Town of Long View

May 1, 2026 Budget Work Session

Meeting minutes

Call Meeting to Order

Mayor Eddie Marlowe called the meeting to order at 2:00 p.m.

Roll Call

Roll call was conducted.

Alderman Genita Hill, Alderman Gary Lingerfelt, Alderman Allen Bumgarner, Alderman Tim Hertzel, Alderman Phyllis Pennington, and Mayor Eddie Marlowe were all present.

Budget Work Session

Overview and Opening Remarks

Finance Director Melissa Lalonde opened the budget work session by noting that while the process is typically smooth, there were several important items to highlight before proceeding through the budget in detail.

Proposed Employee Benefit – Floating Holiday

The Finance Director introduced the proposed addition of one new employee benefit for the upcoming fiscal year, noting that it is customary to add one employee benefit per year. She referenced that the previous year's added benefit was the YMCA membership. For the current budget cycle, the proposal was to add a floating holiday with the following conditions:

- Employees would receive one floating holiday per year.
- The holiday could be used at the employee's discretion at any time during the fiscal year.
- The floating holiday must be used before the end of the fiscal year; it cannot be carried over or paid out.
- The benefit would reset at the beginning of each new fiscal year.

It was clarified that a formal vote on this item would not occur at this work session, as it would be incorporated into the final budget. It was also noted that this change would require an update to the Town's personnel policy, as the floating holiday would need to be added to the official list of days off. It was acknowledged that this item had been inadvertently missed during the budget retreat due to the length of that session.

Annual Operating Budget – General Overview

The Finance Director presented the proposed annual operating budget, noting the following key details:

- The budget is based on a 49-cent tax rate, meaning the Town would recapture the one penny that was reduced from the prior year's rate.
- New items incorporated into this budget include:
- A police car (as previously approved by the Board)
- Axon Enterprises equipment

- Ballistic vests
- Increased training funds for the Police Department
- A Flock Safety camera subscription at $12,000 per year, which is an ongoing annual subscription required to maintain the previously purchased Flock cameras
- Fire department personnel costs were included.
- Code Red replacement software was included for the Town Clerk's office. It was explained that this would replace the current Code Red system, which is shared with the county. The new system would be a standalone platform for the Town of Long View and would also function as a town-branded app integrated with the Town's website. Town Clerk Minor noted that the existing Code Red system had experienced reliability issues — including a cybersecurity breach the prior year — which had prevented sending out a critical water main break alert. This prompted the decision to seek an independent solution.

The Finance Director also noted that several items approved for the next fiscal year were purchased early out of the current year's budget, given a significant surplus in the general fund. The intent was to lighten the financial load for the upcoming budget year. These items included:

- Four computers
- One rifle
- Two ballistic shields for the Police Department
- SCBA bottles for the Fire Department
- Bulletproof glass and a panic button for the administrative office

Insurance and Benefits Updates

The Finance Director provided updates on several insurance-related items:

- Property and Liability Insurance (League of Municipalities): Increased by $3,000 for the year.
- Workers' Compensation Insurance: Decreased by approximately $10,300.
- Health Insurance: Rates from Blue Cross and Blue Shield had not yet been received despite multiple attempts to work with the broker, Dwayne Wilson. The broker indicated that the current market suggests potential increases of 15–25 percent. However, the Finance Director noted that in prior years, projections of 10–12 percent had ultimately come in at 3–5.6 percent. To be conservative, the budget included a 15 percent increase in health insurance costs. It was noted that by law, the insurance commission must publish rates no later than 45 days before the July 1 start date, which would be approximately the last week of May.

Fee Schedule Updates

The Finance Director highlighted updates to the fee schedule:

- During the budget retreat, a 5 percent rate increase from the City of Hickory had been presented; however, the city subsequently came back with a 10 percent increase, which is now reflected in the fee schedule.
- The water utility deposit was increased to $180 to ensure sufficient coverage in the event a customer vacates without paying their water bill.

Items Not Included in the Budget

The Finance Director clarified two items that were not included in the proposed budget:

- A new vehicle for Deputy Fire Chief – The Board had previously asked department staff to obtain another quote. The department chose to defer the vehicle purchase to the next fiscal year in order to have more time to identify the most appropriate vehicle for their needs.

- A mower/tractor for Public Works – After taxes and all associated costs, the total price came to approximately $301,000, which was deemed too significant to absorb into the current budget without financing. Finance Director Lalonde noted that she and Town Manager Cozart had discussed financing options through Truist Bank, with an interest rate of approximately 4.6 percent on a financed amount of $300,936.43 over a 7-year term, with the first payment not due until July 1, 2027. The Board informally discussed the financing option and expressed general consensus in favor of pursuing it.

Animal Control Vehicle Quote

The Finance Director presented a new quote for an animal control vehicle, noting that the previously presented quote had been approximately $93,000. The new quote came in at $56,269.59, broken down as follows:

- F-150 truck: $35,000
- Animal transport box: $13,000
- Lights, radio, strapping, and tent: approximately $8,000

It was noted that this item would be discussed further once the Board had reviewed the full budget figures. Board members expressed that the new quote was considerably more favorable than the prior one.

General Fund – Department-by-Department Breakdown

Governing Board

The Finance Director noted that costs for the Governing Board went down due to:

- Several board members having returned their town-issued phones, eliminating those associated costs.
- It not being an election year, which reduced election-related expenditures. The Town had budgeted $7,000 but was billed $14,000 the prior year, representing a significant saving.

Administration

Key changes in the Administration budget included:

- Dues and subscriptions increased due to the addition of a full-time HR position, which carries its own dues, subscriptions, and professional development needs.
- Travel and school expenses were kept the same, as remaining current-year funds were deemed sufficient to cover the new HR employee's required education and classes.
- Contracted services increased to account for unexpected needs that arise throughout the year.
- Employee relations was increased by $1,000 to account for rising costs. It was explained that this line item covers expenses such as the Town's annual Christmas party, flowers or condolences for employees during difficult times, and other similar goodwill gestures. As an example, the Finance Director noted that a $100 Visa gift card had been purchased for a firefighter's wife (referencing Brandon Wright's family) to assist with gas or food during a difficult time.
- Town events were increased to provide additional budget flexibility. Town Clerk Minor explained that the previous budget only covered three events: the Lead Academy, the Fall Festival, and Light Up Long View — all occurring in the first half of the fiscal year. The increase would provide room to add spring events, such as an outdoor movie night at the recreation center. The Lead Academy was cited as a particularly successful event that would continue. Board members expressed agreement.

Town Complex

- The Town Complex budget decreased due to the absence of any planned work on the training facility this year.
- Utilities were increased by approximately 7–10 percent in anticipation of potential Duke Energy rate changes.
- Department supplies and maintenance and repairs were increased.

- Contracted services decreased significantly because landscaping at the recreation center, which had previously been included in this line, was removed this year.

Planning and Development

- The Planning and Development budget increased primarily due to expanding the Town Planner's (Susan's) scheduled presence from two half-days per week to one and a half days per week, starting July 1, in response to growing need.
- Most costs in this department — including the rail project, the inter-basin transfer, GIS operations, and the MPO match — are handed down by the Council of Governments (COG) and are not within the Town's direct control.
- Contracted services also cover code enforcement activities.
- Telephone charges were restructured across all departments. Previously, the total phone bill from Prodigy (the Town's desk phone provider) had been divided equally among all departments. Going forward, the Finance Director explained that each department would be charged based on the actual number of desk phones it uses, in order to produce a more accurate picture of each department's true operating costs. The same methodology was applied to email costs — it was noted that the Fire Department had been subsidizing email costs for departments whose staff actually use the Town's Google Workspace accounts, which was identified as an accounting inefficiency.

Police Department

The Police Department budget increased significantly, driven by the following new items:

- One police car
- Axon Enterprises contract
- Two ballistic vests
- Increased training budget of $3,000, intended to fund sending an officer to firearms instructor school so the department can have its own in-house certified instructor
- Flock Safety camera subscription: $12,000 annually
- Animal control shelter costs increased to approximately $10,000 per quarter, prompting discussion among Board members. It was noted that the animal shelter fee increases every year. Concern was raised by a Board member regarding the practice of municipalities being charged service fees by the animal shelter when those facilities are already funded through county taxes — a form of what was characterized as potential "double dipping." The Board member noted that this concern has been raised at meetings with other municipalities and indicated it should be formally raised with the appropriate county officials, particularly given that the Town has at times been told it cannot bring animals to the shelter despite paying these fees.
- Contracted services increased significantly due to the inclusion of the Axon Enterprises contract and Flock subscription.
- Finance Director Lalonde noted that she had sat down with both the Police Chief and Fire Chief during budget season to carefully review all contracted services and dues/subscriptions line item to ensure all known expenses were properly captured, as both departments had previously been going into deficit due to items being inadvertently omitted during budget planning.

Fire Department

- County fire inspection fees increased by 90 percent. Finance Director Lalonde confirmed with Chief Brinkley that this was accurate, noting that fire inspection fees had not been increased in approximately four years and that the county implemented a large catch-up increase this cycle.
- Dues and subscriptions and contracted services were reviewed carefully in collaboration with Chief Brinkley to ensure all recurring expenses were properly budgeted, consistent with the approach taken for the Police Department.
- All other line items remained largely the same.

Street Department

- The Street Department budget decreased significantly, primarily because employees Darren and Adam were reassigned from the Street Department budget to the Utility Fund. It was explained that these two employees primarily perform utility-related work (water line breaks, sewer line breaks, etc.) and therefore it was more appropriate to have their salaries funded through the utility budget.
- There were no other significant increases in this department.

Recreation Department

- The main new item in the Recreation budget was a PART F grant contingency line item totaling $17,850, which was required to be included in the budget as a condition of applying for a recreation-related grant.

Risk Management and Medical Center

- Risk management costs were included as budgeted.
- The medical center budget was held at $36,000, though it was noted that the Town was still awaiting a signed contract from the medical center (pending review by legal counsel "Jimmy Summerlin") to determine whether the relationship would continue.

Garage

- The Garage budget was set at $199,000.

General Fund Debt Service

- General fund debt service was budgeted at $265,049.

General Fund Summary

The Finance Director summarized the General Fund totals by department as follows:

| Department | Amount | |---|---| | Governing Board | $42,616 | | Administration | $788,794 | | Town Complex | $66,074 | | Planning and Development | $102,094 | | Police Department | $2,211,912 | | Fire Department | $1,585,867 | | Street Department | $1,053,024 | | Recreation Department | $64,021 | | Risk Management | $32,150 | | Medical Center | $36,000 | | Garage | $199,000 | | General Fund Debt Service | $265,049 | | General Fund Total | $6,446,601 |

Utility Fund

Utility Department

The Finance Director presented the Utility Fund, beginning with a revenue overview followed by department-level detail.

- Total Utility Department budget: $1,471,808
- The overall figure was noted to have slightly decreased compared to last year, primarily because a $250,000 capital outlay item from the prior year was not repeated this year.
- Salaries and wages increased due to the addition of Darren and Adam to the utility payroll.
- The following utility employees are funded 100 percent from the utility fund: Darren, Adam, Josh, White, and Marcelo.
- Administrative staff — including Denise, Angie, the Finance Director, the Town Manager, the Town Clerk, Human Resources — have their salaries split 25 percent General Fund / 75 percent Utility Fund, reflecting their administrative role across the entire organization.
- Professional services increased due to audit-related costs and engineering/water study fees. A contracted engineering firm was referenced, with associated costs noted to be in the range of approximately $50,000.
- Group insurance increased consistent with the general fund, as the cost is split approximately 50/50.

- Retirement increased due to the addition of Darren and Adam's salaries to the utility fund.
- Telephone and postage increased due to rising postage rates.
- Utilities increased in line with anticipated rate increases.
- Department supplies were increased by $5,000 to account for rising material costs.
- Contracted services were increased to account for aging water and sewer infrastructure that may require outside contractors for repairs that are too deep or otherwise beyond in-house capability. A specific example was cited involving a repair on 24th Street estimated at $65,000.
- Utility contingency fund: $144,000
- The radio-read meter changeover budget was maintained, as the transition process is still ongoing.

Sewer Department

- Total Sewer Department budget: $825,617
- The largest increase was attributed to the 10 percent sewer rate increase from the City of Hickory, applied to both water and sewer under the existing contract. This was noted as a 10 percent increase for each service — not a combined figure.
- Contracted services also increased.
- The budget included $104,000 as the first-year payment under the Capital Improvement Plan (CIP) to begin replacement of the sewer screens.

Water Department

- Total Water Department budget: $605,544

Garage (Utility)

- The Utility Garage budget was set at $125,000.
- A $55,000 fuel/gas expense was included. It was noted that the Town purchases fuel through Bumgarner Oil and then bills other agencies (such as the fire department or county entities) based on their usage. The Finance Director explained that she tracks gallons used monthly and bills at the rate the Town paid at the pump, ensuring cost recovery. This arrangement had been in place for at least five years.
- Tire expense and general maintenance and repair were also increased.

Utility Fund Debt Service

- Total Utility Fund Debt Service: $151,370
- This line item covers:
- Outstanding debt on water and sewer line replacement projects completed in prior years
- A vehicle equipment loan (specific vehicle was not confirmed at this time)
- A previously established repayment to the General Fund (referenced as the "Henry Ford repayment"), implemented to balance excess revenues in the utility fund
- The repayment to the General Fund was held at the same amount as prior years — $158,600 — as no updated rate-per-mile information had been received.

Utility Fund Summary

- Total Utility Fund: $3,179,339

Powell Bill Revenue

The Finance Director noted that the Town's Powell Bill allocation — revenue received from the State based on street mileage — was budgeted at $158,600. She further noted that the Street Department Director (Chris) anticipated approximately $200,000+ worth of paving work to be completed in the coming weeks in order to spend down the existing allocation and ensure continued eligibility for future Powell Bill distributions.

Police Federal and State Shared Proceeds

It was noted that this fund represents drug seizure proceeds regulated by the State and is required to be included in the Town's budget. The amount remains consistent year over year.

Tax Rate Discussion

A discussion arose regarding the 49-cent tax rate included in the proposed budget. Key points of discussion included:

- Finance Director Lalonde clarified that this represents a return to the prior rate, recovering the one-cent reduction that was implemented the previous year — not a new tax increase beyond historical levels.
- At the proposed 49-cent rate, one cent of tax value in Long View equates to approximately $50,066 based on current tax valuations.
- The contingency fund in the general fund was noted at $101,980 under the 49-cent rate.
- If the Board chose to remain at 48 cents, the contingency fund would drop to approximately $51,913 — a reduction of roughly $50,000.
- It was noted that the contingency fund is used for unexpected expenditures such as facility repairs, equipment failures, and emergency situations. Examples cited included a malfunctioning door mechanism and a potentially aging HVAC unit that had been exhibiting intermittent start/stop behavior. The Finance Director cautioned against drawing down the contingency fund too aggressively, particularly given the Town's aging infrastructure.
- Board members expressed discomfort with significantly reducing the contingency fund and informally indicated support for the 49-cent tax rate. One Board member noted the importance of maintaining a reasonable contingency reserve given the unpredictability of municipal operations.

Public Works Salaries

The Board discussed salary adjustments for Public Works employees. The Finance Director explained that she and the Town Manager had met with the Public Works Director (Chris) to discuss the matter collaboratively:

- Public Works Director Eckard was given the opportunity to recommend salary adjustments for his team rather than applying a blanket percentage increase, since varying tenure levels made a uniform percentage raise impractical.
- The lowest-paid employees received increases in the range of $1,500 to $2,000 per year.
- Chris himself was identified as having been significantly underpaid relative to his responsibilities — earning approximately $77,000 when the pay study indicated he should be earning in excess of $100,000. His salary was adjusted to $95,000, taking into account his tenure and institutional knowledge. Board members expressed strong agreement that Chris was well worth this adjustment.

Total Operating Budget

The Finance Director presented the total operating budget for the upcoming fiscal year at $9,791,540, compared to the prior year's total of $8,718,322. While the increase was acknowledged as significant, Board members noted that the Town had approved considerable investments in personnel, equipment, and services, and expressed that the increase was understandable in that context. The importance of retaining quality employees was cited as a key consideration.

Additional Discussion – Third Ballistic Shield for Police Department

Mayor Marlowe raised the question of whether a third ballistic shield could be added to the budget for the Police Department. It was noted that the department had originally requested three shields, with the stated intent that the third would be designated for school use. The Board had previously approved only two, which had since been purchased out of the current year's surplus. The cost of each shield was noted to be approximately $675 (with two shields having cost approximately $1,350 total). The matter was discussed briefly without a formal resolution at this session.

Summary of Budget Work Session Outcomes

Finance Director Lalonde summarized the informal direction received from the Board:

- The proposed budget at a 49-cent tax rate was acceptable to the Board.
- The Board expressed support for pursuing financing through Truist Bank for the Public Works mower/tractor at approximately 4.6 percent interest over 7 years.
- The Board was agreeable to adding the floating holiday to the personnel policy, with a formal vote to be scheduled for the July meeting (or the June meeting for the fee schedule, to be effective July 1).
- The fee schedule updates, including the 10 percent rate increase from the City of Hickory and the increased water deposit, were acknowledged.
- The animal control vehicle quote of $56,269.59 would not be added to this year's budget.

Adjournment

Alderman Tim Hertzel made a motion to adjourn. The motion was seconded by Alderman Allen Bumgarner. The motion to adjourn was unanimous. The meeting adjourned at 3:07 p.m.