



Town of Cramerton

Honorable Mayor
Cathy C. Young

Board of Commissioners

Willie Carter
Joel Lineberger
Ronald Murphy
Jeffrey Ramsey
Jacqueline Sumner

Town Manager

Michael C. Peoples

Hello everyone, first I would like to introduce myself, I am Michael Peoples, the new Cramerton Town Manager. I have been on the job since April 4th and I am enjoying living in Cramerton. I am originally from the Statesville/Taylorsville area, went to school at Western Carolina and Appalachian State, and worked as Town Administrator in Grifton, NC (below Greenville, NC) for almost five years. I am happily married to my wife Jamie, who is a school teacher. We look forward to our new lives in Cramerton. I would like to thank you for allowing me to serve you as Town Manager and if I can be of assistance, please call or come see me at Town Hall.

In this newsletter, I would like to provide some important information involving the upcoming fiscal year's budget and the adopted water and sewer rate increases. If you would like information concerning town projects and a copy of the approved budget and budget message, please go to our website www.cramerton.org or feel free to contact Town Hall, 704-824-4337.

FISCAL YEAR 2005-2006 BUDGET ORDINANCE

The Town of Cramerton Board of Commissioners recently adopted the FY 2005-2006 Budget. Below is the adopted Budget Ordinance. The tax rate remained the same at \$0.425/\$100.00 valuation:

TOWN OF CRAMERTON FISCAL YEAR 2005-2006 BUDGET ORDINANCE

EXPENDITURES BY FUND AND DIVISION

GENERAL FUND EXPENDITURES

General Government Services	\$403,100
Police Services	\$591,655
Recreational Services	\$417,712
Public Works Services	\$503,780
Fire Department	\$112,839
Planning/Codes Enforcement	\$102,915

Total General Fund Expenditures \$2,132,001

WATER/SEWER FUND EXPENDITURES

Water Services	\$725,080
Wastewater Services	\$839,825

Total Water/Sewer Fund Expenditures \$1,564,905

Total Budget FY 05-06 \$3,696,906

REVENUES BY FUND

GENERAL FUND REVENUES

Ad Valorem Taxes	\$1,105,000
Other Taxes & Licenses	\$ 680,238
Unrestricted Intergovernmental	\$ 16,500
Restricted Intergovernmental	\$ 111,800
Permits and Fees	\$ 61,000
Investment Earnings	\$ 5,300
Miscellaneous Revenue	\$ 16,000
Debt Issue Revenue	\$ 31,957
Reimbursement from Sewer Fund	\$ 30,000
Fund Transfers	\$ 76,206
Total Projected Revenue	\$2,134,001

WATER & SEWER FUND REVENUES

Operating Revenues	\$1,550,405
Interest/Miscellaneous Revenue	\$ 14,500
Total Projected Revenue FY 02-03	\$1,564,905

Gross Revenues for FY 05-06 **\$3,696,906**

WATER AND SEWER RATES

As you may have heard, the Town of Cramerton is increasing water and sewer rates. Currently, the minimum water and sewer bill for 2,000 gallons of use is \$17.62. Every 1,000 gallons of water after 2,000 gallons is \$4.95 and sewer is \$3.86 per 1,000. Beginning July 1st, the minimum water and sewer bill will be increased to \$28.00, a difference of \$10.38 per month. The average customer in the Town of Cramerton uses approximately 5,000 and currently their bill is \$44.05. Under the new rate structure, the average bill for 5,000 gallons of usage will be \$61.75, a difference of \$17.70 per month.

This increase in utility rates is based on several factors. First, the Town of Cramerton purchases water from the City of Gastonia and then is responsible for distributing water to our Town of Cramerton customers. The Town must provide funding for the water distribution system, which includes rehabilitating old lines, installing new lines, and reading water meters. The City of Gastonia will increase water costs by 2.0% beginning July 1st and this is part of a 50% increase over the last four years. The Town must compensate for this increased cost and continue to provide funding for the improvement of our existing system.

The Town of Cramerton owns and operates a four million gallon per day wastewater treatment facility located on Eagle Road. The State of NC and the Federal Government mandate how this treatment is done. Recently, there have been regulations passed down to municipalities that dictate that the treated wastewater must meet higher standards in removing chlorine and phosphorus. In order to facilitate this mandate, the Town must undergo an extensive upgrade to our treatment plant that will cost approximately \$3,000,000. The Town has qualified for low-interest funding through the State of NC for \$3,000,000 over 17 years, which means that the Town will be responsible for paying \$213,000 per year to pay back this loan funding. The NC Local Government Commission requires that the Town fund this debt service through our sewer rate structure. The upgrade project at the wastewater treatment plant will begin this fall and conclude in the Fall of 2006. This is the main reason for the increase in sewer rates. Along with increasing water and sewer rates, the Town has increased access fees paid to the Town by developers who add customers onto the existing utilities systems. This is done in order to keep our rate structure as low as possible for existing customers.

The Town wishes that utility prices could stay fixed at a low cost to the customer, but the State of NC and Federal Government pass along treatment regulations that the Town must follow. If you have any questions regarding the Town's water and sewer operations, feel free to contact me at Town Hall or via email at mpeoples@cramerton.org

I hope that everyone has a safe and productive summer. I look forward to serving the Town of Cramerton for many years to come. The Town's recreation department is hosting several fun and exciting activities for our community's youth and adults, and you can find out more information concerning these activities on our website at www.cramerton.org, or call the recreation department at 704-824-4231. The Town will begin to distribute newsletters on a quarterly basis to update you on current events and happenings in your Town. Thank you.

Michael C. Peoples
Town Manager