



Annual Town Meeting
Budget Approval
Thursday, June 13, 2019

To: David Quinn a Constable for 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 **High School Auditorium in Hermon on Thursday the 13th day of June, 2019, at 7:00 p.m.**, then and there to act upon Articles 3 through 41 as set out below. Articles 1 and 2 were acted upon at the Election on 6/11/2019.

ARTICLE 1: To elect a Moderator by written ballot to preside at said meeting.

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

ARTICLE 3: Shall the Town vote to appropriate the revenues received for the following accounts to offset the associated expense accounts, for fiscal year 2019-2020 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)
12-182 Police Revenue
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
12-01 Police Expenses
12-02 Fire Dept. Expenses
35 Recreation Enterprise Expenses

*(Explanation: The listed revenue accounts are special funds received by the Town for specific purposes. Approval by the citizens will allow the Town Council to expend these revenues for the expense accounts listed above. **Recommended by the Town Council***

ARTICLE 4: Shall the Town raise and appropriate the following sums of money for each of the listed reserves?

HERM01 Police Equipment Reserve	\$ 25,000
HERM02 Unemployment Reserve	\$ 5,000
HERM04 Cemetery Reserve	\$ 5,000
HERM05 Fire Equipment Reserve	\$ 50,000
HERM06 Highway Improvement Reserve	\$ 100,000
HERM08 Public Works Facility/Equip Reserve	\$ 75,000
HERM09 Recreation Equip/Facility Reserve	\$ 25,000
HERM11 Municipal Office Reserve	\$ 5,000
HERM12 Sewer Maintenance Reserve	\$ 15,000
HERM17 Public Safety Building Reserve	\$ 10,000
HERM19 Town Office Equip. & Tech. Reserve	\$ 20,000
HERM32 Veterans Memorial Park Reserve	<u>\$ 5,000</u>
Total Appropriation to Reserves	\$ 340,000

Recommended by the Town Council

ARTICLE 5: Shall the Town vote to authorize the expenditure of up to \$40,000 from the Police Equipment Reserve (HERM01) to pay for one (1) new police cruiser in a cooperative purchase with Penobscot County Sheriff’s Department, waiving the Town Purchasing Policy, and making said purchase by 30 June 2020 or funds lapse back to the Police Equipment Reserve (HERM01)?

Recommended by the Town Council

ARTICLE 6: Shall the Town vote to authorize the expenditure of up to \$32,000 from the Fire Equipment Reserve (HERM05) to purchase one (1) new extractor washer and one (1) snowmobile, and making said purchase by 30 June 2020 or funds lapse back to the Fire Equipment Reserve (HERM05)? **Recommended by the Town Council**

ARTICLE 7: Shall the Town vote to authorize the expenditure of up to \$75,000 from the Highway Improvement Reserve (HERM06) to pave the Sand Salt Storage Shed floor, waiving the Town Purchasing Policy and awarding the job to Witham Paving (\$15,000) and for funding a local match for an MDOT third party partnership agreement to make safety improvements at the intersection of Coldbrook, Odlin and Emerson Mills Road (\$35,000) and for making repairs on New Boston Road such as ditching, tree removal, culvert replacement, sections of pavement repair and other maintenance requirements (\$25,000) and making said purchases by 30 June 2020 or funds lapse back to the Highway Improvement Reserve (HERM06)?

Recommended by the Town Council

ARTICLE 8: Shall the Town vote to authorize the expenditure of up to \$70,000 from the Public Works Reserve (HERM08) for the purchase of a used plow truck and making said purchase by 30 June 2020 or funds lapse back to the Public Works Reserve (HERM08)? **Recommended by the Town Council**

ARTICLE 9: Shall the Town vote to authorize the expenditure of up to \$50,000 from the Recreation Reserve (HERM09) for repairing and making improvements to the walking trail (\$25,000) and for making repairs and improvements to the football field (\$25,000). Said purchases will be made by 30 June 2020 or funds lapse back to the Recreation Reserve (HERM09) **Recommended by the Town Council**

ARTICLE 10: Shall the Town vote to authorize the transfer of \$100,000 from the undesignated fund balance to the Fire Department Reserve Account (HERM05)? **Recommended by the Town Council**

ARTICLE 11: Shall the Town vote to authorize the transfer of \$559,000 from the undesignated fund balance to a new reserve account, otherwise known as the Solid Waste Reserve Account (HERM35)? **Recommended by Town Council**

ARTICLE 12: Shall the Town vote to authorize an expenditure of up to \$20,000 from Town Office Equipment, Technology Reserve (HERM19) to purchase the upgrade of the TRIO municipal software package and any equipment required for the upgrade including new computers. Said Purchases will be made by 30 June 2020 or funds lapse back to the Town Office equipment, Technology Reserve (HERM19)? **Recommended by Town Council**

ARTICLE 13: Shall the Town vote to authorize the transfer of funds from Tax Incremental Financing (TIF) Revenue in the amount of \$272,602, to off-set authorized expenditures for Economic Development general accounts #11-01-01-01 to 11-01-20-06 in the amount of (\$162,602); and account # 19-02-25-03 TIF Credit Enhancement Agreements(\$110,000)? **Recommended by the Town Council**

ARTICLE 14: Shall the Town vote to authorize and transfer to the Hermon School Department the expenditures of up to \$358,923 from the School Repair Reserve Account (HERM07) for the expenditures at Hermon High School the replacement and installation of library carpet (\$15,987) and paving and curbing of the parking lot and sidewalks (\$42,000), at the Patricia A. Duran School the installation of a fire sprinkler system (\$187,436), repair and refinish the gym floor, (\$40,000), change order for additional repairs to the Elementary School bathroom (\$34,000), change order for ledge removal for the canopy project (\$29,500) and installation of a kitchen hood(\$10,000)? **Recommended by the Town Council**

ARTICLE 15: Shall the Town vote to authorize an expenditure of up to \$92,000 from Sewer Reserve (HERM12) to install flow meters, make repairs to sewer line at Concord Drive, Logistics Lane/Coldbrook Road intersection direct boring project, engineering services and other repairs to the sewer system. Said purchases will be made by 30 June 2020 or funds lapse back to Sewer Reserve Account (HERM12)? **Recommended by Town Council**

ARTICLE 16: Shall the Town vote to authorize the expenditure of \$200,000 from the School Tax Stabilization Reserve (HERM24) to offset a portion of the cost for the Hermon Middle School debt service in addition to the local appropriation for education payable in April 2020?

Recommended by Town Council

ARTICLE 17: Shall the Town vote to enter into Municipal Partnership Initiative with the Maine Department of Transportation (“MDOT”) to repair Billings Road. Project includes performing a pavement overlay project consisting of a 1 ¼ inch Hot Mix Asphalt overlay (with shim) of existing pavement on Billings Road, beginning at the intersection Fuller Road and extending northerly 1.5 miles, then full depth reclamation of existing pavement with a pavement overlay for an additional distance of 0.30 miles to Route 222, for a total project length of 1.80 miles (the “Project”). **Town of Hermon total share is \$250,000 funded from the Highway Reserve Account (HERM06).**

Recommended by Town Council

ARTICLE 18: Shall the Town vote to raise and appropriate for municipal purposes for Fiscal Year 2019-2020 for the period July 1, 2019 to June 30, 2020 the following sums of money?

Appropriation by category:

General Government/Administration	\$1,011,437
Economic Development/Technology	\$ 190,602
Public Safety	\$ 922,185
Public Works	\$1,143,373
Solid Waste	\$ 433,332
Recreation/Social Service/HVRS	\$ 361,745
Debt Service	\$ 0
Reserves	\$ 340,000
Special Assessments	\$ 885,075
General Assistance	<u>\$ 5,000</u>
Total Municipal & County Appropriation	\$5,292,749

Recommended by the Town Council

ARTICLE 19: Shall the Town set the Fiscal Year 2019-2020 Tax Commitment excluding the Overlay Account as follows:

Municipal Expenses:	\$4,517,674
County Assessment	\$ 775,075
Local contribution to Schools:	<u>\$5,170,548</u>
Total Expenses	\$10,463,297
Less Municipal Revenues	<u>-\$3,555,302</u>

Total Commitment less Overlay \$6,907,995

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

ARTICLE 21: To see what sum the Hermon School Department will be authorized to expend for Regular Instruction.

School Committee & Town Council Recommends \$6,244,367.

ARTICLE 22: To see what sum the Hermon School Department will be authorized to expend for Special Education.

School Committee & Town Council Recommends \$2,332,507.

ARTICLE 23: To see what sum the Hermon School Department will be authorized to expend for Career and Technical Education.

School Committee & Town Council Recommends \$0.

ARTICLE 24: To see what sum the Hermon School Department will be authorized to expend for Other Instruction: Summer School, Extra and Co-curricular Activities.

School Committee & Town Council Recommends \$459,335.

ARTICLE 25: To see what sum the Hermon School Department will be authorized to expend for Student and Staff Support.

School Committee & Town Council Recommends \$1,509,471.

ARTICLE 26: To see what sum the Hermon School Department will be authorized to expend for System Administration.

School Committee & Town Council Recommends \$415,793.

ARTICLE 27: To see what sum the Hermon School Department will be authorized to expend for School Administration.

School Committee & Town Council Recommends \$721,992.

ARTICLE 28: To see what sum the Hermon School Department will be authorized to expend for Student Transportation and Buses.

School Committee & Town Council Recommends \$650,972.

ARTICLE 29: To see what sum the Hermon School Department will be authorized to expend for Facilities Maintenance.

School Committee & Town Council Recommends \$1,746,463.

ARTICLE 30: To see what sum the Hermon School Department will be authorized to expend for Debt Service and Other Commitments.

School Committee & Town Council Recommends \$463,795.

ARTICLE 31: To see what sum the Hermon School Department will be authorized to expend for Other Expenditures including School Lunch.

School Committee & Town Council Recommends \$35,000.

ARTICLE 32: To see what sum the Town of Hermon will appropriate for the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act.

Recommends \$10,262,793.32 and to see what sum the Town will raise as 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 Funding Act in accordance with the Maine Revised Statutes, Title 20-A, section 15688.

School Committee & Town Council Recommends \$4,068,102.

The school administrative unit's contribution to the total cost of funding public education from pre-kindergarten to grade 12 as described in the Essential Programs and Services Funding Act is the amount of money determined by state law to be the minimum amount that a municipality must raise to receive the full amount of state dollars.

ARTICLE 33: To see what sum the Town of Hermon will raise and appropriate 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 Recommends \$463,795.

Non-state funded debt service is the amount of money needed for annual payments on Hermon's long-term debt service for major capital school construction projects that are not approved for state subsidy. The bonding of this long-term debt was previously approved by the voters.

ARTICLE 34: To see what sum the Town will authorize the School Committee to expend for the fiscal year beginning July 1, 2019 and ending June 30, 2020 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.

School Committee & Town Council Recommends \$14,579,695.

ARTICLE 35: To see if the Town will authorize the school committee to expend in addition to Article 33, any sums as may be received from state and federal grants, aid, and receipts during the fiscal year beginning July 1, 2019 and ending June 30, 2020 for school purposes provided that such grants, aid and receipts do not require expenditure of local funds not previously appropriated?

School Committee & Town Council Recommends YES

ARTICLE 36: Shall the Region Four Vocational Budget as approved by the Cooperative Board for the year July 1, 2019 – June 30, 2020 be approved in the amount of \$2,981,842?

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 Recommends YES

ARTICLE 37: To see what sum the Town of Hermon will raise and to appropriate the sum of (Recommend \$35,000) in additional local dollars in support of the food service program.

School Committee & Town Council Recommends \$35,000.

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 Recommends YES

ARTICLE 39: Shall the Town vote to authorize the expenditure of \$40,000 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 Recommends YES

ARTICLE 40: Shall the Region Four Vocational Budget as approved by the Cooperative Board for **adult education** for the year July 1, 2019 – June 30, 2020 be approved in the amount of \$322,354?

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 \$3,343.56.

Town Council Recommends YES

ARTICLE 41: Shall the Town of Hermon raise and appropriate \$603,651 in additional local funds, which exceeds the State's Essential Programs and Services allocation model by \$603,651 as required to fund the budget recommended by the School Committee?

The School Committee recommends \$603,651 for additional local funds and gives the following reasons for exceeding the State's Essential Programs and Services funding model. Additional funds needed for increases in salaries and benefits, loss of part of State subsidy for System Administration costs, and coverage of co curricular and athletic programs not fully funded by the State EPS formula.

School Committee & Town Council Recommends \$603,651.

The additional local funds are those locally raised funds over and above the Town of Hermon's local 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 and local amounts raised for the annual payment on non-state funded debt service that will help the Town of Hermon budget for educational programs.

REQUIRES SECRET BALLOT

SIGNED this June 5, 2019 by the Hermon Town Council:

Donna Ellis

Jeanne Jacques

John Snyder

Steve Watson

Douglas Sinclair, Sr.

Steven Thomas

Tim McCluskey

Attest
Original: _____

OFFICER'S RETURN

ANNUAL TOWN MEETING WARRANT

Thursday, June 13, 2019

I certify that I have notified the voters of the time and place of the Annual Election and Annual Town Meeting by posting an attested copy of this warrant at:

C & K Variety;

Camden National Bank

Town Office Entryway;

Town Entrance Hallway on _____ which is at least 7 days next prior to election day.

Date signed, posted and returned

Signature of Resident/Constable Deputy

Residence