



**Town of Hermon**  
**Public Safety Meeting Room**  
**June 29, 2017**  
**Town Council Meeting**  
**7:00 PM**  
**AGENDA**

Council Meetings may be viewed live online and are archived after the meeting has taken place – check hermon.net for link.

\*\*\*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:**  
  
MINUTES. -APPROVE  
  
WARRANTS. –SIGN      June 30, 2017
- V. **NEWS, PRESENTATIONS AND RECOGNITIONS**
  - **Valuation Presentation – B. Birch**
- VI. **PUBLIC ITEMS OR COMMENTS** (*Items Not Already on Agenda*)
- VII. **PUBLIC HEARINGS**
  - #1. **Hold Pubic Hearing – Town of Hermon Recreational Marijuana Ordinance**
- VIII. **COMMITTEE REPORTS**
- IX. **SCHEDULED AGENDA ITEMS**



**A. OLD BUSINESS**

- #2. **Consider** Approving an ordinance titled “*Recreational Marijuana Prohibition Ordinance*”
- #3. **Discuss** RFP Audit Services for FY 2018, 2019 and 2020
- #4. **Consider** Amending the Town of Hermon Personnel Policy

**B. NEW BUSINESS**

- #5. **Consider** Approving expenditure from the Sewer Reserve Account
- #6. **Consider** Council Meeting Schedule for July 13, 2017

**C. WORKSHOPS**

**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:**

**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.

## MEMORANDUM

To: Members of the Hermon Town Council  
From: Howard Kroll, Town Manager  
Re: 29 June 2017 Town Council Meeting  
Date: 22 June 2017

### ***PRESENTATION- Ben Birch and Maine Revenue Services***

Ben Birch is going to present to the Council how valuation effects both the county tax and funds for education. Maine Revenue Service will be present to further explain the process.

### **#2. Consider- APPROVING an ordinance entitled “Recreational Marijuana Prohibition Ordinance” of the Town of Hermon.**

The proposed ordinance would be adopted pursuant to the Title 30-A M.R.S. §3001 and Title 7 M.R.S.A. 417.

The purpose of this proposed ordinance is to impose a ban on the operation of Retail Marijuana Establishments and Retail Marijuana Social Clubs in the Town of Hermon to protect the health, safety, and welfare of the people of Hermon as these activities constitute a nuisance.

The operation of Retail Marijuana Establishments which includes Retail Marijuana Stores, Retail Marijuana Cultivation Facilities, Retail Marijuana Products Manufacturing Facilities, and Retail Marijuana Testing Facilities; and the operation of Retail Marijuana Social Clubs would be prohibited within the Town of Hermon, and therefore all activities related to the abovementioned retail uses such as, but not limited to, cultivation, possession, extraction, manufacturing, processing, storing, laboratory testing, labeling, transporting, delivering, dispensing, transferring, and distributing are expressly prohibited within the Town of Hermon.

***Town Manager recommends Town Council approve this Ordinance.***

### **#3. Discussion- RFP Audit Services for FY 18, FY19 & FY20**

An RFP was placed seeking Audit services for both the Hermon School Department and the Town. We received 3 bids from qualified audit firms. The Superintendent, Finance Director and Town Manager reviewed the 3 bids and each came to the conclusion that RKO is the best option out of the 3 bids. RKO

has done the audit for both the school and town since 2009 and have done a good job and know both the school and town very well.

**Town Manager recommends awarding Audit services contract to RKO**

**#4. TABLED FROM 1 JUNE 2017 MEETING**

**Consider- Amending the Town of Hermon Personnel Policy**

Staff is seeking Town Council authorization to amend the Personnel Policy with the following action:

(a)

**E.4**

**SECTION 4. OVERTIME**

4.1 STANDARD WORK WEEK: The standard work week for full-time, non-exempt, employees shall be forty hours per week, with the exceptions in Section 4.2. Lunch break shall be determined by the Town Manager, and unpaid. Exempt employees, due to their responsibilities for program goal accomplishments, field work and varying requirements including night meetings may work a flexible schedule but averaging the standard number of work hours. Work schedules will be set by the Town Manager to meet the various requirements for administering the Town's activities. Time to be worked outside of normal office hours for town office employees must be approved in advance by the Town Manager

Any non-exempt employee working time in excess of 40 hours in any regular work week will be compensated with overtime pay at a rate of one and one half hours per hour worked except as addressed by Section 4.42..a.

~~4.3 STANDARD WORK WEEK PUBLIC WORKS DEPARTMENT: The standard work week for full-time, non-exempt, public works staff shall be forty hours per week. Public Works basic schedule is either five (5) eight (8) hour days. Anytime worked in excess of a scheduled 8 hour day shall be paid as overtime. Additionally any employee having reached 40 hours in a week or 80 hours in pay period shall not be scheduled to work until the next pay period unless authorized by the manager or authorized designee.~~

All overtime must be approved in advance by the Town Manager or authorized designee. Any individual who works over his/her regular hours without pre-approval from the Town Manager may be subject to disciplinary action as defined in this policy.

~~4.4-2.~~ COMPENSATORY TIME: This section applies to non-exempt employees only.

a. In certain situations, and at the discretion of the Town Manager, an employee who works in excess of 40 hours in any regular work week may choose to be compensated with compensatory time in lieu of overtime at a rate of one and one half hours per hour worked.

~~b. All compensatory time must be used in the fiscal year it is accrued or within sixty days of it being earned, whichever is greater.~~ No employee will be allowed to accumulate greater than twenty-four (24) hours of compensatory. Further the Town Manager has the right to schedule the use of compensatory time at a time convenient for the Town.

c. An employee who requests the use of accrued compensatory time shall be permitted to use available compensatory time within a reasonable period after making the request to do so if the use of the compensatory time does not unduly disrupt the operations of the Town. Such determination will be made by the Town Manager.

d. The Town may cash out an employee's accrued compensatory time by paying the employee cash compensation for unused compensatory time. Such compensation shall be paid at the regular rate earned by the employee at the time the employee receives such payment.

e. An employee who has accrued compensatory time off at the time of termination of employment shall be paid for the unused compensatory time at their most current pay rate. ~~at a rate of compensation not less than either the employee's average regular rate received by the employee during the last 3 years of the employee's employment, or the final regular rate received by such employee, whichever is higher.~~

4.5-3 EMERGENCY CALL OUT: Town employees will receive their regular pay when answering emergency calls, subject to overtime policies.

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5.1 All full-time and benefited employees, including those on probation who have served at least thirty days, shall be entitled to the following paid holidays:

New Year's Day	Labor Day
Presidents' Day	Columbus Day
Patriot's Day	Veteran's Day
Memorial Day	Thanksgiving Day
Independence Day	& following Friday
Martin Luther King Day	Christmas Day

a. When a holiday falls on a Saturday, the previous Friday shall be a holiday. If a holiday falls on a Sunday, the Monday after shall be a holiday. If the holiday falls on a regular work day then the office will be closed, and the full day will be given. If an employee is required to work on a holiday the employee will be compensated on a time and a half basis. If an employee works on a holiday, they will be paid at time and a half and receive the holiday hours at regular time. ~~If an employee is required to work on a holiday the employee will be compensated on a time and a half basis but will forfeit holiday pay for the hours worked. If the employee is already scheduled to receive time and a half, the hours worked on the holiday will be paid at time and a half and the holiday hours will be paid at regular time.~~

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## E.6

### SECTION 6. VACATIONS

6.1 Vacation privileges are available to full-time, part-time benefited employees and contracted employees. Each employee shall earn annual vacation with pay on the following basis:

a. FULL-TIME EMPLOYEES

1. Five (5) days of vacation shall be earned during the first year of service.
2. Ten (10) days of vacation shall be earned after one full year of service.
3. Fifteen (15) days of vacation shall be earned after five full years of service.
4. Twenty (20) days of vacation shall be earned after ten full years of service.
5. Twenty-five (25) days of vacation shall be earned after twenty full years of service.

Part-time benefited employees will receive vacation days prorated based on hours worked.

b. TOWN MANAGER

Follow contract given at time of hire.

1. ~~Fifteen (15) days of vacation shall be earned upon date of hire.~~
2. ~~Twenty (20) days of vacation shall be earned after ten full years of service.~~
3. ~~Twenty five (25) days of vacation shall be earned after twenty full years of service.~~

c. CONTRACTED EMPLOYEES

Contracted employees may receive vacation time based on conditions outlined by the employment contract.

Vacation shall be granted after the successful completion of the probationary period and at such time or times as shall be mutually agreeable to the employees and their supervisors. Due consideration shall be given to an employee's seniority in regard to scheduling vacations. Vacation accrued in excess of two work weeks (10 work days) as of the employee's anniversary date will be lost. Vacation leave shall not be allowed if it exceeds the accrued amount that has been recorded on the employee's anniversary date.

Any time in excess of 4 days vacation shall be scheduled two (2) months in advance of the dates requested. If not scheduled 2 months in advance, such time is at the discretion of the Supervisor.

~~6.2 Upon resigning, an employee is entitled to be paid a prorated amount of annual vacation time earned according to the regular vacation schedule and date of resignation. For example, an employee with an anniversary date of January 1 who leaves employment on June 30 and who earns ten vacation days annually would be entitled to five days of vacation leave for that year plus the balance of unused accrued vacation days from the previous year (not to exceed ten (10) days). If the employee has used more time than what is earned, the amount of time used above the earned amount will be reimbursed to the Town.~~

~~6.3-2. An employee shall not be allowed to work and be paid double his usual wage during his vacation period.~~

~~6.4.3. If a snow day is allowed by the Town Manager and an employee is on vacation, he/she will not be credited back vacation time for the hours that the town office is closed.~~

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**E.8**

**SECTION 8. LEAVE OF ABSENCE**

8.1 LEAVES WITH PAY: All permanent employees of the Town shall be allowed leaves of absence with pay in the following circumstances:

a. Bereavement Leave: An employee may be excused from work for up to three days because of death in his/her immediate family, as defined below, and shall be paid his/her regular rate of pay for the scheduled work hours missed. It is intended that this time off be used for the purpose of handling necessary arrangements and attendance at the funeral.

Immediate family is defined to mean spouse, registered Domestic Partner, parents, children, brothers, sisters, aunts, uncles, cousins, second cousins, mother-in-law,

father-in-law, brother-in-law, sister-in-law, grandmother, grandfather, step-father, step-mother, grand children, step-children or other relative living in the household of the employee. One work day may be granted employees at the sole discretion of the Town Manager for attendance at funerals of persons not covered under the above definition.

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## **APPENDIX B: HEALTH BENEFITS**

Starting July 1, 2012 the Town will participate in the Maine Municipal Employee Health Trust ("MMEHT") POS 200. Employees may select POS-C but will be responsible to pay the difference.

For any employee hired after July 1, 2017, the town will pay 85% of individual coverage and 80% of family coverage for full-time employees and will prorate the rates paid for qualifying part-time benefited employees who work a minimum scheduled hours of 32 per week based on hours worked per week. For any employee hired before July 1, 2017, the town will pay 100% of individual coverage and 80% of family coverage.

~~The Town will pay 100% of individual coverage and 70% of family coverage for full-time employees and will prorate the rates paid for qualifying part-time benefited employees who work a minimum scheduled hours of 32 per week based on hours worked per week.~~

### **#5. Consider- Authorizing Town Manager to spend \$5,000.00 from the Sewer Reserve Account (HERM12) toward various mechanical needs in the sewer system**

Staff is seeking Town Council authorization to spend \$5,000.00 from the Sewer Reserve (HERM12) toward the purchase of mechanical services in the sewer system.

***Town Manager recommends authorization.***



PAUL R. LEPAGE  
GOVERNOR

RECEIVED  
6-21-17

STATE OF MAINE  
MAINE REVENUE SERVICES  
PO Box 9106  
AUGUSTA, MAINE  
04332-9106

ADMINISTRATIVE & FINANCIAL SERVICES

RICHARD W. ROSEN  
COMMISSIONER

MAINE REVENUE SERVICES

JEROME D. GERARD  
EXECUTIVE DIRECTOR

June, 2017

Municipal Assessors and Chairman of the Board of Selectmen:

**RE: Preliminary 2018 State Valuation**

Dear Municipal Official(s):

Enclosed you will find a copy of the preliminary 2018 State Valuation report for your municipality as prepared by a field representative of the Property Tax Division. This valuation represents the full equalized value of all taxable property in the municipality as of **April 1, 2016**. Please note that these figures are preliminary and are being forwarded to you at this time in order to provide for your review and allow time for any contribution of additional comments and/or pertinent data.

The State Valuation is compiled by determining, through field work and meetings with local officials, the approximate ratio of full value on which local assessments are made, and by then adjusting the local assessed values in accordance with the Rules of Procedure Used to Develop State Valuation (08-125 Chapter 201). State Valuation is a mass appraisal estimate of the 100% market value of all taxable property of a municipality and is established annually by the State Tax Assessor. The enclosed report is comprised of four (4) parts: the Sales Ratio Analysis; State Valuation Analysis (PTF303.4); Report of Assessment Review, a three (3) year comparison (PTF303); and Report of Assessment Review, informational review (PTF303.2).

If after reviewing this report you find any errors or inconsistencies, need clarification or simply wish to discuss the report, please call the Property Tax Division at 624-5600 ext. 1 or fax your concerns to us at 287-6396. Alternatively, you may contact your area field representative from Maine Revenue Service, Property Tax Division directly for the purpose of discussing any additional information pertinent to the preliminary state valuation.

The Proposed 2018 State Valuation Notice will be sent by certified mail on or before September 30, 2017.

Sincerely,

Mike Rogers,  
Supervisor, Municipal Services



Property Tax Division  
**REPORT OF ASSESSMENT REVIEW**



Municipality	<b>Hermon</b>		County	<b>Penobscot (s)</b>
	2016	2017	2018	
1. State Valuation	472,800,000	491,900,000	509,250,000	
2. Amount of Change	5,200,000	19,100,000	17,350,000	
3. Percent of Change	1.11%	4.04%	3.53%	
4. Eff. Full Value Rate (line 6d/1)	0.01173	0.0117	0.0118	
5. Local Mill Rate 14-15-16	0.012	0.012	0.012	
6a. Commitment 2014-15-16	5,675,130	5,887,259	6,118,222	
6b. Homestead Reimbursement	94,073	94,133	141,293	
6c. BETE Reimbursement	145,812	219,120	238,184	
6d. Total (6a, 6b & 6c)	5,915,014	6,200,511	6,497,699	
6e. % change from prior year (6d.)	2.90%	4.83%	4.79%	
	2015	2016		
A. Municipal Valuation	490,604,900	509,851,800		
Net Supplements / Abatements	(810,500)	(1,661,300)	Amount of Change	Percent of Change
Homestead (Exempt Valuation)	7,844,400	11,774,450		
BETE (Exempt Valuation)	18,259,968	19,848,650		
Adjusted Municipal Valuation	515,898,768	539,813,600	23,914,832	4.64%
B. Sales Information				
Sales Period Used	07/14 - 06/15	07/15 - 06/16		
State Valuation	2017	2018	Combined Sales Ratio	96%
# of Sales	82	84		
# of Appraisals				
Residential Study			Percent of Change	
Weighted Average	95%	96%		
Average Ratio	95%	96%	1.05%	
Assessment Rating	9	10		
Waterfront Study				
Weighted Average				
Average Ratio				
Assessment Rating				
Condominium Study				
Weighted Average				
Average Ratio				
Assessment Rating				
Certified Ratio	100%	100%		

**STATE VALUATION ANALYSIS**

Municipality		Hermon			County		Penobscot (s)	
Municipal Valuation - 2016		100%	Declared Certified Ratio		2018 State Valuation			
LAND				Ratio	Source			
Electrical Utilities (Trans & Dist.)			8,633,200	170%	Declaration Value		5,067,508	
Classified Tree Growth	968	ac	146,100	100%	State Rates		146,098	
Classified Farm Land	219	ac	53,200	44%	08-125 CMR		120,370	
Classified Farm Woodland	256	ac	39,420	100%	State Rates		39,417	
Classified Open Space		ac						
Classified Working Waterfront		ac						
Commercial Lots			28,252,600	100%	Cert Ratio		28,252,600	
Industrial Lots								
Residential Lots			94,827,730	96%	Combined Study		98,778,885	
Waterfront & Water Influenced Lots			1,910,300	96%	Combined Study		1,989,896	
Condominium Lots			183,600	96%	Combined Study		191,250	
Working Forest Roads		ac						
Waste Acres	4,194	ac	528,450	126/ Mun Avg	105/ac SR		440,380	
# Undeveloped Acres	10,136	ac	10,237,700	1010/ Mun Avg	845/ac SR		8,565,210	
			144,812,300		<b>TOTAL LAND</b>		143,591,614	
BUILDINGS								
Commercial		# accts			Cert Ratio			
Industrial		279	63,128,600	100%			63,128,600	
Residential			277,092,800	96%	Combined Study		288,638,333	
Waterfront & Water Influenced	52		3,915,000	96%	Combined Study		4,078,125	
Condominiums	13		1,201,800	96%	Combined Study		1,251,875	
			345,338,200		<b>TOTAL BUILDINGS</b>		357,096,933	
PERSONAL PROPERTY								
Commercial		# accts			Cert Ratio			
Industrial			19,701,300	100%			19,701,300	
Other								
			19,701,300		<b>TOTAL PERSONAL</b>		19,701,300	
TOTALS			509,851,800				520,389,847	
Adjustments (Net Abates/Supp)			(1,283,700)	96%	Combined Study		(1,337,188)	
Adjustments (Comm., Ind. & Pers.)			(377,600)	100%	Cert Ratio		(377,600)	
Homestead (Exempt Valuation)			11,774,450	96%	Combined Study		12,265,052	
BETE (Exempt Valuation)			19,848,650	100%	Cert Ratio		19,848,650	
ADJUSTED TOTAL			539,813,600				550,788,761	
TIF ADJUSTMENTS						498,632	(41,552,667)	
					TIF Development Program Fund			
NET w/ADJUSTMENTS & TIF							509,236,094	
STATE VALUATION							509,250,000	

STATE OF MAINE Sales Ratio Analysis - 2018 State Valuation

Municipality: Hermon

County: Penobscot (s)

County: Penobscot (s)

Penobscot (s)

1 Year - COMBINED STUDY

Weighted Avg. =	96%	=	17,313,800	/	18,061,385
Average Ratio =	96%	=	55.71	/	58
Avg. Deviation =	10	=	846	/	84
Quality Rating =	10	=	10	/	96%

96%	=	17,313,800	/	18,061,385
96%	=	55.71	/	58
10	=	846	/	84
10	=	10	/	96%

Average Selling Price = \$215,016 2016

Item No.	Class	Date of Sale Month Year	Book	Page	Map	Lot	Name	Selling Price	Assessed Value	Ratio	Dev.
1	R	6 2016	14179	150	50	87		150,000	102,700	0.68	28
2	R	6 2016	14171	213	41	66		128,000	95,000	0.74	22
3	R	9 2015	13970	307	20	15-16		246,819	189,800	0.77	19
4	R	10 2015	13998	284	42	101		257,000	198,000	0.77	19
5	R	12 2015	14029	23	39	1		202,000	161,600	0.80	16
6	R	10 2015	13983	25	3-4	153		385,000	309,500	0.80	16
7	R	9 2015	13970	100	0	6		184,450	150,200	0.81	15
8	R	8 2015	13924	263	34	84		235,000	190,900	0.81	15
9	R	3 2016	14105	63	42	49		293,000	237,900	0.81	15
10	R	6 2016	14171	151	056	069		149,000	121,900	0.82	14
11	R	5 2016	14161	343	27	91		210,000	173,700	0.83	13
12	R	10 2015	13993	163	035	009		150,000	125,000	0.83	13
13	R	12 2015	14036	59	40	59		103,000	85,000	0.83	13
14	R	2 2016	14081	75	41	34		151,000	126,000	0.83	13
15	R	10 2015	14000	219	25	36		169,900	143,200	0.84	12
16	R	8 2015	13933	50	40	69		272,500	230,900	0.85	11
17	R	5 2016	14165	248	41	16		257,000	219,700	0.85	11
18	R	12 2015	14046	99	27	88		200,000	172,500	0.86	10
19	R	6 2016	14190	119	28	49		206,500	177,300	0.86	10
20	R	6 2016	14193	75	32	90		273,500	239,100	0.87	9
21	R	11 2015	14016	282	56	2		145,000	126,300	0.87	9
22	R	5 2016	14141	170	31	21		270,000	237,100	0.88	8
23	R	1 2016	14066	293	019	15-6		220,000	196,200	0.89	7
24	R	5 2016	14143	20	42	49		339,000	302,700	0.89	7
25	R	6 2016	14183	175	34	127		215,000	192,600	0.90	6
26	R	9 2015	13969	113	47	2		177,900	160,400	0.90	6
27	R	6 2016	14174	202	15	27		105,000	96,000	0.91	5
28	R	7 2015	13906	156	20	15-14		248,330	226,300	0.91	5
29	R	9 2015	13971	118	025	007		156,000	141,700	0.91	5
30	R	7 2015	13885	232	034	058		215,000	195,600	0.91	5
31	R	5 2016	14162	252	47	19		374,900	342,100	0.91	5
32	R	7 2015	13912	226	57	28		344,000	312,600	0.91	5
33	R	4 2016	14114	167	34	82		242,500	224,000	0.92	4
34	R	9 2015	13978	164	34	106		279,500	257,600	0.92	4
35	U	4 2016	14134	90	039	030		196,500	180,800	0.92	4
36	R	10 2015	13990	4	039	043		256,779	236,300	0.92	4
37	R	10 2015	13982	202	13	108		169,900	157,600	0.93	3
38	R	5 2016	14155	341	36	13		275,000	255,700	0.93	3
39	R	10 2015	13977	2	20	38		252,000	236,600	0.94	2
40	R	3 2016	14110	96	34	11		205,000	192,900	0.94	2
41	R	11 2015	14018	103	26	104		377,000	357,500	0.95	1
42	R	7 2015	13914	66	34	137		174,000	165,400	0.95	1
43	R	2 2016	14082	146	42	49		277,925	264,700	0.95	1
44	R	3 2016	14116	214	014	018		206,000	198,800	0.97	1
45	R	12 2015	14030	308	26	31		235,000	227,100	0.97	1
46	R	9 2015	13962	179	033	020		278,505	270,500	0.97	1
47	R	8 2015	13931	93	34	19		151,500	147,000	0.97	1
48	R	11 2015	14019	224	40	13		243,891	235,400	0.97	1
49	R	9 2015	13971	106	13	20		234,000	230,100	0.98	2
50	R	6 2016	14197	259	34	51		182,000	178,200	0.98	2
51	R	10 2015	13978	86	39	43		182,000	178,200	0.98	2
52	R	4 2016	14123	168	31	21		242,486	240,600	0.99	3

# Business Equipment Tax Exemption Audit

Municipality: Hermon

Date: 05/24/2017

County: Penobscot (s)

Municipal Official(s): Ben Birch - C.M.A.

**Municipal Valuation - 2016**

**2018 State Valuation**

		<u>Yes</u>	<u>No</u>	<u>Comment(s)</u>
1. Are application(s) available for inspection?	<b>88 of 88</b>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
2. Are application(s) signed for/approved by the assessor?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
3. Do the equipment date(s) of purchase and/or date(s) put in service meet BETE parameters?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
4. Is the item description sufficient to reasonably determine eligibility under program guidelines?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
5. Does the property qualify for BETE?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
6. Are municipal depreciation schedules evident and uniformly employed?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
7. Is all BETE value incorporated in the tax commitment book, MVR and Tax Rate Calculation Form (including enhanced reimbursement forms when applicable)?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	
8. Is all qualified property adjusted by the municipal assessment ratio?		<input checked="" type="checkbox"/>	<input type="checkbox"/>	

**Additional Comments:** BETE is implemented well here.

Signature: Byron D Tibbetts  
Field Rep.

Property Tax Division  
**REPORT OF ASSESSMENT REVIEW**

Municipality Hermon County Penobscot (s)

**I. Valuation System**

A. Land: Tax Maps by Sewall Date: \_\_\_\_\_  
 Undeveloped Acreage \$670 Ac rear land Undeveloped Lots \_\_\_\_\_  
 Road Frontage \_\_\_\_\_ Water Frontage \_\_\_\_\_  
 House lots \$29,000 - \$47,000 Other \_\_\_\_\_

B. Buildings : Revaluation By: In - House - 1991 Computerized Records TRIO / YES

C: Personal Property: Assessed? Y/N  Method Used: C.L.D.  
 Is Cert Ratio Applied? Y/N

**II. Assessment Records /Condition** Website w/VAL data Y/N  Web Address http://www.hermon.net/index.php?id=

Valuation Book	<u>Good</u>	Tree Growth Forms	<u>Good</u>
Property Record Cards	<u>Good</u>	Farm Land Forms	<u>Good</u>
Veteran Exemption Forms	<u>Good</u>	Open Space Forms	<u>Good</u>

**III. Supplements and Abatements**

Supplements: Number Made	<u>11</u>	Value Supplemented	<u>2,001,000</u>
Abatements: Number granted (excluding penalties)	<u>58</u>	Value Abated	<u>(3,662,300)</u>

**IV. Statistical Information**

Number of Parcels	<u>2,978</u>	Land Area	<u>23,488</u>
Taxable Acres	<u>21,799</u>	Bog/Swamp	<u>2,752</u>
Population (2010)	<u>5,416</u>		

**V. Assessment Standards**

Standards Ratio 110.08% = (2016 Municipal Valuation /2017 State Valuation)  
 Assessment Quality: Combined 10

Comments or Plans for Compliance: \_\_\_\_\_  
 \_\_\_\_\_

**VI. Audit Information**

Municipal Official providing data: Ben Birch - C.M.A.  
 Date(s) of Field Audit: 05/24/2017

**VII. Office Review**

Recommended by: Byron D Sibbetts  
 Field Rep  
 Checked by: [Signature]  
 Approved by: [Signature] 6/15/17  
 Copies Mailed: (date) 6-16-17

### The Ad Valorem Tax System

Property assessment administration is a complex and technical profession vital to the financial health of local government. Assessors are responsible for administering the ad valorem tax system, and their chief task is to identify and appraise all property in their jurisdiction.



### The Ad Valorem Tax System

An ad valorem tax is based on the principle that the amount of tax paid should depend on the value of property owned.



### The Ad Valorem Tax System

It is the responsibility of the assessors to determine the appraised value of each parcel of property in their jurisdictions. According to various laws, the assessed value of property for tax purposes must represent either the full fair market value of the property or a specified percentage of such value. Whether assessments are at full value or a proportion thereof is usually a constitutional or legislative policy decision, not an administrative one.



### Maine Constitutional Property Tax Provisions

Article IX, Section 8

"All taxes upon real estate, assessed by authority of this State, shall be apportioned and assessed equally according to the just value thereof."



### Understanding the Equalization Rate

What is an equalization rate?  
At its simplest, an equalization rate is the state's measure of a municipality's level of assessment (LOA). This is the ratio of total assessed value (AV) to the municipality's total market value (MV).



### Understanding the Equalization Rate

The equalization rate formula is:

$$\frac{\text{Total Assessed Value (AV)}}{\text{Total Market Value (MV)}} = \text{Equalization Rate}$$



### Understanding the Equalization Rate

What does your equalization rate mean?

- An equalization rate of 100 means that the municipality is assessing property as 100% of market value.

### Understanding the Equalization Rate

- An equalization rate of less than 100 means that the municipality's total market value is greater than its assessed value.

### Understanding the Equalization Rate

- An equalization rate of greater than 100 means that the total assessed value for the municipality is greater than its total market value.

### Understanding the Equalization Rate

Why is equalization necessary?

Equalization is necessary because:

- (1) There is a minimum assessing ratio of 70% 36 M.R.S.A. §17B
- (2) The State Tax Assessor must equalize and adjust the assessment list of each town by adding or deducting from it such amounts as will make it equal to its just value as of April 1.

### Understanding the Equalization Rate

Equalization rates are the state's measure of each municipality's level of assessment (LOA). Each year the assessor is required by law to certify the assessment ratio to the State.

### Understanding the Equalization Rate

When municipalities keep assessments up-to-date each year, they will be adjusting assessed values to reflect market changes, resulting in a consistent LOA and equalization rate from year to year.

### Understanding the Equalization Rate

What does it mean when your municipality's equalization rate decreases?  
A falling equalization rate means that market values are rising faster than assessed value. Keeping assessment up-to-date annually can result in consistent equalization rates each year.

11

### Chapter 201: Rules for Procedure Used To Develop State Valuation

This rule governs the method used by the bureau to develop the annual state valuation. In the interest of equity, the Director of the Property Tax Division may order or approve additional procedures to achieve the objective of equalized just value, consistent with the intent of this rule.

12

### Chapter 201: Rules for Procedure Used To Develop State Valuation

"Commercial property" is real estate that is used for business purposes (e.g., service, retail, or wholesale) including, without limitation, apartment buildings with five or more rental units, mobile home parks, office buildings, and recreational facilities.

13

### Chapter 201: Rules for Procedure Used To Develop State Valuation

"Industrial property" is property dedicated to the assembling, processing, warehousing, or manufacturing of finished or partially finished products from raw materials or manufactured parts.

14

### Chapter 201: Rules for Procedure Used To Develop State Valuation

"Personal property" is all property that is not an interest in real estate (e.g., production machinery and business equipment). 36 M.R.S.A. §601.

15

### Chapter 201: Rules for Procedure Used To Develop State Valuation

Computation of State Valuation: Specific adjustments to municipal value in order to determine state valuation are described in this section. Not all of the adjustments below pertain to all municipalities, and certain classes of property not listed below may need adjustment in order to determine state valuation.

16



**Chapter 201: Rules for Procedure Used To Develop State Valuation**

Average Ratio: "Average ratio" is a ratio study statistic that is calculated by summing the sales ratios in the central 70% of a ratio study. The central 70% of sales ratios from the total number of sales ratios in the ratio study, rounded to the nearer whole sale.

**Chapter 201: Rules for Procedure Used To Develop State Valuation**

Aggregate state valuation. The state valuation is determined by summing for each municipality all of the state valuations for the various categories listed in section .04 and rounding that total to the nearest \$50,000.

**State Valuation**  
**36 M.R.S.A. §305 (1)**

Through a process called state valuation, the Property Tax Division annually develops an equalized valuation of every organized municipality and the unorganized territory

**State Valuation**  
**36 M.R.S.A. §305 (1)**

The finished product lists each organized municipality and unorganized township along with its 100% valuation rounded to the nearest \$50,000.

**State Valuation**  
**36 M.R.S.A. §305 (1)**

State valuation is the basis for apportioning the county tax. It is also a variable in the formulas for state-municipal revenue sharing, road assistance, general assistance (welfare) grants and the largest piece, state aid for education.

**State Valuation**  
**36 M.R.S.A. §305 (1)**

Ratio studies are primarily formulated from information reported on the "declaration of value" that must accompany most deeds that convey fee ownership of real estate and must be filed with the registry of deeds when the required Real Estate Transfer Tax is paid.

**State Valuation  
36 M.R.S.A. §305 (1)**

The staff produces a preliminary SV which is discussed individually with municipal officials during our annual municipal field audit visit and may be further reviewed at informal regional meetings offered in mid-summer.

The Bureau must, by October 1st each year, prepare and send its formal notice of Proposed State Valuation to municipal officials.

**ASSESSOR'S ANNUAL RETURN  
TO THE STATE 36 M.R.S.A. §383**

The municipal assessors shall make and return lists, which must be seasonably furnished by the State Tax Assessor for that purpose.

Municipal Valuation Return (MVR) Form

**RATIO DECLARATION  
&  
REIMBURSEMENT APPLICATION**

Municipal assessors are required to annually report the ratio or percentage of just value upon which local assessments are based. 36 M.R.S.A. §383

**RATIO DECLARATION  
&  
REIMBURSEMENT APPLICATION**

Assessors must multiply the amount of the Homestead Exemption by the ratio certified pursuant to §383 to determine the proper amount of exemption to be granted.

**RATIO DECLARATION & REIMBURSEMENT  
APPLICATION**

The ratio certified by local assessors should reasonably agree with the overall assessment ratio for developed parcels (residential property) determined by Maine Revenue Services in its annual audit conducted for the purpose of determining the State Valuation. 36 M.R.S.A. §383.

**Public Law 2005 Chapter 2 (LD1)**

This law provides a property tax exemption of up to the just value of \$20,000 for each Maine Resident's homestead. Maine Revenue Services is required to estimate the amount of property tax exempted under the Homestead Exemption Program for municipalities granting exemption to qualifying residents and by August 1 certify 75% of the estimated amount to the State of Maine Treasurer.

**Public Law 2005 Chapter 2 (LD1)**

Municipal Assessors must complete and return the application for Ratio Declaration & Reimbursement Application by June 1, 2017 in order for this 75% reimbursement to be calculated.

The remainder or 25% of the property tax exempted will be determined upon timely receipt of their Municipal Valuation Return and payment made by July 31, 2018.

**Ratio Studies**

If the property tax is to distribute fairly the tax burden for local government, mass appraisal must produce accurate appraisals and equitable assessments.

The primary tool used to measure mass appraisal performance is the ratio study.

**Ratio Study**

A ratio study compares values to market values. Market value is the most probable price in cash that a property would bring in the competitive and open market, assuming that the buyer and seller are acting knowledgeably, sufficient time is allowed for the sale, and price is not affected by special influences.

**Ratio Studies**  
**Computations of Ratio Studies**

The ratios used in a ratio study are formed by dividing appraised values (A) made for tax purposes by other estimates of market value, such as sales prices (S) or independent appraisals.

$$A/S = \$40,000/\$50,000 = 0.80$$

**Ratio Studies**  
**Aspects of Mass Appraisal Performance**

Ratio Studies measure two primary aspects of mass appraisal accuracy: level and uniformity.

*Appraisal level* refers to the over-all, or typical ratio at which properties are appraised. In mass appraisal, appraised values do not always equal their indicators of market value.

**Ratio Studies**  
**Aspects of Mass Appraisal Performance**

*Appraisal Uniformity* relates to the fair and equitable treatment of individual properties. Uniformity requires, first, that properties be appraised equitably within groups or categories (use class, neighborhoods, and so forth) and, second, that each of these groups be appraised at the same level, or ratio, of market value. That is, appraisal uniformity requires equity within groups and between groups.

### Ratio Studies Aspects of Mass Appraisal Performance

*Uniformity between groups of properties is determined by comparing their average ratios (appraisal levels). Large differences indicate inequitable appraisals and thus unequal taxation between groups.*

*For example, if the appraisal level is 90 % for single-family residential property and 60% for multifamily property, multifamily property is under appraised relative to single-family property, and owners would pay one-third less in taxes per dollar of market value.*

Tax Rate Calculation Comparisons

	A	B	C	D	E	F
1	Property Valuation		Ratio %			Taxes
2			Tax Rate			Towns Tax Loss
3						
4	\$200,000.00	Times	100%	Equals	\$200,000.00	
5	\$200,000.00	Times	0.012	Equals	\$2,400.00	Taxes
6						
7	\$200,000.00	Times	0.95%	Equals	\$190,000.00	
8	\$190,000.00	Times	0.012	Equals	\$2,280.00	Tax Loss
9					\$120.00	Tax Loss
10						
11	\$200,000.00	Times	0.90	Equals	\$180,000.00	
12	\$180,000.00	Times	0.012	Equals	\$2,160.00	Taxes
13					\$240.00	Tax Loss
14						
15	HOMESTEAD EXEMPTION		RATIO %			Taxes
16			Tax Rate			Taxpayers Loss
17						
18	\$20,000.00	Times	100%	Equals	\$20,000.00	Exemption Amount
19	\$20,000.00	Times	0.012	Equals	\$240.00	Tax Savings
20						
21	\$20,000.00	Times	95%	Equals	\$19,000.00	Exemption Amount
22	\$19,000.00	Times	0.012	Equals	\$228.00	Tax Savings
23					\$12.00	Tax Savings Loss
24	\$20,000.00	Times	100%	Equals	\$20,000.00	Taxes
25	\$20,000.00	Times	90%	Equals	\$18,000.00	Exemption Amount
26	\$18,000.00	Times	0.012	Equals	\$216.00	Tax Savings
27					\$24.00	Tax Savings Loss
28						

29 Note: A Town is going to get "X" amount of money every year to run the municipality. Town's will

30 increase or decrease the tax rate as necessary to ensure they still get the funds to cover their budgets



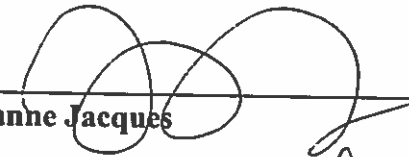
#1.  
6-29-17

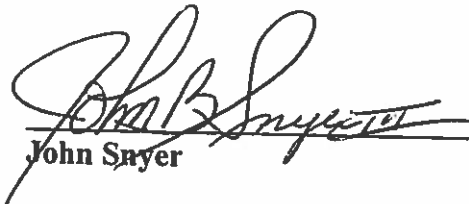
R16-17-79

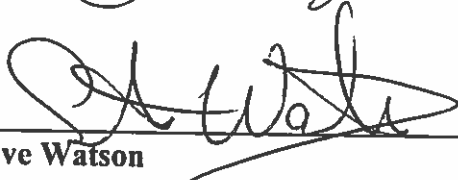
Be it resolved by the Hermon Town Council in Town council assembled that a public hearing be scheduled for Thursday, June 29, 2017 to consider the proposed Town of Hermon Recreation Marijuana Ordinance with potential action to follow.

SIGNED this June 1, 2017 by the Hermon Town Council:

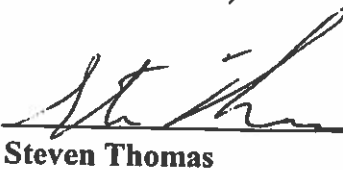
  
Donna Ellis

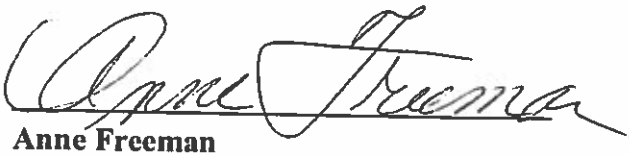
  
Jeanne Jacques

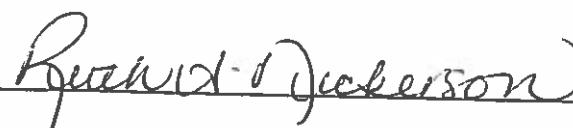
  
John Snyder

  
Steve Watson

  
Douglas Sinclair, Sr.

  
Steven Thomas

  
Anne Freeman

Attest Original: 

Motion	<u>Jacques</u>	Yeas	<u>accepted</u>	Date	<u>6-1-17</u>
Second	<u>Snyder</u>	Nays	<u>0/0 Doubt</u>		



# 5.  
6-29-17

June 22, 2017

Memo re: Bangor Waste Water Upgrades & Calibration Costs

Howard,

Keefe Cyr has been communicating with our department concerning several items they need purchase orders for that involve our waste water system. A change in methods including us providing billing support and purchase orders for all vendors (so Hermon begins to pay invoices directly) is a new directive from the City of Bangor.

Here are the items either required or requested by Bangor Wastewater:

1. Steven Electric (Monmouth) Adjust tolerance on the wear plate and change oil for number one pump at Odlin Road Estimated: \$1,500.
2. Sullivan Associates (Booth Bay) Calibrate mag meter at Odlin Road Estimated based on Route 2 calibration by ABB: \$1,260
3. ABB Electrical (Warminster, PA) Calibrate meter at Route 2 Estimate: \$1,680
4. Bollard sleeves for pump Station- \$100
5. Base for Davit arm (confined space requirement at Route two Pump Station- \$375.00 (See estimate)

I recommend that we authorize these expenditures requested by Bangor Waste Water and pay for them out of Sewer Maintenance Reserve Account HERM#12 for a total not to exceed: \$5,000.

Respectfully,

Scott Perkins

Mailing address  
PO Box 6300  
Hermon, ME 04402-6300

Physical Address:  
333 Billings Rd  
Hermon, ME 04401

Telephone: 207 848-1010  
FAX: 207 848-3316  
Website: [www.Hermon.Net](http://www.Hermon.Net)



ABB Instrumentation, USA  
 125 E County Line Road  
 Warminster, PA 18974-4995

Phone: 800-829-6001 Ext 6063  
 Fax: 919 666 1413

Please send order to:  
[christine.furey@us.abb.com](mailto:christine.furey@us.abb.com)  
 Or Fax: 919 666 1413

Quote Number: 03012017CDF-5

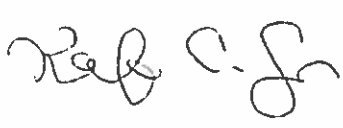
Date: 1-Mar-17  
 Requested by: Wade Cressey  
 Company: City of Bangor  
 eMail: [wade.cressey@bangormaine.gov](mailto:wade.cressey@bangormaine.gov)  
 Phone: 207-249-6207  
 Fax:

Prepared by: Christine Furey  
 Regional Manager: Bill Henton  
 Payment Terms: Net 30 days  
 Quote Validity: 90-days  
 Delivery: See Below  
 FOB Point: Warminster PA  
 Freight Charges: Prepay and add  
 Taxes: As required  
 Terms & Conditions: See attached

Customer: Same  
 End User:  
 Project: On-site service

**References:**

**Exceptions:** Based on travel from Lowell Mass during the monthly service visit. Special rate of \$ 140.00/hour applied.

Item	Qty	Description	Unit Price	Total
		<b>QUOTE #1 On-site calibration of (1) 4" 10D1475 flow tube &amp; converter</b>		
	1	2 hours of on-site service plus 7 hours roundtrip travel	\$ 140.00	\$1,260.00
	1	Roundtrip travel expenses: mileage, meals and lodging		\$420.00
		<b>Total</b>		<b>\$1,680.00</b>
		<b>QUOTE #2 On-site annual service for check and calibration of 4"flow tube, 6" Krohne meter at Hermon Speedway, Plant flume and Hampden meter pits Palmer Bowles flume</b>		
	1	6 hours on-site service plus 7 hours roundtrip travel	\$ 140.00	\$1,820.00
	1	Roundtrip travel expenses: mileage, meals and lodging		\$420.00
		<b>Total</b>		<b>\$2,240.00</b>
		<b>Service Rate Sheet attached</b>		
		Purchase order should be sent to:		
		ABB Inc. 125 East County Line Road Warminster, PA 18974		
		Tel: (215)674-6063 Fax: (919)666-1413		
		Email: <a href="mailto:christine.furey@us.abb.com">christine.furey@us.abb.com</a>		
		I accept quote 1.		
				





Black Bear Ladder, Inc.  
 515 Pleasant St.  
 Lewiston, ME 04240

# QUOTE

Date	QUOTE #
6/6/2016	10342




<b>Name / Address</b>
BANGOR WATER DISTRICT P.O. BOX 1129 BANGOR, ME 04402-1129

<b>Ship To</b>
843-6472

<b>Terms</b>	<b>Written By</b>	<b>Requested By</b>	<b>FOB</b>
Net 30	jr	Amanda	

Item	Description	Qty	Cost	Total
SA 00697-2	2 PERSON HOIST WITH ADJUSTABLE BASE AND HOIST	1	3,330.00	3,330.00
SA 00597-WSB	MOUNTING BRACKET FOR 50' 3 WAY	1	373.00	373.00
SA 2350-01-01	3 WAY WINCH ONLY	1	1,364.00	1,364.00
SA 00697-PB	PULLEY BLOCK WITH CARABINEER	1	68.00	68.00

<b>Sales Tax (5.5%)</b>	\$0.00
<b>Total</b>	\$5,135.00

From:  "Cyr, Keefe" <keefe.cyr@bangormaine.gov> 5/16/2017 11:42...  
Subject: Emailing - Est\_10342\_from\_Black\_Bear\_Ladder\_Inc\_25416.pdf  
To:  Scott Perkins  
Cc:  "Smith, Amanda" <amanda.smith@bangormaine.gov>



Attachments:  Est\_10342\_from\_Black\_Bear\_Ladder\_Inc\_25416.pdf / Uploade...

Scott,

I am requesting permission to purchase a davit arm mounting base for Rt 2 pump station. We need this for confined space entry into the wet well. A typical tripod will not work because when entering the wet well to clean it the technician must have the vacuum hose directly over the hole. The davit arm allows the technician to remain connected to the retrieval device while working in the wet well. Bangor has a davit arm we will provide to Allens we just need the base. I have attached a recent quote for a base.

Thanks,  
Keefe

Keefe Cyr  
Chief Operator  
City of Bangor WWTP  
760 Lower Main  
Bangor, ME 04401  
Phone: (207)992-4472  
Cell: (207)356-7638  
E-Mail: [keefe.cyr@bangormaine.gov](mailto:keefe.cyr@bangormaine.gov)

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