

**TOWN OF LONG VIEW
TOWN ALDERMEN MEETING
BUDGET WORK SESSION
May 21, 2007**

The Town of Long View Board of Aldermen met on Monday, May 21, 2007 at 6:00 p.m. in the Conference Room at the Government Center in Long View, North Carolina.

BOARD PRESENT: The following members of the Board were present: Mayor Norman Cook, Alderman Ken Bumgarner, Alderman Vernon Moyer, Alderman John McDaris, Alderman Jackie Bowman and Alderman Randall Mays.

STAFF PRESENT: The following members of staff were present: Town Administrator David Epley, Town Clerk Stephanie Watson, Town Attorney Redmond Dill, and Finance Director James Cozart.

OTHERS PRESENT: None

MEETING CALLED TO ORDER: Mayor Norman Cook called the meeting to order and welcomed everyone. He turned the meeting over to Town Administrator David Epley.

Mr. Epley shared the 2007 – 2008 Budget Message with the Board:

MEMORANDUM

TO: *Mayor Norman Cook
Mayor Pro Tem Vernon Moyer
Alderman John McDaris
Alderman Ken Bumgarner
Alderman Randall Mays
Alderman Jackie Bowman*

FROM: *David Epley, Town Administrator*

DATE: *May 15, 2007*

SUBJECT: *2007 – 2008 Budget Message*

Although we have experienced a great deal of success financially in the 2006 – 2007 Fiscal Year in the General Fund, we have been extremely conservative in the proposed 2007 – 2008 Budget in the General Fund due to large expenditures pertaining to the Centennial Celebration this year. Capital Outlay requests in the General Fund are unremarkable in this proposal. Utility Franchise Tax is expected to decrease based on the current year's receipts by nearly \$25,000, while Local Government Sales Tax is

projected to increase by nearly \$20,000. I feel as though we can continue to provide the same level of service to our citizens for a tax rate of \$.40 per \$100 valuation.

Due to the conservative nature at this proposal, the total General Fund budget is down a total of \$13,435 from last year. Once again we have no appropriation of fund balance for the third year in a row. This is an accomplishment that I am extremely proud of.

Insurance costs have increased approximately 11% overall from last year, we will continue to provide the same level of coverage that we are currently providing.

Our Utility Fund Revenues are projected to be up \$32,746 from last year. This increase in revenue is due to our success in investments along with an aggressive debt setoff program through the NCLM that has yielded over \$15,000 in revenue in the current year. This proposal includes a \$1.00 increase in garbage collection fees that also contributes to the revenue increase.

I have once again included provisions for waterline extensions along Sweet Bay Lane and 33rd St. We do have a possible grant to assist us in this endeavor.

Capital Outlay requests are unremarkable in the Utility Fund. The fund balance appropriation for the Utility Fund in this proposal is \$78,771. This is once again down from the previous year's appropriation of \$165,531. I continue to be pleased with the progress that we are making at trimming this appropriation.

I have proposed a well deserved 3% cost of living increase for all employees, they all do a great job, we are very fortunate to have such a good staff.

The proposed 2007 – 2008 Budget is conservative in nature but also progressive enough to continue to move forward with the Governing Board's vision for the Town of Long View. We have included appropriations for a potential new Post Office and a new department including Code Enforcement and Minimum Housing. These additions along with the other infrastructure improvement projects will serve us well as we move forward. What makes this especially impressive is that we are able to do these things with an overall increase of less than one percent over last year. This is a tribute to our cracker jack finance staff.

I am very fortunate to be a part of this wonderful governmental organization. I look forward to having another great year.

Respectfully submitted,

*J. David Epley
Town Administrator*

Alderman Ken Bumgarner suggested for the cost of living increase to be 3.5% instead of 3%. The Board was in agreement.

Mayor Norman Cook asked if the \$5000 for the Concord-Kannapolis Lobby was in the Budget. Administrator Epley said that it would be added.

At this time Town Administrator David Epley briefly went through the proposed budget.

Town Administrator David Epley noted that in the "Water and Sewer Rate" section for the 2007 – 2008 year, the water and sewer rates would be the same as the previous fiscal year but there would be a \$1.00 increase in garbage collection fees.

Town Attorney Redmond Dill said that the Board should considering adding an Expense Line Item for the Governing Board to cover gas costs and travel to meetings. The Board agreed that this would be a good idea and agreed to give \$100 per month for the Mayor and \$50 per month for each Alderman for a total of \$4200 for the year. Administrator Epley said that \$4200 would be added to the Travel and School Line Item that already exists.

Mr. Epley highlighted the main items of interest in the Annual Budget Estimate-Expenditures for Administration. He said that Department Supplies and Materials were increased to cover the cost of two new computers for the front office at Town Hall. Contracted Services was increased to cover the cost of purchasing a new carpet for Town Hall. It was noted that the Administration Capital Outlay was presented at \$28,000 for an administration car.

Mr. Epley noted that in the Annual Budget Estimate-Expenditures for the Town Complex, the Contracted Services Line Item was increased to cover the repair of the parking lot in front of Town Hall.

Administrator Epley informed the Board of the plans for the budget of the new Code Enforcement Department. As of now the current Planning Department budget covers both Planning and Code Enforcement. For the new fiscal year it would need to be split into two parts to cover each department. The only addition would be to the Code Enforcement Department for \$25,000 to cover demolition.

Mr. Epley noted that in the Planning Department the budget requested is about half because as of the new fiscal year, Code Enforcement would be its own department.

Town Administrator David Epley noted that in the Police Department the cost for uniforms had went down because there would be no need to purchase bullet proof vests. The Contracted Services Line Item had increased because the contract with the county has increased.

Mr. Epley noted that the Police Department asked for a new police car this year. He said that the car would include the Police Package and Striping. Alderman Randall Mays

asked if the cost for Striping would include just the new police car or if it would include the new car and the car that the Police Department would receive from Administration. Administrator Epley said that he would find out and they would adjust the amount to cover both cars if it had not already done so.

Mr. Epley noted that in the Fire Department the Contracted Services Line Item was down because Volunteer Firefighters were now required to be paid through payroll. Finance Director James Cozart said that it was a new IRS Regulation and that the Town had to pay a payroll tax on that money.

Mr. Epley noted that in the Capital Outlay Request for the Fire Department two SCBA's were requested for a cost of \$9200 and three door openers were requested for a cost of \$7500.

Mr. Epley noted that on the Annual Budget Estimate-Expenditures for the Powell Bill, the Sidewalk Line Item increased because of the upcoming sidewalk project. Contracted Services are down because the Town has plans to forgo paving this year and instead focus on sidewalk construction.

Mr. Epley noted that for the Annual Budget Estimate-Expenditures for Recreation, the Supplies and Materials Line Item was increased to cover the cost for new tables and chairs. He also noted that the Contracted Services Line Item was increased to cover the cost of landscaping the area around the Recreation Center building and around the new Centennial Picnic Shelter.

Alderman Vernon Moyer suggested that there should be control for the heating/air-conditioner equipment at the Recreation Center and there should be a way to control it from Town Hall. There would need to be a phone line added at the Recreation Center and software would be needed to control the equipment. It was noted that money would be available. The Board agreed that this would be a good idea and to proceed.

Mr. Epley noted that in the Annual Budget Estimate-Expenditures for Risk Management that the Travel and School Line Item would be higher because the Risk Management Officer needs to take some classes to make sure the Town stays in compliance.

At this time Mr. Epley informed the Board that money for Gas was split into two different line items. Line Item 10-850-000 would hold \$40,000 and Line Item 30-850-0000 would hold \$40,000 for use for gas expenses.

Mr. Epley informed the Board of the General Fund Debt Service page. This page covers all of the General Fund Debt that exists and it also shows the estimated cost of the new Post Office. He noted that the "years owing" in these line items included the 2007 – 2008 Fiscal Year.

Mr. Epley noted that for the Utility Fund in Contracted Services, \$100,000 was added to cover the extension of water lines on 33rd Street and Sweet Bay Lane. He said currently

the Town is working for a grant to cover getting water lines for the new Cooper Kenworth building.

Alderman Ken Bumgarner expressed his concern about how much the Town would offer to pay the new Mechanic when one was found. Administrator Epley said that they would have to look into how much they would be able to pay to get the new mechanic.

Mr. Epley informed the Board that there were no Capital Outlay Requests from the Water Plant. There was an increase in the Water Purchases Line Item due to the fact that when the Raw Water Pump Station is rebuilt, the Town will have to purchase water from Hickory during the time of construction.

Alderman Jackie Bowman asked about the progress of the clearing and location of the raw water lines. Alderman Ken Bumgarner said he spoke with Public Works Director David Draughn. He said that the Town is waiting for work to start on the Raw Water Pump Station and then they would proceed.

Mr. Epley informed the Board that there was not a change on Sewer.

Mr. Epley informed the Board that the Utility Fund Debt Service page showed all the debt consolidated on the Utility Fund.

Mr. Epley said that there will be some expenses that will hit on June 30th for the Centennial. The Board agreed to do an amendment to cover the money needed.

Following Town Administrator Epley's presentation the Board stated that the budget looked good and there was no need for another budget work session.

The Board informed staff that they did a great job with the 2007 - 2008 Budget.

There being no further discussion or business, motion was made by Alderman Ken Bumgarner, seconded by Alderman John McDaris to adjourn the budget work session at 7:00 p.m. The vote was unanimous.

Stephanie C. Watson
Town Clerk

Norman E. Cook
Mayor