



# TOWN OF EAST SPENCER

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## **Budget Message Fiscal Year Beginning July 1, 2022**

### **To the East Spencer Town Board and Citizens:**

The Town of East Spencer's proposed budget ordinance is attached and is a part of this message. The budget as proposed, slightly changes the focus of the Town services, placing more emphasis on employee retainment and expanding personnel. The proposed operating budget combines many line items that are similar in nature to reduce the number of individual lines.

The increase in each department's salary is provided by the sale of several properties that will allow the Town to give incremental pay raises of the next three years. The raises will help the Town remain competitive with other municipalities as we continue to grow and hire new personnel.

The recreation budget envisions that the Splash Pad will be open for the summer of 2022. We have added three employees to the department to serve as Aquatic Operators so that the Splash Pad can remain open for the entire season.

The cost of garbage collection is increasing by 4 percent consistent with the contract with the service provider.

The Town will reinstate the Administrative Assistant position. We will add the responsibility of Utility Clerk due to what this person will perform. They will have two primary functions: First will be to assist with the filing of paperwork for Federal and State funds that have been given to the Town and second, they will maintain the records (cart count) for Waste Management.

We have enough fund balance to pay off the fire truck that we purchased in 2018 and it is my recommendation that we make the lump sum payment. This will reduce our overall fund balance, but not low enough to have LGC oversight.

The Water and Sewer Fund is challenging given the debt obligation and ongoing customer service fee from the provider. The Salisbury-Rowan Utility

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Commission is requesting a 4.2 percent increase in fees. As a result, I am requesting an increase of 5.2 percent.

In addition, the Town will levy a graduated fee schedule for water meter maintenance based on the size of the account. These rates are consistent with the City of Salisbury schedule of fees and maintain the rate structure for Town minimum for the smallest meters from the FY 2021-22 Town Budget.

The following is a computation of the rates below billed per month:

- 1) Town Minimum Water - \$5.28 less than 1"  
\$6.51 - 1"  
\$14.25 - 2"  
\$47.35 - 4"  
\$101.56 - 6"
  
- 2) Town Minimum Sewer - \$5.61 less than 1"  
\$7.18 - 1"  
\$16.07 - 2"  
\$53.90 - 4"  
\$115.86 - 6"

The budget as proposed remains very tight for the future and the Town employees are one of its greatest assets. The budget does contain the cost of living adjustment for this fiscal year for those employees that are not part of the incremental pay increase plan. Full-time employees continue to receive a competitive benefit package of health, dental and vision insurance as well as 401k contribution and matching funds for the local government retirement system and associated payroll taxes.

Should you have any questions please feel free to contact me at your convenience to discuss any of these items.

Respectfully submitted,

Michael Douglas.  
Town Administrator  
Town of East Spencer