

Subject: Cost of Running The Town
January 9, 2023

Last Friday, I signed a stack of town checks in my office. Fridays are check signing days. The process begins at the first of the week when invoices come to the town clerk. Our clerk also doubles as our accounts receivable officer. She verifies the invoices, and by the end of the week, the checks are ready for the required two signatures.

The town manager plus the finance director or mayor both sign the checks. As a standard practice, the town manager and mayor are the signatories.

So, at the end of every week, the clerk gives the unsigned checks and all the invoices to the town manager. He reviews the invoices and signs the check. Next, they come to me, and I follow the same process. As a matter of good professional practice, the town always strives to process invoices and send checks to town vendors within a week.

After the signatures, the town clerk takes back possession of the checks and mails them to the vendors. I have been signing town checks for a decade now, but it always amazes me how many checks have to be issued weekly or monthly to keep the town running.

Over the years, I have become very familiar with many of the town vendors and what services they provide. For example, Duke Energy gets two big checks every month. One check is always over \$320,000 for wholesale electrical power. The other is a transmission fee for the power to Highlands. That check is always around \$25,000.

Periodically, we pay a sizable check to Environmental Inc. for operating and staffing the sewer plant. That contract continues to work very well for the town. Almost every week or month, the town issues a check for Briar Equipment Company, usually for over \$1,000. That company supplies parts for big operating

machines like backhoes. We have a lot of equipment that require constant maintenance, repairs, and new parts.

Insurance companies send Highlands premium invoices almost every month. For example, we pay premiums to the NC Insurance Trust for liability insurance and to Globe, MetLife, and Colonial Insurance for premiums that, in most cases, town workers have paid into. Health insurance premiums are also routinely paid.

Another routine payment goes to National Communications. They are vendors and supporters of our communication system, i.e., radios for police and utility workers, which keep town workers talking to one another around town, especially in emergency and inclement weather events. We also pay costs for maintaining and upgrading radio and computer equipment that monitors real-time water levels in our large tanks throughout the town.

We frequently send checks to Carolina Water Systems. Those invoices are for the water plant operations where supplies for treating our water are constantly procured.

Highlands also sends checks to a number of local companies. For instance, this past year, Bryson Grading and Construction Company has received major checks for paving and water line installations. I like paying companies in Highlands since those funds support the local economy.

Poindexter Tire of Franklin routinely receives a town check. They supply the town with all kinds of tires for our many specialized tires. For instance, the police department tires have to meet law enforcement standards.

The town also mails checks to area car dealerships. Much of our vehicle fleet vehicles are Chevys and Fords and need routine maintenance. Like a household, our departments hate it when a vehicle comes off warranty and then has a major failure, like dropping a transmission. Town staff works to prevent major auto repairs by conducting routine, scheduled maintenance.

In summary, keeping a town like Highlands functioning takes substantial money. We have a lot of activities and departments on a scale that most towns our size simply do not provide. Nevertheless, the costs are worth it in order to maintain a quality community.