



Town of Stantonburg Fiscal Year 2026-2027 Town Manager Recommended Budget



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Town Manager Budget Message

Honorable Mayor and Honorable Council,

It has been a profound honor and privilege to serve this council and the citizens of Stantonsburg, North Carolina for the past three years. Today, I am pleased to present the Town of Stantonsburg's Recommended Fiscal Year 26/27 budget. This budget has been meticulously prepared in accordance with all local and state requirements, adhering to the standards set forth by the Local Government Budget and Fiscal Control Act. It reflects our ongoing commitment to addressing the priorities established by this council. These priorities are as follows:

- **Audits:** The town has completed FY22 and FY23 audits. Currently the FY24 audit is planned to be done in May 2026 with a submission date to the LGC no later than June 2026. The FY25 audit is scheduled to be completed in summer 2026. This will bring the town into full audit compliance with the NC Treasurer and LGC.
- **Update the Sewer Infrastructure:** We are focused on increasing sewer capacity, with Inflow and Infiltration being the primary concern within our current system. This capital project will continue as a priority in FY27, where we aim to further tighten our sewer system. To accomplish this goal, the town has been approved for a loan of an estimated \$2.1 million which can be finalized once the audits are complete.
- **Update the Water Infrastructure:** We have identified a possible new well site, and the next step is to conduct a capacity test.
- **Storm Water Management:** We have developed a Storm Water Plan in collaboration with ERG and the EPA to enhance our storm drain infrastructure, culminating in the completion of the Storm Water Master Plan in FY26.
- **Electric Rate Analysis and Infrastructure Planning:** We collaborated with electric consultants to conduct a cost-of-service study and are now scheduling a capital outlay project to commence in FY27 to update some aged infrastructure. Capital outlay plans to follow at a date to be determined in FY27.
- **Town Hall Renovation:** The design and remodeling of our new town hall location are currently underway, aiming to better serve the public while reducing costs through consolidation. We anticipate a tentative completion date of June 2026.
- **Sidewalk and Crosswalk Improvements:** We successfully completed updates to sidewalk crosswalk areas in FY25&FY26, with new projects scheduled for FY27, details to be announced.
- **Public Safety Maintenance:** We remain committed to maintaining public safety as a fundamental priority. WCSO has shown interest in using the Stantonsburg Government Complex as a staging location for training and service.
- **AIA:** Town staff and Mesco Engineering will be working together to submit an application to NCDEQ for an AIA grant. This grant will provide us with the necessary resources to complete cost-of-service and rate analysis studies for both our water and sewer to provide information on appropriate rates for our water and sewer utility.
- **Stantonsburg History Museum:** The Historical Committee has agreed to take over the

responsibility of managing the museum project. This includes either completing a change in the registered agent paperwork or starting a new non-profit organization.

These projects reflect our dedication to enhancing the quality of life for all residents in Stantonsburg, and we look forward to building on this progress in the upcoming fiscal year.

The Town Manager's and Staff's Recommended Budget for FY 26-27 is estimated to be balanced at \$4,838,450.00. This decrease in the budget from FY26 to FY27 is **\$51,913.00**, which represents approximately **1.06%**. This is due to the staff's dedicated efforts to modernize the financial controls and seek a balance between the ad valorem tax rate and services fees/rates.

- Due to the most recent Wilson County revaluation of real property and the continued growth, the Town Manager and Staff recommend that the ad valorem tax rate be reduced from \$.45 per \$100 to \$.30 per \$100.

Department Needs

Electric Department

- This budget does not add any new positions for the fiscal 26/27 year.
- This budget does provide resources to replace the electric department bucket truck and bush hog necessary for maintaining rights-of-ways. \$180,000 is planned in the budget for a bucket truck. \$4,300 is planned for the bush hog.
- Department staff has requested restocking transformers to appropriate levels. This requires an estimated \$8,000 to be appropriated for FY27.
- This budget is planned to provide adequate resources for 2 audits for FY27 which include the FY25 and FY26 budgets. The current estimated cost of both audits is \$45,000 which is a shared expense among all three funds, the general fund, electric fund, and the water/sewer fund.

Water/Sewer Department

- Inflow and Infiltration issues are a focus for FY27. Once our FY25 audit is completed, the town may move forward and finalize the \$2.1 million loan with some principal forgiveness to start tightening our system.
- 25 water meters will be purchased for FY27. The estimated cost is \$17,000.
- SKADA for the Wastewater Plant is a project to consider for FY27 and may be prioritized based on available resources.

Streets Department

- X-Mark or Grasshopper mower is needed and the estimated cost for FY27 is budgeted at \$16,000. A finishing mower for the park and along street side right of way is planned at \$4200.

Sanitation Department

- Truck engine was replaced and hydraulics were repaired. Preventive maintenance is a focus for the next 5-10 years as we build enough resources for the purchase of a new truck.
- There is a slight increase in per ton cost by Wilson County. However, based on estimated expense and revenue projections, the Sanitation Fund should still build a small \$15,000 surplus without a rate increase. These funds can be set aside for a capital outlay fund for the future purchase of a truck.

Public Safety Department

- Public safety is still a focal point and the WCSO has expressed interest in the newly remodeled Stantonsburg Government Complex for staging purposes for training and increased service.
- The WCSO is intrigued in the recommended collaboration with regard to a SRO that will be stationed at the Stantonsburg Elementary School.
- \$134,700 is currently budgeted for public safety.

Administration Department

- New computers are needed for town manager and Tammy to preserve bill pay data.
- Two audits are scheduled to be completed during FY27. This includes the FY25 passed due audit and the FY26 audit ending June 30, 2026.

Library Facility

- The library façade project has been completed.
- The appearance committee will be moving forward with the purchase of a bench, maybe two for the outside front of the building.

Park and Recreation Department

- The Electric Department will start charging the Parks and Recreation Department for the lights inside the park. This will provide the resources necessary for the electric department to repair and replace lights as needed.

Town Committees

- \$5,000 is planned for the Appearance Committee for FY27 by eliminating the Beautification Committee Expenses for FY27.
- Conservation of Health has \$4,500 appropriated for mosquito treatment and other health related expenses.
- \$1,000 is planned for the Recreation Committee for events in the park such as an Easter Egg hunt or Halloween Event.
- \$1,000 has been planned for the Historical Committee for FY27.

Payroll

- The FY27 payroll is estimated to decrease by \$7244.19 due to one position in the Water/Sewer Department being eliminated. The FY26 payroll was estimated to be \$910,966.40, based on 40 hours and no overtime calculated. For FY27 the overall estimated payroll is calculated at \$903,722.21.

Factors for Recommendations

According to the Bureau of Labor Statistics (BLS) data released on April 10, 2026, the Consumer Price Index (CPI) for various utilities has shown notable increases for the March 2026 reporting period. Specifically, the CPI for electricity rose by 4.6% over the past year, while the combined index for water, sewer, and trash collection services reached 328.792, reflecting a 4.74% increase year-over-year. Additionally, overall energy services experienced a significant rise of 5.0% during the same period. These trends underline the rising costs associated with essential utilities, which we must consider in our budget planning.

Recommendation I

Based on these findings, I recommend the Town Council consider adjusting water and sewer rates annually in line with the Consumer Price Index (CPI) to preserve purchasing power, cover rising operating and capital costs, and maintain service reliability.

Sanitation policy changes over the past two years have generated a modest surplus, and projections indicate a small surplus for FY27. Accordingly, staff recommends no sanitation rate increase for FY27.

Recommendation II

Authorize a multi-year capital outlay program within the Electrical Department to prioritize and finance replacement of critical infrastructure, reduce operational risk, and lower long-term maintenance and emergency repair costs.

Recommendation III

Conduct an inventory and disposition plan for surplus equipment, vehicles, scrap, and nonessential real property. Dispose of selected real assets to eliminate ongoing maintenance and utility expenses, convert underutilized assets to one-time revenue, and shift property tax liabilities to new owners to improve the town's fiscal position.

Recommendation IV

Develop a comprehensive strategic plan that integrates capital investment priorities, asset management, revenue optimization, and economic development goals to guide sustainable fiscal and operational decision-making.

Recommendation V

Complete an interlocal agreement between the Town's of Lucama and Black Creek regarding the Tri-Town electric partnership.

Items to consider: See Appendix A.

Recommendation VI

Consider establishing a downtown revitalization plan that will focus on providing a gathering

site for future events.

Line-Item Budget

GENERAL FUND REVENUES

Account Description General Fund Revenues	Account Number	FY26/27 Budget
TAXES - CURRENT YEAR	10-3010-8000	\$240,600.00
RECYCLING/SOLID WASTE FEES	10-3590-0100	\$128,000.00
LOCAL & STATE SALES TAX REFUND	10-3450-0000	\$165,000.00
ST. UTILITY FRANCHISE TAX	10-3370-0000	\$80,000.00
APPROPRIATED FUND BALANCE	10-3001-0100	\$0.00
AUTO TAX - CURRENT YEAR	10-3010-8100	\$35,050.00
INTEREST EARNED ON INVESTMENTS	10-3290-0000	\$31,050.00
POWELL BILL ALLOCATION	10-3750-0000	\$30,800.00
GARBAGE FEES-OUT OF TOWN	10-3590-0000	\$14,500.00
MISCELLANEOUS REVENUE	10-3350-0000	\$4,000.00
POWELL BILL INTEREST	10-3750-0100	\$6,000.00
TOS FESTIVAL	10-3999-5700	\$2,000.00
BEER & WINE TAX	10-3410-0000	\$3,300.00
PERMITS	10-3250-0100	\$1,500.00
ABC NET REVENUE	10-3470-0000	\$2,000.00
CABLEVISION - POLE RENTAL FEES	10-3380-0100	\$1,600.00
SALE OF SURPLUS PROPERTY	10-3270-0100	\$2,000.00
SOLID WASTE DISPOSAL TAX	10-3380-0000	\$600.00
OFFICER FEES/TRAFFIC VIOLATION	10-3300-0000	\$0.00
CEMETERY REVENUES	10-3610-0000	\$100.00
Code and Ordinance Violation	10-3340-0000	\$100.00
Golf Cart Registration	10-3997-1000	\$200.00
PRIVILEGE LICENSE & PERMITS	10-3250-0000	\$50.00
		\$748,450.00

GENERAL FUND ADMINISTRATION EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
SALARIES & WAGES	10-4200-0200	ADMINISTRATION	\$102,000.00
PROFESSIONAL SEVICES	10-4200-0400	ADMINISTRATION	\$44,000.00
MAYOR AND COUNCIL	10-4100-0200	ADMINISTRATION	\$18,500.00
Festival Expenses	10-4200-7800	ADMINISTRATION	\$11,000.00
RETIREMENT	10-4200-0700	ADMINISTRATION	\$14,600.00
HEALTH INSURANCE	10-4200-0600	ADMINISTRATION	\$14,000.00
INSURANCE/BONDS	10-4200-5400	ADMINISTRATION	\$4,000.00
FICA EXPENSE	10-4200-0500	ADMINISTRATION	\$8,500.00

OFFICE SUPPLIES & POSTAGE	10-4200-3200	ADMINISTRATION	\$5,500.00
IT SERVICES	10-4200-3800	ADMINISTRATION	\$6,500.00
ATTORNEY FEES	10-4200-0405	ADMINISTRATION	\$5,500.00
ANALYSIS CHARGES (TRUIST)	10-4200-2000	ADMINISTRATION	\$3,000.00
TELEPHONE	10-4200-1100	ADMINISTRATION	\$4,000.00
UTILITY BILL (Electric)	10-4200-4900	ADMINISTRATION	\$5,000.00
MISCELLANEOUS	10-4200-5700	ADMINISTRATION	\$600.00
DUES & SUBSCRIPTIONS	10-4200-5300	ADMINISTRATION	\$1,000.00
CHRISTMAS PARADE EXPENSES	10-4200-6200	ADMINISTRATION	\$550.00
TRAVEL ALLOWANCE	10-4200-1400	ADMINISTRATION	\$600.00
401-K CONTRIBUTION	10-4200-0800	ADMINISTRATION	\$500.00
HEATING FUEL	10-4200-3500	ADMINISTRATION	\$1,200.00
MAINTENANCE/REPAIR	10-4200-1500	ADMINISTRATION	\$500.00
ADVERTISING	10-4200-2600	ADMINISTRATION	\$500.00
TRAINING	10-4200-5000	ADMINISTRATION	\$500.00
UTILITY BILL (Water)	10-4200-4600	ADMINISTRATION	\$300.00
UTILITY BILL (Sewer)	10-4200-4700	ADMINISTRATION	\$400.00
UTILITY BILL (Garbage/Recycle)	10-4200-4500	ADMINISTRATION	\$300.00
SS/MED	10-4100-0500	MAYOR & COUNCIL	\$1,200.00
			\$254,250.00

PUBLIC SAFETY FUND EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
CAMERAS		PUBLIC SAFETY	\$34,500.00
MUTUAL AID SERVICES		PUBLIC SAFETY	\$100,200.00
			\$134,700.00

GENERAL SANITATION FUND EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
SALARIES AND WAGES	10-5800-0200	SANITATION	\$42,000.00
LANDFILL FEES	10-5800-2200	SANITATION	\$29,000.00
CURBSIDE PICKUP	10-5800-4400	SANITATION	\$20,500.00
HEALTH INSURANCE	10-5800-0600	SANITATION	\$11,000.00
AUTO SUPPLIES AND REPAIRS	10-5800-3100	SANITATION	\$10,000.00
INSURANCE AND BONDS	10-5800-5400	SANITATION	\$2,000.00
GAS/FUEL	10-5800-3700	SANITATION	\$2,000.00
RETIREMENT	10-5800-0700	SANITATION	\$5,900.00
FICA EXPENSE	10-5800-0500	SANITATION	\$3,100.00
UNIFORMS	10-5800-3600	SANITATION	\$500.00
MAINT AND REPAIRS	10-5800-1500	SANITATION	\$1,000.00
401-K CONTRIBUTION	10-5800-0800	SANITATION	\$500.00

MISCELLANEOUS	10-5800-5700	SANITATION	\$500.00
DEPARTMENTAL SUPPLIES/MATERIAL	10-5800-3300	SANITATION	\$500.00
			\$128,500.00

GENERAL STREETS FUND EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
SALARIES AND WAGES	10-5600-0200	STREETS	\$74,500.00
POWELL BILL EXPENDITURES	10-5600-9000	STREETS	\$30,800.00
PART TIME SALARIES & WAGES	10-5600-0210	STREETS	\$20,900.00
HEALTH INS.	10-5600-0600	STREETS	\$21,000.00
CAPITAL OUTLAY	10-5600-7300	STREETS	\$16,000.00
RETIREMENT	10-5600-0700	STREETS	\$10,800.00
INSURANCE & BONDS	10-5600-5400	STREETS	\$5,000.00
GAS/FUEL	10-5600-3700	STREETS	\$1,000.00
FICA EXPENSE	10-5600-0500	STREETS	\$6,000.00
401-K CONTRIBUTION	10-5600-0800	STREETS	\$1,000.00
MISCELLANEOUS	10-5600-5700	STREETS	\$1,000.00
DEPARTMENTAL SUPPLIES	10-5600-3300	STREETS	\$6,000.00
MAINT. AND REPAIRS	10-5600-1500	STREETS	\$1,000.00
HEATING	10-5600-3500	STREETS	\$1,200.00
TRAVEL	10-5600-1400	STREETS	\$500.00
			\$196,700.00

GENERAL COMMITTEE FUND EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
APPEARANCE COMMISSION EXPENSE	10-5700-0000	APPEARANCE COMMISSION	\$5,000.00
CONSERVATION OF HEALTH	10-5900-0000	CONSERVATION OF HEALTH	\$3,500.00
MISCELLANEOUS	10-5900-5700	CONSERVATION OF HEALTH	\$1,000.00
RECREATION COMMITTEE	10-5703-0000	RECREATION	\$1,000.00
BEAUTIFICATION COMMITTEE	10-5702-0000	BEAUTIFICATION	\$0.00
HISTORICAL COMMITTEE	10-5701-0000	HISTORICAL	\$1,000.00
			\$11,500.00

GENERAL PARK, LIBRARY, AND MISC FUND EXPENDITURES

Account Description Expenses	Account Number	Department	FY26/27 Budget
GAS/FUEL	10-6400-3700	CEMETERY	\$500.00
MAINT AND REPAIR	10-6400-1500	CEMETERY	\$500.00
			\$1,000.00

Account Description Expenses	Account Number	Department	FY26/27 Budget
UTILITY BILL (Electric)	10-6300-4900	LIBRARY	\$3,500.00
TELEPHONE & POSTAGE	10-6300-1100	LIBRARY	\$2,500.00

HEATING	10-6300-3500	LIBRARY	\$2,500.00
MISCELLANEOUS	10-6300-5700	LIBRARY	\$1,000.00
UTILITY BILL (Sewer)	10-6300-4700	LIBRARY	\$500.00
UTILITY BILL (Water)	10-6300-4600	LIBRARY	\$500.00
UTILITY BILL (Garbage/Recycle)	10-6300-4500	LIBRARY	\$300.00
			\$10,800.00

Account Description Expenses	Account Number	Department	FY26/27 Budget
RENT	10-6200-2100	RECREATION	\$3,500.00
UTILITY BILL (Electric)	10-6200-4900	RECREATION	\$1,500.00
MAINTANCE/REPAIR	10-6200-1500	RECREATION	\$3,000.00
UTILITY BILL (Sewer)	10-6200-4700	RECREATION	\$1,000.00
UTILITY BILL (Water)	10-6200-4600	RECREATION	\$1,000.00
UTILITY BILL (Garbage/Recycle)	10-6200-4500	RECREATION	\$1,000.00
Park Shelter Rental Income	10-6200-0200	RECREATION	\$0.00
			\$11,000.00
Total General Fund Budget			\$748,450.00

GENERAL FUND DEPARTMENT REVEUES AND APPROPRIATIONS

The General Fund Ad Valorem Revenues are estimated based on the Tax Base received from the Wilson County Tax Office. The Tax Base is estimated as follows:

Real Property	\$77,470,000.00
Personal Property	\$3,000,000.00
Public Service	\$3,050,000.00
Registered Motor Vehicles	\$9,670,000.00
Total Tax Base	\$93,190,000.00

The estimated collection rate received from Wilson County Tax Office is 96%. A collection rate of 96% with \$.30 per \$100 valuation will bring in an estimated \$240,537.60 in ad valorem revenues.

General Fund Department Budget

Administration	\$254,250.00
Streets	\$165,900.00
Powell Bill	\$30,800.00
Sanitation	\$128,500.00
Public Safety	\$134,700.00
Committees	\$11,500.00
Park	\$11,000.00

Library	\$10,800.00
Cemetery	\$1,000.00
General Fund Total	\$748,450.00

WATER AND SEWER FUND REVENUES

Account Description W/S Revenues	FY26/27 Budget
WATER SERVICES	\$566,000.00
SEWER SERVICES	\$370,000.00
INTEREST EARNED ON INVESTMENTS	\$48,000.00
SEWER TAP FEES	\$2,000.00
WATER TAP FEES	\$2,000.00
MISCELLANEOUS REVENUE	\$1,000.00
SALE OF MATERIALS	\$1,000.00
	<u>\$990,000.00</u>

WATER DEPARTMENT EXPENDITURES

Account Description Water Expenses	Account Number	Department	FY26/27 Budget
SALARIES AND WAGES	30-8180-0200	WATER	\$90,000.00
DEBT SERVICE	30-8180-7800	WATER	\$103,500.00
UTILITY BILL (Electric)	30-8180-4900	WATER	\$54,000.00
PROF. SERVICES	30-8180-0400	WATER	\$48,000.00
DEPARTMENTAL			
SUPPLIES/MATERIAL	30-8180-3300	WATER	\$22,000.00
RETIREMENT EXPENSE	30-8180-0700	WATER	\$13,500.00
HEALTH INSURANCE	30-8180-0600	WATER	\$10,000.00
FICA EXPENSE	30-8180-0500	WATER	\$8,000.00
MAINTENANCE & REPAIR	30-8180-1500	WATER	\$9,500.00
INSURANCE & BONDS	30-8180-5400	WATER	\$10,000.00
C/O IMPROVEMENT PROJECTS	30-8180-7300	WATER	\$17,000.00
ATTORNEY FEES	30-8180-0405	WATER	\$8,000.00
GAS/FUEL	30-8180-3700	WATER	\$4,000.00
TELEPHONE	30-8180-1100	WATER	\$6,500.00
WATER ANALYSIS	30-8180-3400	WATER	\$7,000.00
OFFICE SUPPLIES & POSTAGE	30-8180-3200	WATER	\$6,000.00
401-K CONTRIBUTION	30-8180-0800	WATER	\$4,000.00
TRAVEL	30-8180-1400	WATER	\$2,000.00
DUES & SUBSCRIPTIONS	30-8180-5300	WATER	\$5,000.00
UNIFORMS	30-8180-3600	WATER	\$500.00
HEALTH INS. RETIREE	30-8180-0610	WATER	\$0.00
AUTO SUPPLIES & MAINTENANCE	30-8180-3100	WATER	\$2,000.00

HEATING FUEL	30-8180-3500	WATER	\$2,000.00
TRAINING	30-8180-5000	WATER	\$2,000.00
Purchase County Water	30-8180-6100	WATER	\$1,000.00
UTILITY (SEWER)	30-8180-4700	WATER	\$500.00
MISCELLANEOUS	30-8180-5700	WATER	\$1,000.00
UTILITY BILL (Garbage/Recycle)	30-8180-4500	WATER	\$300.00
UTILITY (WATER)	30-8180-4600	WATER	\$300.00
WATER ADMIN SALARIES AND WAGES	30-8180-0250	WATER	\$62,000.00

SEWER DEPARTMENT EXPENDITURES

Account Description Sewer Expenses	Account Number	Department	FY26/27 Budget
SALARIES & WAGES	30-8280-0200	WATER/SEWER	\$110,000.00
SEWER ADMIN SALARIES AND WAGES	30-8280-0250	WATER/SEWER	\$40,000.00
DEBT SERVICE	30-8280-7700	WATER/SEWER	\$56,000.00
PROFESSIONAL SERVICES	30-8280-0400	WATER/SEWER	\$40,000.00
UTILITY BILL (Electric)	30-8280-4900	WATER/SEWER	\$43,000.00
BIO SOLIDS/SLUDGE	30-8280-5900	WATER/SEWER	\$35,000.00
WATER ANALYSIS	30-8280-3400	WATER/SEWER	\$26,500.00
HEALTH INSURANCE	30-8280-0600	WATER/SEWER	\$24,000.00
RETIREMENT	30-8280-0700	WATER/SEWER	\$21,500.00
DEPARTMENTAL SUPPLIES/MTL	30-8280-3300	WATER/SEWER	\$16,000.00
FICA EXPENSE	30-8280-0500	WATER/SEWER	\$11,000.00
MAINT & REPAIRS	30-8280-1500	WATER/SEWER	\$10,000.00
INSURANCE & BONDS	30-8280-5400	WATER/SEWER	\$10,000.00
ATTORNEY FEES	30-8280-0405	WATER/SEWER	\$8,000.00
GAS/FUEL	30-8280-3700	WATER/SEWER	\$3,000.00
C/O EQUIP & IMPROVEMENTS	30-8280-7400	WATER/SEWER	\$10,000.00
401-K CONTRIBUTION	30-8280-0800	WATER/SEWER	\$3,000.00
TELEPHONE	30-8280-1100	WATER/SEWER	\$4,000.00
DUES & SUBSCRIPTIONS	30-8280-5300	WATER/SEWER	\$4,000.00
TRAINING	30-8280-5000	WATER/SEWER	\$2,000.00
TRAVEL	30-8280-1400	WATER/SEWER	\$3,000.00
AUTO SUPPLIES & MATERIALS	30-8280-3100	WATER/SEWER	\$2,500.00
OFFICE SUPPLIES & POSTAGE	30-8280-3200	WATER/SEWER	\$5,500.00
UNIFORMS	30-8280-3600	WATER/SEWER	\$500.00
MISCELLANEOUS	30-8280-5700	WATER/SEWER	\$1,000.00
UTILITY BILL (Garbage/Recycle)	30-8280-4500	WATER/SEWER	\$300.00
UTILITY (WATER)	30-8280-4600	WATER/SEWER	\$300.00
UTILITY (SEWER)	30-8280-4700	WATER/SEWER	\$300.00
			\$990,000.00

WATER AND SEWER DEPARTMENT EXPENDITURES

W/S APPROPRIATIONS	AMOUNT
WATER DEPARTMENT	\$499,600.00
SEWER DEPARTMENT	\$490,400.00
	\$990,000

ELECTRIC DEPARTMENT REVENUES

Account Description Electric Revenues	Account Number	FY26/27 Budget
ELECTRIC SALES	31-3710-0000	\$2,782,000.00
SALES TAX ON ELECTRIC	31-3750-0000	\$175,000.00
INTEREST EARNED ON INVESTMENTS	31-3290-0000	\$75,000.00
REPS	31-3000-0000	\$42,000.00
PENALTIES ON UTILITY BILLS	31-3350-1000	\$15,000.00
MISCELLANEOUS	31-3350-0000	\$10,000.00
UTILITY SERVICE CHARGE	31-3730-0000	\$500.00
RETURNED CHECK FEE	31-3720-0000	\$500.00
		\$3,100,000.00

ELECTRIC DEPARTMENT EXPENDITURES

Account Description Electric Expenses	Account Number	FY26/27 Budget
PURCHASE FOR RESALE	31-8380-4800	\$1,900,000.00
SALARIES & WAGES	31-8380-0200	\$360,000.00
SALES TAX REMITTED	31-8380-5100	\$180,000.00
SPECIAL CONTRACT SERVICES	31-8380-4200	\$50,000.00
DEPART SUPPLIES/MATERIAL	31-8380-3300	\$53,000.00
HEALTH INSURANCE	31-8380-0600	\$52,000.00
RETIREMENT	31-8380-0700	\$53,000.00
MAINT & REPAIRS	31-8380-1500	\$30,000.00
CAPITAL OUTLAY	31-8380-7300	\$180,000.00
INSURANCE & BONDS	31-8380-5400	\$40,000.00
MISCELLANEOUS	31-8380-5700	\$1,000.00
FICA EXPENSE	31-8380-0500	\$29,000.00
AUTO SUPPLIES & REPAIRS	31-8380-3100	\$5,000.00
HEALTH INSURANCE RETIREES	31-8380-0610	\$2,500.00
401-K CONTRIBUTION	31-8380-0800	\$5,000.00
GAS/FUEL	31-8380-3700	\$8,000.00
DUES & SUBSCRIPTIONS	31-8380-5300	\$12,000.00
TRAINING	31-8380-5000	\$10,000.00
ATTORNEY FEES	31-8380-0405	\$8,000.00

- Streets, Sanitation, Parks & Facilities: equipment replacements (mowers), preventive maintenance for sanitation truck, park lighting now billed to Parks, library façade complete (pages 5–7, 11–12).
- Payroll: overall FY27 payroll reduced by \$18,630.14 due to one eliminated water/sewer position; FY27 payroll estimated \$892,336.26 (page 7).

Financial strategy and recommendations

- Recommendation I: tie annual water & sewer rate adjustments to CPI to preserve purchasing power and cover rising costs (page 7).
- Recommendation II: establish multi-year capital outlay program for electric infrastructure (page 7).
- Recommendation III–VI: inventory/dispose surplus assets; develop comprehensive strategic/capital plan; finalize Tri-Town electric interlocal agreement; consider downtown revitalization and formalize asset/contract governance (page 7; Appendix A pages 18–19).

Risks and cost drivers

- Utility cost inflation noted in CPI (electricity +4.6%; water/sewer/trash +4.74% year-over-year) — informs rate and budgeting recommendations (page 7).
- Some capital actions (sewer loan closing, large grant draws) are contingent on completing overdue audits (page 4).

Conclusion

- The FY26–27 recommended budget maintains core services, advances prioritized capital projects funded largely by grants and planned borrowing, reduces the ad valorem rate to \$0.30, and includes operational measures (audits, asset disposition, capital planning, CPI-indexed utility rate policy) to strengthen fiscal sustainability (Town Manager message and line-item schedules, pages 4–17).

APPENDIX A

- Definitions and scope
 - Clear list of covered assets (substation(s), transmission, shared distribution lines, poles, equipment, ROWs) and map references (require regular updates).
- Governance and decision-making
 - Decision thresholds for routine vs. capital projects (dollar amounts, percent of budget).
 - Voting rules (consensus, majority, supermajority) and tie-breaking procedures.
 - Process for emergency approvals and expedited decisions.
- Cost allocation and budgeting
 - Cost-sharing formula (equal split within shared service zones and exceptions).
 - Capital project funding policy (reserves, pay-as-you-go, debt issuance).
 - Procedures for routine O&M expenses, unexpected repairs, and major capital expenditures.
 - Billing, invoicing, and reimbursement timelines.
- Capital planning and asset replacement
 - Multi-year capital improvement plan process and update schedule.
 - Prioritization criteria (risk, criticality, life-cycle, capacity needs).
 - Lead-time and procurement planning for long-lead equipment.
- Maintenance, inspection, and testing
 - Scheduled inspection/testing requirements (temperature gauges, bushings, relays, battery banks).
 - Responsibility for repairs vs. replacements and coordination with scheduled projects.
 - Standards for equipment calibration, lab testing (oil sampling), and documentation.
- Emergency response and continuity
 - Incident reporting, notification hierarchy, and joint response protocols.
 - Cost responsibility for emergency actions and temporary measures.
 - Mutual aid and staffing support arrangements.
- Asset management and documentation
 - Requirements for mapping, inventory, condition assessments, and recordkeeping.
 - Asset disposal policy (surplus equipment, vehicles, real property) and revenue treatment.
 - Data sharing, access rights, and custodianship of records.
- Technical coordination and engineering
 - Joint engineering review and walkthrough procedures.
 - Roles for engineering consultants and schedule for joint studies.
 - Change control for technical specifications (control/battery building, panel relocation).
- Procurement and contractor management

- Competitive bidding, vendor selection, and contract administration rules.
- Allocation of contract oversight and inspection responsibilities.
- Financial controls and accounting
 - Accounting treatment for shared assets, depreciation, and capital contributions.
 - Audit rights, reporting frequency, and performance/financial metrics.
 - Grant application, acceptance, and matching-funds handling.
- Risk management, insurance, and liability
 - Required insurance coverages and allocation of deductibles/liability.
 - Indemnification clauses and limits of liability.
- Regulatory and environmental compliance
 - Responsibility for environmental testing, remediation, and permitting (e.g., oil handling).
 - Compliance with safety codes and regulatory reporting.
- Staffing, training, and safety
 - Joint training expectations, safety standards, and certification requirements.
 - Responsibilities for routine staffing vs. contracted services.
- Dispute resolution and enforcement
 - Escalation process, mediation/arbitration, and enforcement remedies.
 - Timeline and process for addressing unresolved technical or financial disputes.
- Amendment, renewal, and termination
 - Procedures for amending the agreement, periodic review, and renewal terms.
 - Exit/termination conditions, asset disposition, and liabilities on withdrawal.
- Legal and administrative provisions
 - Role of legal counsel, notice requirements, effective dates, and jurisdiction.
 - Confidentiality, public records handling, and communication protocols.
- Implementation schedule and next steps
 - Timeline for mapping, initial condition assessments, prioritized projects (e.g., bushing replacements), and formal adoption.
 - Assignment of action items and responsible parties for first-year deliverables.