
- The Penobscot County and County Commissioners recognize the impact of costs on the town. Due to a result of budgetary financial shortfall, the tax levy assessment will be increased compared to previous history.

The town staff, myself and department heads, have provided recommendations for required expenditure. These recommendations outline the changes needed to meet the town's growing demand for services and capital improvement.



There are many variables in completing a budget process and municipal valuation return. All components are needed to provide accurate and transparent information. While compiling the budget for the operation of the town and school, both administrations work with elected officials to develop what is required to operate based on services and support. I will conclude that the fundamental and root question to ask...What is the quality, level, and required need to provide service and support to the Town of Hermon? What expenditure is to be sacrificed or spared for the future on the service and support? Please consider the level of service, what services, quality and impact to the citizens this budget request is compiled. The Town has had growth in commercial and residential with services provided in incremental stages over the past years.

For the Council and public, to assist in this, I provided the 3-year History Comparison, TRIO report, that visualizes the budget vs. actual costs for operating years. These products will be available on the Town website and at the town office for review.

Enclosed with this memo is the TRIO report, Current vs. Initial for Department Only for review.

The following documents are contained within the Council Budget FY27 Binder for review and reference.

Council Presentation PowerPoint

Capital Improvement Plan FY27 (One page summary document)

Three-Year History and Initial Report

Current Budget vs. Initial Budget Report (Division Level)

Current Budget vs. Initial Budget Report (Department Level)

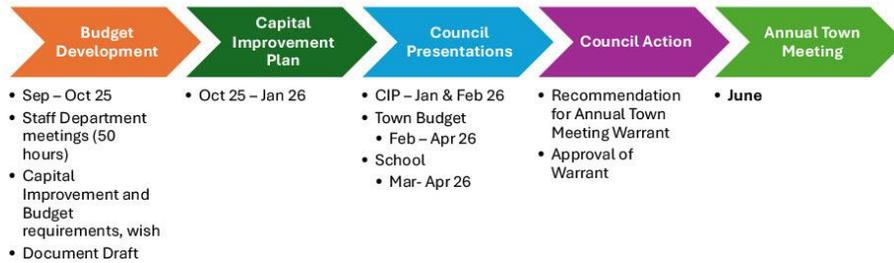


# FY 2027 Municipal Operating Budget Projections

Stephen Fields, CMM, PSHRA-SCP  
Town Manager

February 12, 2026

## FY27 Budget Process





## General Information

### Budget Projections

- County and School – **estimates only**, waiting for final data
- County Assessment - estimate at 25%
- School – Revenue projections and final updates - estimated 9%
  - First Reading – March 2026 School Committee Meeting
  - Second Reading – April 2026 School Committee Meeting

### Quality of Service and Requirements for citizens/businesses

### Delay of implementation results

- Tax levy rate
- Bond/Loan for small items (vehicles) vs major projects (facility)

## Highlights of Revenue FY27

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OVERALL  
REDUCTION FROM  
FY26



FUND BALANCE USE  
MINIMAL (\$100K)



TIF REVENUES



EMS INSURANCE  
REVENUES



## Highlights of FY27 Budget Expenditure

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- Capital Improvement Plan
  - Capital Required Needs
  - Reserve Funding – future major expenditure
- Additional software purchased in FY2026, requires annual cost
- Winter Snow Operations RFP – estimate in expenditure
- Valuation steady with minimal gains – market basis
- Routine costs added: Shred on site, security access
- Sewer maintenance transition and billing
- Equipment requirements

### Review of Capital Improvement Plan

Reserve Funding for future expenditure 5-yr plan \$903,000.00

Annual Operating Budget \$976,510

- Road Paving/Construction, Sewer, Public Works/Cemetery

Capital Purchase contained in budget \$481,380

- Fire Department Vehicle, Boat
- Public Works Vehicle
- Public Works/Town Office facility maintenance
- Use of available reserve funding

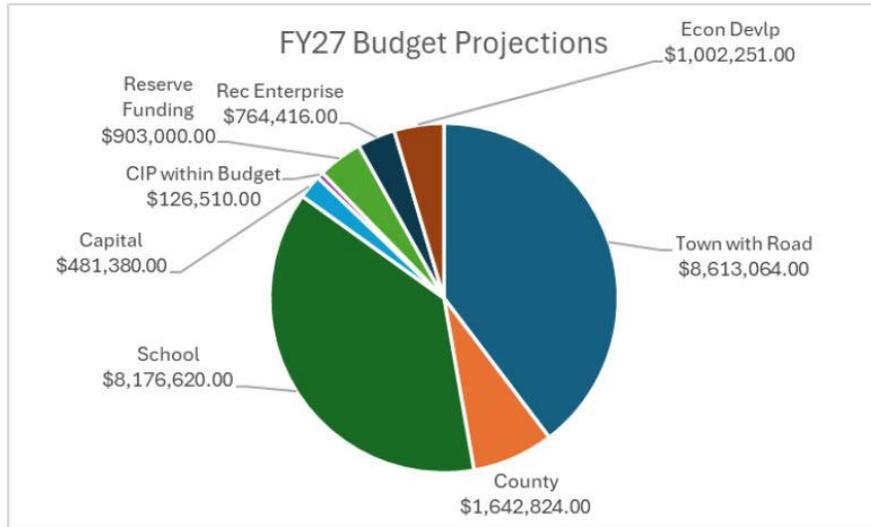


# FY27 Capital Improvement Plan – 1 yr

Town Council FY27 Budget presentation Feb 12, 2026 - Stephen Fields, Town Manager		Fiscal Year: 2027	
		School Bond Complete 11/2020 (\$600,000)	
		Track Loan Complete 4/2034 (\$450,800)	
Category	Recommended Funding Source	Department	Total CIP Expenditures by Year
CE	To Fund Reserve Herms05 (04-05-57-05)- Levy	Fire Department	Fire Vehicle, Engine 411(2009) (20yrs) = 2028 \$1,082,000
CE	Use Reserve Herms05 (17-01-15-05) - Revenue	Fire Department	Fire Vehicle, Utility (2009)406 (15yrs)
CE	To Fund Reserve Herms05 (04-05-57-05)- Levy	Fire Department	Fire Vehicle, Ambulance 419 (7yrs) = 2028 \$550,000
CE	Use Reserve Herms05 (17-01-15-05) - Revenue	Fire Department	Fire Vehicle, Boat #6 (20yrs)
CE	To Fund Reserve Herms05 (04-05-57-05)- Levy	Fire Department	Self Contained Breathing Apparatus (2013)15yrs = 2028 \$315,000
CE	Use Reserve Herms05 (17-01-15-05) - Revenue	Fire Department	Hydroic Rescue Tools(2018) (10yrs) = 2028 \$100,450
CI	Municipal Operating Funding 11-01-10-22	Public Works	Summer Road Projects* (Note: 3 yr period to 31M)
CE	Municipal Operating Funding 11-01-10-22	Public Works	PW Ops Software (year 1 include setup cost 3yr contract)
CE	To Fund Reserve Herms06 (04-06-57-06) - Levy	Public Works	Tablet
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Works	Emergency Road Repair
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Works	PW 2 (mura levy) (2015) (7yrs) (Dump body rusted out)
CI	Municipal Operating Funding 11-01-10-14	Public Safety	Signal Preventive Maintenance
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Safety	Generator hooding/ backup battery Coldbrook Signal
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Works	Tractor (2009) (15yrs)
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Works	Tractor rake
CE	Use Reserve Herms06 (17-01-15-06) - Revenue	Public Works	Bubbling (New Item) (20yrs)
CI	Use Reserve Herms11 (17-01-15-06) - Revenue	Public Works	PW Facility upgrade - fuel
CI	Use Reserve Herms11 (17-01-15-06) - Revenue	Public Works	Big Garage/maintenance rooming (ice hazard)
CI	Use Reserve Herms11 (17-01-15-06) - Revenue	Public Works	Town Office heated pads (ice hazard)
CI	Use Reserve Herms11 (17-01-15-06) - Revenue	Public Works	Town Office gutters (ice hazard)
CI	Municipal Operating Funding 11-06-12-23	Sewer	Lift station maintenance
CI	Municipal Operating Funding 11-06-12-02	Backhoe/Bench	Facility maintenance (Doe removal & install, bathroom)
CI	Municipal Operating Funding 11-01-10-01	Tennis St	Internet (monthly 80)
CI	Municipal Operating Funding 11-06-12-15	Recreation	Cemetery Stone replacement/maintenance (repair only)
CI	Municipal Operating Funding 11-01-12-02	Recreation	Rec Canopy/Covered PADS Power new request (2024)
CI	Municipal Operating Funding 11-01-12-02	Recreation	Rec. Paint games PADS
Municipal Operating Funding (within FY budget expenditures)		\$	976,510.00
Use of available Reserve Funding (considered FY revenue)		\$	481,380.00
Fire Department Herms03		\$	165,880.00
Public Works Herms01		\$	218,500.00
Public Facility Herms11		\$	93,000.00
To Fund Reserves for future capital requirements via tax levy		\$	903,000.00

## Budget Breakdown - Projection

Town with Roads	\$ 8,613,064.00	39.67%
Economic Development & CEA	\$ 1,002,251.00	4.62%
CIP within Budget	\$ 126,510.00	0.58%
Capital Improvement	\$ 481,380.00	2.22%
Reserve Funding	\$ 903,000.00	4.16%
Rec Enterprise	\$ 764,416.00	3.52%
Schools	\$ 8,176,620.00	37.66%
County	\$ 1,642,824.00	7.57%
Total	\$ 21,710,065.00	100.00%
Capital and Reserve Funding		6.96%



The projections for County and School are **estimates only**.



- Projection = 19.74% increase
  - Town, School and County
    - **Estimate** for School and County – requires adjustments
- Tax Levy
  - Final rate upon completion of budget approval (Annual Town Meeting)
    - Based on any adjustments
    - Municipal Valuation Report Completion
    - **Estimate** TBD

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

**X. APPOINTMENTS:**



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

Thank you to our contractors and public works team for the winter snow removal efforts during the last two-day storm and additional clean up actions at the end of January. The extended hours are appreciated to keep our roads open for safety of the citizens, businesses, and first responders.

I would like to thank all the town staff for this past week with attending the Annual Safety Training and providing support to me with the finalization of the FY27 municipal operating budget.

The past month has been filled with winter storms and conditions. Spring is nearing. Keep an eye on your neighbors as we progress through the winter season. The Fire Department did an outstanding performance responding on Jan 25<sup>th</sup> in the height of the storm to support our neighbors responding to Bangor International Airport aircraft crash. This event continues to promote the need for first responders and the professional development the staff endure. Thank you to the fire department, your performance is noticed and appreciated.

The Rec Department is holding the Daughter Dance on Feb 15<sup>th</sup>. A dress event held on Friday, Feb 6<sup>th</sup> was a success for all of the young ladies to find a nice outfit for the evening. May those attending the dance have a special memorable moment.

I want to thank the public and Council for taking the time tonight for providing attention during the FY27 municipal operating budget. For those that have any questions, please feel free to contact myself during business hours or a Councilor. Further discussion on the budget will occur during the March Council meeting.

The Hermon School Department FY27 budget will have the first reading at the next school committee meeting on March 2<sup>nd</sup>.

Nomination papers for elected officials are available on March 2<sup>nd</sup> through April 10<sup>th</sup>. Best of luck to all candidates opting to support the community in an elected position. Thank you.

Have a happy valentine's day with your loved ones and family.

## **XII. FINAL PUBLIC ITEMS OR COMMENT\*: (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



XIII. COUNCIL ITEMS:

- Sign orders and resolves from section IX

Jason Forbes: Just like to say, everything that was talked about this evening were increases, the two increases that they're talking about are county, which we can't do anything about. The second phase of increase was the school budget, and the only way we can control that is everybody contributing. So, if you have a concern, voice your concern to a councilor or school budget or school committee member. Attend the meetings, come to the town meetings, be there to vote. Participation is the only way to get a vote and make things change. It's very simple to push blame, point a finger. We're hearing this at the same time as everybody else is this evening. Three months from now, everybody's going to be blaming the people that are sitting at this table for what happens. We can't do our job without you participating, letting us know what needs to be done and what you want to pay for. So, I ask, please be a participant, be a constituent of the town. Let's all be proactive and not reactive and just speak up for what you can pay for, what you want to see our children have, and the way you want to see the town progress. The only way we can do that in harmony is to do it collaboratively as a community. I just ask everybody, please get involved, say your piece, and let's do this as a community. Thank you.

Richard Cyr: I'd just like to thank everybody for their participation. And again, I love it when we come and express what you want to have with us rather than come pitch.

Adam Brewer: I would just like to thank Steve again for the budget presentation, and there's a lot of work in there. I looked at some of it in our email, but this is more in depth and hearing him explain some things is helpful. So, I will definitely take a better look at that. I apologize; I wasn't at the second meeting either. I didn't know about the first one I wasn't at because I didn't feel well, but I will be at the March 2 meeting for school, and we'll see what we can get done there. Also, as Jason said, if anybody has any questions or wants things to be brought up, we don't know unless they tell us, I don't get people that will reach out, but sometimes they do, but that's, the only way I know what to bring up.

Terry Hamm-Morris: I think we all get affected by social media. 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 who have done a great job. High School boys basketball team plays Friday night at 5:30pm and girls Saturday night at 7:00PM. The other thing I would like to say is to show what a great staff we have here at Hermon. I was in church, and one of the one of our elders came up to me, and he asked me if I was still on the town council. And I said yes. And he said, well, you have a really good person over there who's working for you. His name is Rylee. And I said, oh, really, thank you. I said, what did he do? But he did say that Rylee



told him what he was doing was wrong and that he could show him how to save money if he did it another way. And he really appreciated that. So, you know, Rylee is not only helping the people in our community, but people in other communities too, I guess, who have to deal with us. So, I think he's doing a great job, and that I wanted to express to the public what a good job he is doing, and it is being recognized by other people.

Ronald Murphy: The only thing I've got is Steve, I want to thank you. I know you put hours of work into this budget and the rest of the staff too as well, and I just want everybody to know that Steve is really just the messenger here. He's telling us what the town needs and what we're going to need in the future, so we don't end up in a bind somewhere and have to take out a bunch of bonds to get caught up. So yes, unfortunately, there are going to be some increases, but he's letting us know what we need and it's up to the council to decide whether they want to send it to the voters, because the voters have the final say. We don't have the final say. So, thank you, Steve. I appreciate that. And then you and the staff, I know you put a lot of time in on that, I appreciate that. Thank you.

**XIV. EXECUTIVE SESSION:**

**XV. ADJOURNMENT:**

Councilor Cyr moved to adjourn the meeting at 6:59 PM. With no objection the meeting was adjourned at 6:59 PM.

Respectfully Submitted,

Kristen Cushman, CCM  
Town Clerk

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

**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.