March 31, 2025 Budget Retreat

Meeting minutes

Call Meeting to Order

The meeting was called to order.

Roll Call

A roll call was conducted. Alderman Genita Hill, Mayor Pro Tempore/Alderman Gary Lingerfelt, Alderman Allen Bumgarner, Alderman Tim Hertzel, Alderman Phyllis Pennington, and Mayor Marla Thompson were all present.

Invocation

Town Manager James Cozart delivered the invocation, expressing gratitude for the day, the opportunity to serve the town, and asking for guidance during the budget retreat discussions.

Items for Discussion

Administration- Town Manager James Cozart

The Town Manager presented an overview of Long View's current status and future outlook. The population was reported to have grown from 4,149 in 2010 to an estimated 5,281 according to the latest state estimate. The largest age group in town was reported to be 20-29 years old, comprising almost 19% of the population.

The Town Manager discussed ongoing and potential residential developments in Long View, including:

- A development of 11 homes planned behind the recreation center's upper field.
- Four houses permitted at the intersection of 33rd Street Northwest and Second Avenue.
- Nine houses approved by the planning board on 29th Street off of 13th Avenue, south of Highway 70.
- Potential developments near exit 121 on the interstate, including inquiries from Sunbelt Rentals, a truck sale and service company, and a gas station.
- A potential high-density residential development by Lennar Homes on a 45-acre tract off Sweet Bay Lane, which could result in up to 90 houses.
- A 30-acre tract south of 16th Avenue Place with potential for residential development.

The Town Manager emphasized that with this growth comes the need for increased utility infrastructure, police and fire protection, street department services, and potentially additional staff. He stressed the importance of developing long-range planning for this type of growth.

Regarding downtown Long View development, the Town Manager reported on a meeting with Phil Boggan from North Carolina's Main Street program through the Department of Commerce. Mr. Bogan was invited to the April 14th board meeting to discuss potential collaboration and grant opportunities. The manager outlined future projects for the downtown area, including sidewalk improvements, a micro park in front of the old Long View Elementary School, and potential zoning changes.

The Town Manager proposed an initial budget of $7,500 for downtown development efforts, which could be used for banners and street signs. He also mentioned that federal and state representatives had been contacted regarding appropriation requests for downtown development.

Finance Presentation- Finance Director Melissa Lalonde

Finance Director, Melissa Lalonde, gave a year-to-date overview of the General Fund Revenues (85%) and Utility Fund Revenues (70%):

- YTD General Fund- $4,969,916
- Sales Tax- $1,549,250

- Property Tax- $2,446,799
- Franchise Tax $265,904
- Interest on Investments- $109,169
- YTD Utility Fund: $1,983,002
- Water/Sewer-$1,647,311.60
- Water Taps- $53,500.00
- Sewer Taps- $28,500.00

The town debt was highlighted as follows:

- **GENERAL FUND**
- **Fire Truck/Equipment~$48,120 8yrs remaining**
    - **Vehicle/Equipment~$25,371 6yrs remaining**
- **Total Debt= $73,491 (down from $106,443 last year)**
- **UTILITY FUND**
- **UT Projects~$12,230 6 yrs remaining**
- **Vehicle Equipment~$19,140**
- **6yrs remaining**
- **Total Debt=$31,370**

We are expected to see the following increases in the upcoming FY:

- Up to 10% increase on Health Insurance
- 8-10% increase on worker's comp & liability through Travelers
- 8% increase to Catawba County Animal Services

Finance Director Lalonde presented the following budget requests for administration:

- Two new computers for the customer service department
- New printer in the Clerk's office
- Increasing the travel/school line item by $8,000 for continuing ed purposes

The following budget requests were made for the Town Complex:

- $8,879.00 for carpet replacement in the council chambers and conference room
- Burm required at the firing range (2 quotes obtained so far)

Town Planning: Contracting with the WPCOG results in saving $72,000 in the current planning budget. The total cost of planning will be approximately $73,950, which includes $48,500 for the COG services, demolition expenses, advertising, and the planning board.

The Medical Center lease will be $18,000 and the contract is set to renew July 31, 2026.

Senior Day Out budget is currently $2500. Finance Director Lalonde explained that the budget needs to be increased as last year $6,012 was spent and YTD, $2,352 has been spent with 3 months remaining in this budget.

The Powell Bill past 5-year allowance was presented, as well as, the current account balance:

- **24-25~$190,716.96**
- **23-24~$174,947.07**
- **22-23~$157,833.90**
- **21-22~$159,482.10**
- **20-21~$131,311.98**

- **Account balance as of 12/31/2024~$874,280.00**

Finance Director Melissa Lalonde explained that the Public Works Director, Chris Eckard, has been given the amount that he needs to spend this year out of the Powell Bill Fund, as it cannot continue to be banked.

The Property Tax rate was also generally discussed. The current tax rate is $0.49 per $100.00 of property evaluation, generating a YTD total of $2,303,242.75. Projected tax revenue at the current rate for next year is estimated at $2,887,385.

Finance Director Lalonde lastly gave a quick overview of the large ticket items that would be requested by Fire, Police, and Public Works, but explained that those departments would give more information at the time of their presentation.

Utilities- Deputy Finance Director Denise Collins

Deputy Finance Director Denise Collins advised that 75% of the utility revenues of the year have been collected:

- **Water**
- Budget $1,400,000
- Revenue $980,545.45
- YTD Collected 70.04%
- **Sewer**
- Budget $1,014,000
- Revenue $666,766.15
- YTD Collected 65.76%
- **Garbage**
- BUDGET $442,798
- REVENUE $267,870.52
- YTD COLLECTED 60.49%

The City of Hickory will be applying a 5 % increase to their water rates, which we will pass along to our residents.

<u>INSIDE RATES</u>

- **WATER: $28.12 + $1.41 = $29.53**
- **SEWER: $28.34 + $1.42 = $29.76**

<u>OUTSIDE RATES</u>

- **WATER: $54.19 + $2.71 = $56.90**
- **SEWER: $55.63 + $2.78 = $58.41**

Republic Services will be applying a 5.2% increase. The increase that we will be applying to our residents is slightly higher than what Republic Services is charging due to not fully applying prior increases to our residents which costs the town. The increase was noted as follows:

- ***INCREASE 5.2%***
- **$16.71 + $2.40 = $19.11**

WHAT MAKES UP THE $2.40 INCREASE??

- **Current $16.71 x 5.2 % increase = .87**
- **Upcharge to current rate + $1.53**

The 2025-2026 utility bills will be as follows:

Inside Rates:

- **Water** **$29.53**
- **Sewer** **$29.76**
- **Garbage** **$19.11**
- **Current** **$78.40**

Outside Rates:

- **Water** **$56.90**
- **Sewer** **$58.41**
- **Current** **$115.31**

The following are the increases from the 2024-2025 utility bill:

Water	+ 1.41	
Sewer	+ 1.42	
Garbage	+ 2.40	
Total Increase		**+ 5.23**
Water	+ 2.71	
Sewer	+ 2.78	
Total Increase		**+ 5.49**

Current deposits required for renter services is $140.00. Deputy Finance Director Collins requested a new deposit rate of $160.00 to cover two billing cycles which would be approximately $156.80.

No other fee increases were requested for the current fee schedule.

Fire Department- Fire Chief James Brinkley

Fire Chief Brinkley presented the fire department's budget requests. Key points included:

- A request to add two fire engineer positions to ensure four people are on duty at all times, improving response capabilities and potentially reducing overtime costs.
- A proposal to transition to a fully career fire department, discontinuing the on-call firefighter program.
- A request has been made to Catawba County for a tax increase in the county rural district to 10 cents per $100 of property valuation, generating an additional $16,642 in revenue.
- A request to the county for $180,951 to hire three firefighter positions.
- A proposal for a new fire engine to replace the current Squad 2, at a cost of approximately $1.5 million.
- A request for a $5,000 salary adjustment for every fire department employee (except the chief) to remain competitive with neighboring departments.
- Increases in budget line items for personal protective equipment ($39,000), uniforms ($5,000), air pack repairs ($5,000), and departmental supplies to decrease from $51,000 to ($43,000).

Risk Management- Capt. Alex Smith

Captain Alex Smith, the Risk Manager, requested an increase in the contracted services budget from $10,000 to $13,000 to cover physicals, drug tests, and other necessary services for potential new employees. They also requested a 20-foot Connex container at a cost of $4,150 for storage of fire department records and training props.

Recess For Lunch

A motion was made by Alderman Allen Bumgarner at 11:30 a.m. to recess the meeting for lunch. The motion was seconded by Alderman Tim Hertzel. The motion to recess was unanimous.

At 12:25 p.m. a motion was made by Alderman Tim Hertzel to conclude the recess for lunch and begin the budget retreat. The motion was seconded by Alderman Phyllis Pennington. The motion to begin the meeting was unanimous.

Police Department- Police Chief TJ Bates/ Police Major Justin Reid

The Police Department presented their budget proposals for the upcoming fiscal year. Chief Bates expressed gratitude for the board's support and emphasized the importance of funding and support for the department's effectiveness. Major Reid then presented a detailed slideshow outlining the department's accomplishments, challenges, and budget requests.

Major Reid highlighted the department's success in reducing dispatch calls, arrests, and traffic incidents through proactive policing and community engagement. He presented statistics showing a significant decrease in dispatch calls from 6,142 in 2021 to 3,088 in 2024.

The department's main budget requests included:

- Salary increases: Major Reid proposed an overall salary increase of 5% for the entire department to improve retention and recruitment. He presented a study showing that Long View Police Department currently has the lowest starting salary in Catawba County.
- Overtime budget: A hybrid system was proposed, allowing officers to accrue comp time up to a certain amount, after which they would be paid overtime. The requested overtime budget was $25,000.
- Reserve officer budget increase: An increase in the budget for reserve officers was requested to ensure coverage throughout the year. The current budget of $9,300 has remained unchanged since 2016. An increase of $3,100 was requested making that total line item $12,485.00.
- Flock cameras: Four cameras were requested at a cost of $15,600 for the initial setup and $13,000 per year for licensing fees.

- Computer replacements: A plan to replace 5 laptops this year and 5 next year was proposed, with each laptop costing approximately $2,000. The discussion to look into potentially leasing computers in the future was mentioned and will be explored further.
- Vehicle replacements: Two patrol cars were requested at a cost of approximately $131,944.16, including upfitting.
- Five bulletproof vests at $800 each. Recommendations of increasing the Uniform Budget Line Item in the amount of $3,200.00 was made.
- Four sets of helmets, rifle plates, and storage bags at $1,000 per set for a total of $4,000.
- Five protective shields at approximately $3,000 each. Major Reid emphasized that if two protective shields were provided, one would be kept at Southwest Elementary School and the other at the Police Department. The cost for 5 totaled $20,500; The cost for 2 totaled $8,200.00.
- Uniform and gear updates: A proposal to update duty gear, including tack straps, nylon duty belts, and taser holsters, was presented at a cost of $6,000 for 12 patrol officers.

The board discussed various aspects of the proposals, including the potential for leasing computers instead of purchasing them outright. They also requested more information on warranties for the proposed equipment.

Chief Bates and Major Reid addressed questions and provided additional context for the budget requests. The board expressed general support for the proposals but indicated that final decisions would be made during the budget allocation process.

Public Works- Public Works Director Chris Eckard

Chris Eckard, Public Works Director, presented several budget proposals for the upcoming fiscal year:

- Recreation Center Improvements:
- Flooring replacement: A proposal for epoxy flake flooring was presented at a cost of approximately $15,700. This new flooring would be more durable, easier to clean, and maintain a better appearance than the current flooring.
- Furniture replacement: A request to replace 60 chairs and 40 tables with black plastic folding chairs and tables was presented at a cost of $8,800. This would be the first half of a two-year plan to replace all furniture in the recreation center.
- Ceiling replacement: A proposal to replace all drop ceilings in the public works building was presented at a cost of $12,500. The current ceiling is caving in and is a must to repair.
- Interior painting: A quote of $2,400 was presented to repaint the entire interior of the public works building.
- Flooring replacement: A proposal to replace the flooring in the public works building with the same flooring used in town hall was presented at a cost of $15,700.
- Vacuum excavator: A request for a new vacuum excavator was presented at a cost of $73,830. This would replace an older model that is becoming difficult to maintain due to lack of available parts.
- Flatbed dump truck: A proposal for a new 16-foot flatbed dump truck with a snow plow attachment was presented at a cost of $96,000.
- Smaller vehicles: Requests were made for a Chevrolet Silverado 1500, a Chevrolet Colorado, and a Ford Maverick, with a preference for the Maverick if only one vehicle could be approved. The three vehicles presented were recommendations at different price points. The Maverick, priced at approximately $26,000, would primarily be used as a meter reading vehicle.

The board discussed the various proposals, asking questions about the necessity of each item and the potential for phasing in purchases over multiple years. They expressed particular interest in the vacuum excavator and the Ford Maverick, recognizing the need to update the department's aging fleet.

Public Works Director Eckard also provided an update on the status of a new leaf truck, which is expected to be delivered by the end of next month.

The board did not make any final decisions during the meeting but indicated that they would consider the requests during the budget allocation process.

Recap/Discussion

The Town Manager, James Cozart, provided a cost estimates for a new fire department building, which came in at $23.9 million, significantly higher than expected, but on par with other municipalities that are exploring building a new fire department, such as the Town of Granite Falls. As an alternative, he suggested considering a new police department building for approximately $4.5 million, which could fit on the existing town-owned land. This option would allow for renovating the current police and fire side of the building to accommodate the fire department's needs.

The Finance Director, Melissa Lalonde, presented options for a Cost-of-Living Adjustment (COLA) for employees at 3%, 4%, and 5%. After discussion, the council agreed to proceed with budgeting for a 4% COLA, consistent with recent years' adjustments.

Regarding the property tax rate, currently at $0.49 cents, the council decided to review the proposed expenditures before considering any rate changes. The council decided to make their final decision at the budget workshop scheduled for May when all of the total budget numbers are presented.

The Finance Director, Melissa Lalonde, then recapped the budget requests from various departments, approving the following:

Administration:

- $7,500 for downtown development
- $8,000 increase for travel and school budget
- $600 for a new printer in the clerk's office
- Up to $1,000 for two computers in the customer service area

Town Complex:

- $15,000 for Burm at Firing Range
- $8,900 for carpet in the Council Chambers and Conference Room
- Opening a Capital Management Account for long range planning purposes (no amount specified at this time)

Fire Department: Total $165,000

- $119,040 for two fire engineer positions
- $3,000/employee for salary adjustments (excluding the fire chief)
- $5,000 increase for equipment repair (SBAC)
- $5,000 for uniforms for new employees
- Decrease in department supplies from $51,000 to $43,000
- Fire truck purchase (to be financed over 10 years, pending further financing information) Estimated $1.5 million (budgeting numbers for this fiscal year to be decided at the Budget Work Session)

Risk Management: $17,150.00

- $3,000 added to contract services for physicals and drug screens ($13,000 total in line item)
- $4,150 for a storage container

Police Department: $266,677

- 5% salary increase department wide ($65,631.55)
- $15,600 for FLOCK Cameras
- $131,944.16 for 2 new vehicles for the Motor Fleet

- $3,200 for vests
- $25,000 budgeted for overtime
- $8,200 for ballistic shields
- $6,000 for uniform changes (possibly able to work into budget without increasing)
- $3,100 added to the reserve officer budget
- $10,000 to replace laptops

Public Works: $252,474

- $52,600 Two Maverick meter read trucks
- $73,830.00 Vacuum Excavator
- $96,000 16ft Dump Truck with snow plow
- $12,500 Ceiling repair
- $2400 painting at PW Building (may can come out of the current budget)
- $15,700 flooring at Public Works

Parks and Recreation: $29,255

- $24,255 for new flooring in the recreation center
- $5,000 Senior Day Out Budget

Town Manager Cozart also proposed offering a discounted YMCA membership to employees at a cost of about $20 per month per employee. The council agreed to gauge interest among employees before making a final decision.

Lastly, the council discussed how to recognize the Lions Club's 75th anniversary. Options included issuing a proclamation or naming the walking track after the club. The council also debated whether to continue allowing the Lions Club free use of the recreation center or to implement some restrictions or fees. The decision to name the walking track after the Lions Club & to issue a proclamation upon presentation was agreed upon.

The board also agreed upon the proposed increase to the utility bills as presented by Deputy Finance Director, Denise Collins.

The finance director, Melissa Lalonde reported that the total amount approved during the meeting was **$761,495.**

The final budget will be presented to the board on May 9, 2025 at 4:00 p.m. during the budget work session.

Adjournment

Alderman Genita Hill made a motion to adjourn the meeting. The motion was seconded by Alderman Tim Hertzel. The motion to adjourn was unanimous.

The meeting was adjourned at 3:51 p.m.

Staff in attendance: Town Manager James Cozart, Finance Director Melissa Lalonde, Deputy Finance Director Denise Collins, Town Clerk Heather Minor