

The Mayor and City Council met in regular session on Thursday, February 3, 2022 at 7:00 p.m. in the Council Chambers of City Hall located at 114 West Sycamore Street, Lincolnton North Carolina.

Mayor Ed Hatley called the meeting with a moment of silence and led the Pledge of Allegiance. The following members were in attendance:

**WHITE            POINSETTE            EADDY            JETTON**

**Prior to approval of the Regular Agenda, Councilmember Eaddy requested that an update on the Board of Elections decision to close Betty Ross Park for several weeks for the election be added to the agenda. Item 4d was added to the agenda.**

**With no other additions or deletions to the agenda, Councilmember Poinsette made a motion to approve the *REGULAR AGENDA as amended*. Members voted 4-0 in favor of the motion**

**Councilmember White made a motion to approve the amended *CONSENT AGENDA* as follow:**

- **Approval of Minutes from the January 6<sup>th</sup> , 2022 Regular Meeting**
- **Resolution**

**R-01-22**

**A RESOLUTION DECLARING THE INTENTION OF THE LINCOLNTON CITY COUNCIL OF THE CITY OF LINCOLNTON TO CONSIDER THE CLOSING OF AN ALLEYWAY BETWEEN ROSS STREET AND DALE AVENUE**

WHEREAS, G.S. 160A-299 authorized the Lincolnton City Council to close streets and public alleys; and

WHEREAS, the Lincolnton City Council considers it advisable to conduct a public hearing for the purpose of giving consideration to the closing of the alleyway between Ross Street and Dale Avenue;

NOW, THEREFORE, BE IT RESOLVED by the Lincolnton City Council that:

- (1) A meeting will be held at 7:00 p.m. on the 3<sup>rd</sup> day of March, 2022, in the City Hall Council Chambers to consider a resolution closing the alleyway between Ross Street and Dale Avenue.

- (2) The City Clerk is hereby directed to publish this Resolution of Intent once a week for four successive weeks in the Lincoln Times News, or other newspaper of general circulation in the area.
- (3) The City Clerk is further directed to transmit by registered or certified mail to each owner of property abutting upon that portion of said street a copy of this Resolution of Intent.
- (4) The Clerk is further directed to cause adequate notices of this Resolution of Intent and the scheduled public hearing to be posted as required by G.S. 160A-299.

This the 3<sup>rd</sup> day of February, 2022

**Members voted 3-0 in favor of the motion**

### **SPECIAL RECOGNITION**

#### **Special Recognition of City Employees (County Employees) Fran Ave. Incent**

Mayor Ed Hatley recognized both Chief Ryan Heavner and Chief Rodney Jordan bring special recognition to several employees. Chief Heavner briefly reviewed the details of the nearly tragic incident that took place while responding to a fire call. Firefighter Eric Carroll, Engineer Brady Hickman, Lieutenant Lee Hansen and Captain Shane Bowman were all recognized and presented an award for going above and beyond the call of duty. Officer Dillon Wolf of the Lincoln Police Department, was not only presented an award by Chief Heavner for his involvement in the incident, but was given the Medal of Valor award from Police Chief Rodney Jordan and the Police Department Command Staff for his act of heroism.

#### **Presentation of Advance Law Enforcement Certificate**

Police Chief Rodney Jordan, with his command staff, presented Detective Mamadou Diallo with is recently earned Advanced Law Enforcement Certificate. Chief Jordan explained that this is the highest certification awarded by the North Carolina Training and Standards Division, reiterating the amount to dedication, years of service and hard work it takes to earn.

**REGULAR AGENDA**

**Lincolnton Steering Committee Update**

Mr. Wayne Hoyle, Chair of the Lincolnton Steering Committee made an appearance before Council, thanking members for the opportunity to work with all of the various organizations. Mr. Hoyle informed that the committee will be focusing on three main issues going forward which are the re-location of the Court house, the City's strategic Plan and the homeless/vagrancy. Mr. Hoyle stressed the importance of communication and commented on the great job everyone is doing

**2020/2021 Audit Presentation**

Pamela McBryde, Finance Director, introduced Ms. Carol Avery with Lowdermilk Church and Co., LLP, to present council the audit for 2020/2021. Ms. Avery began, informing council that the City received an unqualified opinion, which is what is required. She also stated that she received notice from the Local Government Commission and approval should be forthcoming. Ms. Avery spoke to the highlight as follows:

CITY OF LINCOLNTON

**Financial Highlights  
Years Ended June 30, 2021 and 2020**

| <b>General Fund (Includes Powell Bill Funds)</b>                                      | <b>2021<br/>Summarized<br/>Budget</b> | <b>2021</b>    | <b>2020</b>  |
|---|---------------------------------------|----------------|--------------|
| Total assets  |                                       | \$ 8,405,933   | \$ 8,054,637 |
| Fund balance  |                                       | \$ 5,708,206   | \$ 6,848,623 |
| Fund balance - Reserved for Streets - Powell Bill<br>(included in total fund balance) |                                       | \$ 278,229     | \$ 369,558   |
| Total revenue   | \$12,649,223                          | \$12,971,770   | \$12,109,855 |
| Total expenditures  | \$15,658,476                          | \$14,197,999   | \$11,423,000 |
| Revenues over (under) expenditures before other<br>financing sources (uses)           |                                       | \$ (1,226,229) | \$ 686,855   |
| Other income (expense)  | \$ 3,009,253                          | \$ 1,640,378   | \$ 964,071   |
| Increase (decrease) in fund balance   |                                       | \$ 414,149     | \$ 1,650,926 |

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|  |              |              |
|--|--------------|--------------|
| Increase (decrease) in inventory               | \$ 3,240     | \$ (2,644)   |
| Ad valorem taxes collected                     | \$ 5,605,996 | \$ 5,433,254 |
| Percent of taxes collected - current year levy | 99.10%       | 98.38%       |
| Investment income                              | \$ 57,750    | \$ 90,267    |

|   |            |            |
|---|------------|------------|
| <b>Fund Balance Available - without Powell Bill</b> |            |            |
| Available Balance                                   | 4,251,362  | 4,701,541  |
| Expenditures and other financing sources and uses   | 14,671,925 | 11,641,394 |
| Available Fund Balance - without Powell Bill        | 28.98%     | 40.39%     |

|   |            |            |
|---|------------|------------|
| <b>Fund Balance Available</b>                     |            |            |
| Available Balance                                 | 4,529,320  | 5,070,827  |
| Expenditures and other financing sources and uses | 15,017,538 | 11,982,000 |
| Available Fund Balance                            | 30.16%     | 42.32%     |

|   |        |        |
|---|--------|--------|
| State average for a municipality with an electric system and with a population grouping of 10,000 to 49,999 | 44.06% | 43.31% |
|---|--------|--------|

Local Government Commission minimum recommended general fund balance should be at least 25% of general fund expenditures at the end of the fiscal year.

|   | <u>2021</u>  | <u>2020</u>  |
|---|--------------|--------------|
| <b><u>Water and Sewer Fund</u></b>                |              |              |
| Total assets                                      | \$34,322,869 | \$36,562,317 |
| Net position                                      | \$27,993,770 | \$27,689,774 |
| Operating revenue                                 | \$ 7,624,106 | \$ 7,598,164 |
| Operating expenses                                | \$ 6,861,419 | \$ 6,522,861 |
| Operating income (loss)                           | \$ 762,687   | \$ 1,075,303 |
| Non operating revenue (expenses)                  | \$ (69,469)  | \$ (27,882)  |
| Transfers (to) from                               | \$ (389,222) | \$ (379,096) |
| Change in net position                            | \$ 303,996   | \$ 668,325   |
| Accounts receivable - customers                   | \$ 718,035   | \$ 696,240   |
| Investment income                                 | \$ 39,807    | \$ 148,028   |
| Days sales in accounts receivable                 | 36.33%       | 34.35%       |
| Fund Balance Available                            |              |              |
| Available Balance                                 | \$ 5,592,029 | \$ 5,047,224 |
| Expenditures and other financing sources and uses | 7,382,684    | 7,077,867    |

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Available Fund Balance 75.75% 71.31%

**Electric Fund**

|                                   |              |              |
|-----------------------------------|--------------|--------------|
| Total assets                      | \$ 9,988,620 | \$ 8,367,832 |
| Net position                      | \$ 8,544,997 | \$ 6,985,300 |
| Operating revenue                 | \$ 8,897,302 | \$ 7,838,694 |
| Operating expenses                | \$ 7,336,762 | \$ 6,773,377 |
| Operating income (loss)           | \$ 1,560,540 | \$ 1,065,317 |
| Nonoperating revenue              | \$ 29,622    | \$ 67,684    |
| Transfers (to) from               | \$ (30,465)  | \$ (25,975)  |
| Change in net position            | \$ 1,559,697 | \$ 1,107,026 |
| Accounts receivable - customers   | \$ 688,748   | \$ 575,490   |
| Investment income                 | \$ 29,622    | \$ 67,684    |
| Days sales in accounts receivable | 37.80%       | 32.37%       |

Fund Balance Available

|   |              |              |
|---|--------------|--------------|
| Available Balance                                 | \$ 3,489,651 | \$ 2,228,696 |
| Expenditures and other financing sources and uses | 7,367,227    | 6,799,352    |
| Available Fund Balance                            | 47.37%       | 32.78%       |

**Component Unit:**

|  |            |            |
|--|------------|------------|
| Lincolnton Tourism Development Authority |            |            |
| Fund Balance                             | \$ 572,377 | \$ 494,747 |

**Cash and Investments**

|                 |              |              |
|-----------------|--------------|--------------|
| Cash            | \$17,771,298 | \$16,564,977 |
| Restricted cash | 698,861      | 777,703      |
| Total cash      | \$18,470,159 | \$17,342,680 |

There was a small amount of discussion generated from questions for council regarding investment rates and fund balance. Ms. Avery clarified the city's fund balance status, as well as explained a recent change made by the Local Government Commission regarding how fund balance is calculated. She also mentioned the corrective action plan that will need to be submitted to address identified issues.

**(C-01-22)**

**Consideration of Contract between the City of Lincolnton and Lowermilk church & Co. for the 2021 Audit**

Pamela McBryde, Finance Director, presented to councilmembers a proposed contract for fiscal year ending June 30<sup>th</sup>, 2022. Mrs. McBryde directed councils' attention to the memorandum from City Manager Ritchie Haynes, recommending that the city continue to work with Lowermilk Church & Co. Mrs. McBryde pointed out the 5% increase in the proposed contract price, explaining the increase being due to inflation.

**Councilmember Poinsette made a motion to approve contract with the city and Lowdermilk Church & Co. Members voted 4-0 in favor of the motion**

**(P-01-22)**

**Consideration/Approval of proposed Conflict of Interest Policy for City Staff and Elected Officials**

Pamela McBryde, Finance Director, presented a proposed Conflict of Interest Policy for city staff and elected officials as follows:

**Conflict of Interest Policy**

The purpose of the following policy and procedures is to prevent the personal interest of staff members and elected officials of the City of Lincolnton from interfering with the performance of their duties to the City of Lincolnton, or resulting in personal financial, professional, and/or political gain on the part of such persons at the expense of the City of Lincolnton.

**Definitions:** Conflict of Interest (also Conflict) means a conflict, or the appearance of a conflict between the private interests and official responsibilities of a person in a position of trust. Persons in a position of trust include staff members and elected officials of the City of Lincolnton. Governing Board (also council) means the Lincolnton City Council. Elected Official means an individual member of the Lincolnton City Council. Staff member means a person who receives all or part of his/her income from the payroll of the City of Lincolnton.

**Policy:**

1. Full disclosure, by notice in writing, shall be made by the interested parties to the Lincoln City Council in all conflicts of interest, including but not limited to the following:
  - a) An elected official is related to another elected official.
  - b) An elected official is related to a staff member.
  - c) An elected official is also a staff member.
  - d) A staff member in a supervisory capacity is related to another staff member whom he/she supervises.
  - e) An elected official or staff member receives payment from the City of Lincoln for any contract, subcontract, goods, or services other than as part of his/her regular job responsibilities or as reimbursement for reasonable expenses incurred as provided in the bylaws and board policy.
  - f) An elected official or staff member is a member of the governing body of a contributor to the City of Lincoln.
  - g) An elected official or staff member may have personal, financial, professional, or political gain at the expense of the City of Lincoln.
  - h) An elected official or staff member engages in activities that may cause a loss of public credibility in the City of Lincoln or create a public impression of impropriety.
2. Following full disclosure of a possible conflict of interest or any condition listed above, the Lincoln City Council shall determine whether a conflict of interest exists and, if so, the council shall vote to authorize or reject the transaction and/or condition. Both votes shall be by a majority vote without counting the vote of any interested elected official, even if the disinterested elected officials are less than a quorum, provided that at least one consenting elected official is disinterested.
3. An interested elected official or staff member shall not participate in any discussion or debate of the Lincoln City Council, or of any committee thereof, in which the subject of discussion is a contract, transaction, or situation in which there may be a conflict of interest.
4. No elected official or staff member shall participate in the selection, award, or administration of a procurement transaction in which federal or state funds are used, where to his/her knowledge, any of the following has a financial interest in that transaction: (1) the staff member or elected official; (2) any member of his/her immediate family; (3) his/her partner; (4) an organization in which any of the above is an officer, director, or employee; or (5) a person or organization with whom any of the above is negotiating or has any arrangement concerning prospective employment.

5. Existence of any of the above-listed conditions shall render a contract or a transaction voidable unless full disclosure of personal interest is made in writing to the Lincolnton City Council and such transaction was approved by the council in full knowledge of such interest.
6. The disinterested elected officials are authorized to impose by majority vote other reasonable sanctions as necessary to recover associated costs against an elected official or staff member for failure to disclose a conflict of interest as described in Paragraph 1 or for any appearance of a conflict.
7. Appeal from sanctions imposed pursuant to Paragraph 5 and 6 above shall be prescribed by law in those courts of the State of North Carolina with jurisdiction over both the parties and the subject matter of the appeal.
8. In the event that the City of Lincolnton has incurred costs or attorney fees as a result of legal action, litigation, or appeal brought by or on behalf of an interested elected official or staff member due to a conflict of interest and consequent sanctions and in the event that the City of Lincolnton prevails in such legal action, litigation, or appeal, the City of Lincolnton shall be entitled to recover all of its costs and attorney fees from the unsuccessful party.
9. A copy of this policy shall be given to all elected officials and staff members upon commencement of such person's relationship with the City of Lincolnton. Each elected official and staff member shall sign and date the policy at the beginning of his or her term of service or employment and each year thereafter. Failure to sign does not nullify the policy.

Mrs. McBryde explained that the adoption of this policy is a requirement that has to be met to receive the additional grant funding in the State budget.

**Councilmember Jetton made a motion to approve the Conflict of Interest Policy. Members voted 4-0 in favor of the motion.**

**Discussion/Consideration of Revision to Form used for the City  
Manager's Annual Evaluation**

Mayor Ed Hatley spoke to councilmembers regarding earlier conversations that have taken place in reference to the boards desire to revise the form used for the city manager's annual evaluation. Mayor Hatley explained that



after meeting with Human Resources Director Tanya Osborne, the form has been condensed and is more useable and meaningful for both the city manager and councilmembers. He stated that the revised form will also provide a place for goal setting which is an important part of an evaluation. Mayor Hatley also expressed his desire for the evaluation to be completed as a team instead of individually going forward. Some discussion was generated regarding the process moving forward and the added value that will be gained with these changes.

**Although formal action was not required, Mayor Hatley felt it appropriate to show the unity of the decision. There was a consensus among councilmembers, along with a motion from both Councilmember White and Councilmember Jetton to approve the evaluation process as presented. Members voted 4-0 in favor of the motion.**

**(R-02-22)**

**Resolution Authorizing the City of Lincolnton to  
Accept a Donation of Land**

Ritchie Haynes, City Manager, explained this being a step toward proceeding with the patio project between the tunnel at Sycamore Street and Pine Street. Mr. Haynes described it as the back across from First Federal Park. The resolution was presented as follows:

**WHEREAS**, the City of Lincolnton is authorized, pursuant to G.S. 160A-240.1, to acquire by gift, grant, devise, exchange, purchase, lease, or any other lawful method, the fee or any lesser interest in real or personal property for use by the city or any department, board, commission or agency of the city; and

**WHEREAS**, Charles Banks and Gregory LLC, own parcel ID 00658 and Stephen and Jeanne Bailey, own parcel ID 82410, as recorded with the Lincoln County Register of Deeds; and

**WHEREAS**, the property owners have no use for this portion of property and wish to donate it to the City at no cost.

**NOW THEREFORE BE IT RESOLVED**, by the City of Lincolnton City Council:

1. The City Manager is hereby authorized to execute documents necessary to accept this donation of real property. In addition, the

Manager is hereby authorized to execute all documents necessary to give effect to this resolution.

2. The City Attorney is hereby directed and authorized to perform a complete title search and review of said property and take any and all action necessary to carry out the transfer of the property to the City of Lincoln.
3. The acceptance of the property will be effective only upon the signing of the parties and recording of the necessary documents with the Lincoln County Register of Deeds.

Adopted on the 3<sup>rd</sup> day of February, 2022

**Councilmember Poinsette made a motion to approve the donation of property to the City. Members voted 4-0 in favor of the motion.**

**Board of Elections Decision to Close Betty Ross Park  
(Gym) for Elections**

Mayor Ed Hatley opened the floor for discussion regarding early voting and the Board of Elections desire to use the gym at Betty Ross Park for elections. Councilmember Eaddy voiced his concern that despite them being offering the use of City Hall for early voting, the Board is planning to close the gym at Betty Ross Park for several days which will negatively impact multiple activities and recreation programs held at this facility. City Manager Ritchie Haynes informed Councilmembers of the email received, notifying that the dates would be for three weeks in April and May, and three weeks in October and November. Mr. Haynes listed all of the activities that will be affected if this takes place. Discussion was generated among councilmembers and staff regarding the issues surrounding this decision.

Councilman Eaddy suggested that an impact statement be sent to the Board of Elections with all of the impacts and a request to advise as to the procedure to this decision reanalyzed. Also, emphasizing there being no objection to the use of the gym on election day and re-emphasizing City Hall as being available. More discussion was generated among council and staff.


City Manager Ritchie Haynes concluded saying that he and Nathan Eurey, Public Service Director, will draft a letter to be sent to the Lincoln County Board of Election explaining the impact on the citizens, programs and staff. It was determined that the letter will be sent from Mayor and Council and

signed by each. Councilmember Jetton suggested that each councilmember sign the letter as a sign of more solidarity. Councilmember Eaddy requested that each member of the Board of Elections be given a copy.

**OTHER BUSINESS**

**Quarterly Financial Report/Update**

Pamela McBryde, Finance Director, presented the following financial reports as of the end of December:

|  |                        | Executive Summary          |                       |            |                        |                        |                                    |  |
|---|------------------------|----------------------------|-----------------------|------------|------------------------|------------------------|------------------------------------|--|
|   |                        | December 2021 Year-to-Date |                       |            |                        |                        |                                    |  |
| Department  | 2021-2022 Budget       | 2021-2022 YTD Activity     | Budget Remaining      | Variance % | 2020-2021 Budget       | 2020-2021 YTD Activity | Variance Favorable / (Unfavorable) |  |
| <b>Fund: 10 - General Fund</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| Revenue   | \$11,255,190.57        | \$6,924,816.77             | \$4,330,373.80        | 62%        | \$14,004,059.00        | \$6,314,529.93         | \$610,286.84                       |  |
| <b>Total Revenue:</b>   | <b>\$11,255,190.57</b> | <b>\$6,924,816.77</b>      | <b>\$4,330,373.80</b> | <b>62%</b> | <b>\$14,004,059.00</b> | <b>\$6,314,529.93</b>  | <b>\$610,286.84</b>                |  |
| <b>Expense</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| 4110-City Manager/Clerk   | \$170,960.00           | \$21,715.11                | \$149,244.89          |            | \$239,520.00           | \$58,997.05            | \$37,281.94                        |  |
| 4120-Human Resources  | \$333,015.00           | \$129,149.43               | \$203,865.57          |            | \$351,556.75           | \$142,532.74           | \$13,383.31                        |  |
| 4130-Finance  | \$125,270.00           | (\$165,772.41)             | \$291,042.41          |            | \$223,640.00           | (\$88,468.17)          | \$77,304.24                        |  |
| 4280-General Expense  | \$1,484,980.06         | \$794,439.25               | \$690,540.81          |            | \$1,736,756.49         | \$662,727.01           | (\$131,712.24)                     |  |
| 4285-General Debt Service   | \$293,924.00           | \$6,218.30                 | \$287,705.70          |            | \$334,757.00           | \$8,705.62             | \$2,487.32                         |  |
| 4310-Police   | \$3,363,786.02         | \$1,774,957.46             | \$1,588,828.56        |            | \$3,977,949.47         | \$1,757,496.84         | (\$17,460.62)                      |  |
| 4340-Fire   | \$2,216,589.00         | \$1,303,690.12             | \$912,898.88          |            | \$3,031,949.00         | \$1,173,426.26         | (\$130,263.86)                     |  |
| 4510-Public Works Administration  | \$44,080.00            | (\$75,934.63)              | \$120,014.63          |            | \$86,300.00            | (\$27,503.19)          | \$48,431.44                        |  |
| 4520-Street and Maintenance   | \$778,105.00           | \$330,575.63               | \$447,529.37          |            | \$882,269.21           | \$292,376.11           | (\$38,199.52)                      |  |
| 4530-Equipment Services   | \$222,790.00           | \$98,825.85                | \$123,964.15          |            | \$268,789.04           | \$94,827.53            | (\$3,998.32)                       |  |
| 4710-Solid Waste  | \$521,595.00           | \$233,553.22               | \$288,041.78          |            | \$692,375.00           | \$241,651.14           | \$8,097.92                         |  |
| 4740-IT Services  | \$32,500.00            | \$0.00                     | \$32,500.00           |            | \$0.00                 | \$0.00                 | \$0.00                             |  |
| 4910-Planning and Zoning  | \$389,733.49           | \$137,475.66               | \$252,257.83          |            | \$500,239.00           | \$183,115.02           | \$45,639.36                        |  |
| 4930-Business & Community Dev.  | \$121,700.00           | \$37,106.91                | \$84,593.09           |            | \$639,145.04           | \$88,733.23            | \$51,626.32                        |  |
| 6100-Recreation   | \$1,156,163.00         | \$482,102.97               | \$674,060.03          |            | \$1,038,813.00         | \$481,769.34           | (\$333.63)                         |  |
| <b>Total Expense:</b>   | <b>\$11,255,190.57</b> | <b>\$5,108,102.87</b>      | <b>\$6,147,087.70</b> | <b>45%</b> | <b>\$14,004,059.00</b> | <b>\$5,070,386.53</b>  | <b>(\$37,716.34)</b>               |  |
| <b>Fund 10 Surplus (Deficit):</b>   |                        | <b>\$1,816,713.90</b>      |                       |            |                        | <b>\$1,244,143.40</b>  | <b>\$572,570.50</b>                |  |
| <b>Fund: 20 - Boger City Fire District</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| Revenue   | \$1,004,920.00         | \$429,511.88               | \$575,408.12          | 43%        | \$1,373,152.00         | \$608,208.31           | (\$178,696.43)                     |  |
| <b>Total Revenue:</b>   | <b>\$1,004,920.00</b>  | <b>\$429,511.88</b>        | <b>\$575,408.12</b>   | <b>43%</b> | <b>\$1,373,152.00</b>  | <b>\$608,208.31</b>    | <b>(\$178,696.43)</b>              |  |
| <b>Expense</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| 4340-Fire   | \$1,004,920.00         | \$524,472.55               | \$480,447.45          |            | \$1,373,152.00         | \$316,625.84           | (\$207,846.71)                     |  |
| <b>Total Expense:</b>   | <b>\$1,004,920.00</b>  | <b>\$524,472.55</b>        | <b>\$480,447.45</b>   | <b>52%</b> | <b>\$1,373,152.00</b>  | <b>\$316,625.84</b>    | <b>(\$207,846.71)</b>              |  |
| <b>Fund 20 Surplus (Deficit):</b>   |                        | <b>(\$94,960.67)</b>       |                       |            |                        | <b>\$291,582.47</b>    | <b>(\$386,543.14)</b>              |  |
| <b>Fund: 61 - Water and Sewer Fund</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| Revenue   | \$8,475,950.00         | \$4,057,269.54             | \$4,418,680.46        | 48%        | \$11,577,450.00        | \$3,844,944.96         | \$212,324.58                       |  |
| <b>Total Revenue:</b>   | <b>\$8,475,950.00</b>  | <b>\$4,057,269.54</b>      | <b>\$4,418,680.46</b> | <b>48%</b> | <b>\$11,577,450.00</b> | <b>\$3,844,944.96</b>  | <b>\$212,324.58</b>                |  |
| <b>Expense</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| 7100-Water Treatment  | \$2,006,350.00         | \$784,347.40               | \$1,222,002.60        |            | \$1,945,700.00         | \$656,677.69           | (\$127,669.71)                     |  |
| 7110-Distribution & Collection  | \$2,053,220.91         | \$781,777.47               | \$1,271,443.44        |            | \$2,032,900.00         | \$799,136.58           | \$17,359.11                        |  |
| 7120-Wastewater Treatment   | \$1,934,676.09         | \$716,019.32               | \$1,218,656.77        |            | \$1,644,150.00         | \$696,808.34           | (\$19,210.98)                      |  |
| 7130-Water/Sewer Intangibles  | \$2,481,703.00         | \$2,002,950.63             | \$478,752.37          |            | \$5,954,700.00         | \$908,105.85           | (\$1,094,844.78)                   |  |
| <b>Total Expense:</b>   | <b>\$8,475,950.00</b>  | <b>\$4,285,094.82</b>      | <b>\$4,190,855.18</b> | <b>51%</b> | <b>\$11,577,450.00</b> | <b>\$3,060,728.46</b>  | <b>(\$1,224,366.36)</b>            |  |
| <b>Fund 61 Surplus (Deficit):</b>   |                        | <b>(\$227,825.28)</b>      |                       |            |                        | <b>\$784,216.50</b>    | <b>(\$1,012,041.78)</b>            |  |
| <b>Fund: 63 - Electric Fund</b>   |                        |                            |                       |            |                        |                        |                                    |  |
| Revenue   | \$7,797,350.00         | \$3,752,401.15             | \$4,044,948.85        | 48%        | \$8,596,830.00         | \$4,503,935.58         | (\$751,534.43)                     |  |
| <b>Total Revenue:</b>   | <b>\$7,797,350.00</b>  | <b>\$3,752,401.15</b>      | <b>\$4,044,948.85</b> | <b>48%</b> | <b>\$8,596,830.00</b>  | <b>\$4,503,935.58</b>  | <b>(\$751,534.43)</b>              |  |
| <b>Expense</b>  |                        |                            |                       |            |                        |                        |                                    |  |
| 7200-Electric   | \$7,797,350.00         | \$3,852,180.34             | \$3,945,169.66        |            | \$8,596,830.00         | \$4,257,686.88         | \$405,506.54                       |  |
| <b>Total Expense:</b>   | <b>\$7,797,350.00</b>  | <b>\$3,852,180.34</b>      | <b>\$3,945,169.66</b> | <b>49%</b> | <b>\$8,596,830.00</b>  | <b>\$4,257,686.88</b>  | <b>\$405,506.54</b>                |  |
| <b>Fund 63 Surplus (Deficit):</b>   |                        | <b>(\$99,779.19)</b>       |                       |            |                        | <b>\$246,248.70</b>    | <b>(\$346,027.89)</b>              |  |
| <b>Total Surplus (Deficit):</b>   |                        | <b>\$1,394,148.76</b>      |                       |            |                        | <b>\$2,566,191.07</b>  | <b>(\$1,172,042.31)</b>            |  |



Mr. Haynes continued informing councilmembers that the Request of Proposal (RFP) for the upper two floors of the Welcome Center are due back March 24<sup>th</sup>. He reminded member that the same process used for the restaurant will be used for this project. He reported that the shade structures have been delivered to First Federal Park with hopes of a timely installation. Mr. Haynes thanked the Lincoln Tourism Development and the Downtown Development Association for providing the sails. He also thanked Nathan Eurey for his time working on this project.

Mr. Haynes mentioned the recent retirement of David Mocanu and thanked him for his service. He also referenced a letter and an email received from citizens recognizing the high level of customer service they received from two different employees on two different occasions. Keep Lincoln County Beautiful annual report was distributed and several of their projects inside of the city limits were also noted. In conclusion, recognized the Lincoln Tourism Development Authority for the maintenance of the downtown planter boxes.

Mayor Hatley announced Councilmember Mary Frances White appointment at the new Chairman of the Board for Hessed House

**PUBLIC COMMENT:**

**NEWS MEDIA:**

No news media present

**ADJOURNMENT:**

**Being no further business, Councilman Jetton made a motion to adjourn the meeting. Members voted 4-0 in favor of the motion**

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**DAPHNE INGRAM, CMC  
CITY CLERK**

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**ED HATLEY  
MAYOR**