A G E N D A

LINCOLNTON CITY COUNCIL

January 11, 2018

7:00 p.m.

Council Chambers

City Hall

FOR YOUR CONVENIENCE A COPY OF TONIGHT'S AGENDA IS AVAILABLE, LOCATED TO THE RIGHT OF THE ENTRANCE TO THE COUNCIL CHAMBERS

ANYONE WISHING TO SPEAK DURING THE PUBLIC COMMENT PORTION OF THE AGENDA PLEASE SEE THE CITY CLERK PRIOR TO THE MEETING TO SIGN UP

NON-AGENDA ITEMS WILL BE DISCUSSED AND SPEAKERS WILL BE LIMITED TO THREE (3) MINUTES

A COPY OF THE RULES FOR PUBLIC COMMENT ARE AVAILABLE AT THE CITY CLERK'S DESK

THANK YOU FOR ATTENDING OUR MEETING AND FOR YOUR INTEREST IN THE CITY OF LINCOLNTON

A G E N D A

LINCOLNTON CITY COUNCIL
January 11, 2018
7:00 p.m.

CALL TO ORDER – Mayor Ed Hatley

PLEDGE OF ALLEGIANCE

1. **Approval of REGULAR AGENDA**

2. **Approval of <u>CONSENT AGENDA</u>**
   All items placed under Consent Agenda are considered routine, to be enacted by one motion without discussion. If a member of the Governing Body requests discussion of an item, the item will be removed from the Consent Agenda and considered separately.

3. **Approval of December 7, 2017 Regular Meeting Minutes**

4. **Approval of Technical Corrections to the City's Charter; regarding changes made at the May 4th 2017 regular meeting. These changes are going before the General Assembly as technical corrections as City Council made no other amendments to the section *(Will be submitted at the conclusion of the January 11th meeting to the NC General Assembly*)**

<u>REGULAR AGENDA:</u>

<u>PUBLIC HEARINGS</u>

5. **CUP-10-2017 – Application from Brian and Marie Kenyon requesting a conditional use permit to operate a Tap Room in the Central Business (CB) District. The subject property is located at 118 E. Water Street (Parcel 20281).**

   Laura Elam, Planning Director

6. **CUP-11-2017 – Application from Pete and April DeGregory requesting a conditional use permit to operate a Tavern in the Central Business (CB) District. The subject property is located at 110 E Water Street (Parcel 20480).**

   Laura Elam, Planning Director

PRESENTATIONS

7. **Consideration of naming the Splash Pad at First Federal Park, in memory of the late Devin Rhyne, former Lincolnton City Council Member**

Mayor Hatley

8. **Consideration of approval of awarding a Commendation Medal – "Life Saving Medal to Officer Thomas Hall for his heroic actions on**

And

Recognition by Chief Jordan for Officer Hall receiving his Intermediate Certificate for

Rodney Jordan, Police Chief

9. **Presentation of the 2017 Audit Report**

Phil Church and Carol Avery of Lowdermilk, Church and Co.

BUDGET AMENDMENT

(BA-01-2018)

10. **Consideration of Budget Amendment to include; Grant for Betty Ross Park in the amount of $ 150,000 and consolidation of both the Marcia H. Cloninger Rail Trail Fund and the July 4th Committee Fund into the General Fund**

Steve Zickefoose, City Manager

CONTRACTS

(C-01-18)

11. **Consideration of contract between the City and Lowdermilk, Church & Co. for the 2018 Audit**

Steve Zickefoose, City Manager

OTHER BUSINESS

12. **BIG-1-2018 - Application from Don Hartsoe for Business Incentive Grant for building renovations for expansion of Ledford Fabrics and More at 202 West Pine Street**

Laura Elam, Planning Director

OTHER BUSINESS

13. **Consideration of proposed restructuring of positions – amending the City's List of Budgeted Positions and Classifications**

Steve Zickefoose, City Manager

14. **Consideration of dates for the City's Annual Planning Retreat; possibly Friday, March 9th or Friday, March 23rd 2018**

Steve Zickefoose, City Manager

15. **Monthly Financial/ Overtime Report**

Steve Zickefoose, City Manager

PUBLIC COMMENT

Speakers will be limited to three (3) minutes to address Mayor and City Council concerning Non-Agenda items.
You must sign in with the City Clerk to be eligible to speak

NEWS MEDIA

ADJOURNMENT

ITEM

1

APPROVAL

OF

REGULAR

AGENDA

ITEM #

2

APPROVAL

OF

CONSENT

AGENDA

ITEM #

3

REGULAR MEETING - DECEMBER 7, 2017

The Mayor and City Council met in regular session on Thursday, December 7, 2017 at 7:oo pm in the Council Chambers of City Hall, located at 114 West Sycamore Street, Lincolnton, NC.

Mayor Hatley called the meeting to order. First United Methodist Church, Boy Scout Troop 75 led in the Pledge of Allegiance.

Councilman Eaddy made the motion unanimously approved the ***Regular Agenda,*** moving the Public Comment portion of the meeting from the end of the agenda to directly after Item number 5, on the regular agenda (Public Hearing on Noise Ordinance Revisions)

Councilman Black made the motion unanimously approved the ***Consent Agenda*** as follows:

- Approved Minutes from the November 2, 2017 Regular Meeting
- Approved the following Calls to Public Hearing for the January 11th , 2018 meeting:
  CUP-lo-2o17 — Application from Brian and Marie Kenyon requesting a conditional use permit to operate a Tap Room in the Central Business (CB) District. The subject property is located at 118 E. Water Street (Parcel 20481).

  CUP-11-2o17 — Application from Pete and April DeGregory requesting a conditional use permit to operate a Tavern in the Central Business (CB) District. The subject property is located at no E. Water Street (Parcel 2048o).

REGULAR AGENDA:

PROPOSED AMENDMENT TO THE CITY'S CODE OF ORDINANCES - TITLE IX - GENERAL REGULATIONS - CHAPTER 93.016; UNNECESSARY NOISE PROHIBITED SPECIFICALLY AND TITLE XIII - GENERAL REGULATIONS - CHAPTER tao: OFFENSES AGAINST PUBLIC PEACE AND SAFETY

(0-18-17)

Mayor Hatley opened the Public Hearing. Fred Jarrett, Chair of the

Lincolnton Steering Committee requested that Council consider amending the City's Code of Ordinances as follows:
Noise — 93.016 Unnecessary Noise Prohibited Specifically. **OMITT:**
~~The shouting and crying of peddlers, barkers, hawkers and vendors which disturbs the quiet and peace of the neighborhood~~.
section (I)

ADD: Any person or group of persons willfully making any loud, raucous, or disturbing sound that — because of its volume, duration, and character — annoy, disturb, frighten, injure, or endanger the comfort, health, peace, or safety of reasonable persons of ordinary sensibilities in the neighborhood or Central Business District is prohibited.

AND

Chapter 13o. Offenses against Public Peace and Safety — Section 130.05 — Special events and festivals.
ADD: (3) Abusive or threatening language that disrupts a special event or festival or that abuses or threatens another person in a manner likely to cause a fight or brawl at a special event or festival is prohibited. Noise Ordinance 93.016 (1) also applies.

Mr. Jarrett spoke on behalf of the Steering Committee, noting their desired goals to assist the City with long term strategies and to ensure City objectives are adequately addressed; providing advice to assist with the resolution of conflicts/disputes. He referenced several incidents he had observed during events held downtown and noted these revisions were being suggested for the safety of those attending as well as those sponsoring the events.

This item generated much discussion and Council was given much input from the citizens, with twenty-two people speaking in favor of amending the ordinance and fourteen speaking against the proposed amendments.

Those who spoke against were:
Stephanie Ball, Teresa Crump, Todd Broome, Jeffrey Shook, Jeremy Shook, Scott Rapp, Eric Blankenship, Steve Widdows, Ronald Brock, Dr. Ron Baity, Allen Hoyle, Paula McSwain, Dustin Barto and Anthony Huss.

Most who spoke opposing the proposed ordinance felt it was directed toward those who speak the gospel on the streets, and if approved would be a violation of freedom of speech.

Those speaking in favor of the proposed amendments were:
Fred Jarrett, Police Chief Rodney Jordan, Anna Shields, And Lynn, Hailey Cornwell, Tommy Huskey, Vicky Yount, Erica Thompson, Cindy Sherrill, Brooke Sherrill, Matt Burton, Worth Roberts, Judy Botkin, Wayne Howard, Keith Gaskill, Jeremy Shields, Cathy Davis, Mike Payne, Michael White, Carole Howell, Ken Kindley and Christine Poinsette. Most speaking in favor said the proposed ordinance would address those harassing or inflicting fear to those who attend events. They strongly felt the revisions were not about content of the message but it will assist with a hostile delivery of information, and would assist the City with keeping event attendees safe.

After hearing all those speaking for or against the issue, Councilman Jetton made the motion unanimously approved to close the Public Hearing.

Councilman Eaddy said, "With so many things being said tonight, I think it is important that we refocus on this issue. Adopting this ordinance would give some clarity to our law enforcement about how to protect the peace. It meets the constitutional standard of being content neutral, nowhere in the revisions does it state this is about the type of message being delivered."

Dr. Eaddy further said, "If this ordinance is approved, we will still have street preaching and they will be welcomed, accepted or at least tolerated, this ordinance doesn't have anything to do with preaching it has to do with the disturbance of events." He referenced all the churches in downtown Lincolnton and noted he did not feel this was a problem about religion, as some have said. More of a question of, "What kind of community do we want?" He said, "Do we want a community where a businessman spends his hard earned money to promote his product, save his money to clothe his children, try and save money for their future?" "Or do we want to have individuals harassing their customers, running their customers off, suffering a loss and then they go home, is that really what we want?" "Do we want to create a community, where we reach out and say come to Lincolnton to an event and invest your money, and they say no not Lincolnton, not anymore, it's not worth it." "Do we want a community where parents don't want to bring their kids downtown?" Councilman Eaddy continued passionately about their obligation and responsibility as a Council to help keep our downtown vibrant.

Councilman Eaddy then made the motion unanimously approved to adopt the ordinance as proposed and recommended.

PUBLIC COMMENT: *(Moved to immediately follow Item # 5 on the agenda as included in the motion to approve the regular agenda)*
Mr. Alan Hoyle, 319 N Poplar Street, spoke to Council about Pearl significance of Harbor Day, noting it was today. He referenced the US Constitution and citizens rights.

City Council took a five minute recess at this point in the meeting.

PROPOSED AMENDMENT TO THE CITY'S CODE OF ORDINANCES - TITLE XI - GENERAL REGULATIONS - CHAPTER in. POOL ROOMS AND BOWLING ALLEYS:
(0-1947)

Mayor Hatley opened the Public Hearing. Rodney Jordan, Chief of Police, told Council that the revisions are recommended based on a request from Mr. William Warford who plans to open a new business within the City which would offer pool tables. Chief Jordan recommended that City Council consider amending the City's Code of Ordinances — Chapter iii: Poolrooms and Bowling Alleys in several areas as follows:

111.07 OPENING AND CLOSING HOURS.

No licensee and no employee of any licensee shall open, or allow to remain open, any hall or room operated under § 111.03 before 6:00 7:00 a.m. or after 12:00 midnight 2:00 a.m. or at any time on Sunday.

(Prior Code, § 9-56) Penalty, see § 10.99

§ 111.08 UNLAWFUL FOR CERTAIN PERSONS TO ENTER.

No person under 16 years of age shall be permitted from 7:00 a.m. to 3:30 p.m. on school days. No person under 18 years of age permitted after 11:00 p.m. § 111.01.

(Prior Code, § 9-57) Penalty, see § 10.99

§ 111.09 ACTS PROHIBITED TO LICENSEE AND EMPLOYEES.

No license and no employee of any licensee shall:

(A) Suffer or permit the licensed premises to become disorderly;

(B) Suffer or permit any minor to enter or remain in or on the licensed premises unless minor is under direct supervision by an adult; or

(C) Permit any alcoholic beverages, prescribed medications, controlled or counterfeit substances to be sold on the licensed premises, except a licensed premises with four or less poollbilliard tables may sell alcoholic beverages with commission approved ABC license.

(Prior Code, § 9-58) (Ord. 0-08-02, passed 10-3-2002; Ord. 0-02-03, passed 2-13-2003) Penalty, see § 10.99

§ 111.10 REVOCATION OF LICENSE.

A second conviction for a violation of any provision of this chapter shall automatically act as a revocation of the license. The City Council may at any other time, for cause, and after a hearing of which reasonable notice shall be given the licensee as the City Council may direct, revoke any license issued hereunder.

LP **§ 111.11 LICENSE NOT ASSIGNABLE OR TRANSFERABLE.**

No license issued hereunder shall be assignable or transferable, and no license issued hereunder shall cover any change of premises without the written permission of the City Council.

Ga **§ 111.12 LOCATION AND REGULATION OF ROOM.**

All public pool or billiard rooms shall be located on the ground floor of the building housing the same; shall be well ventilated and lighted at all times; shall have no window or door coverings that prevent public view from the outside; shall be open for full inspection by any officer without interference from the proprietor, owner or operator at all times and shall be kept in a sanitary condition at all times.

Upon review of the proposed changes, Councilman Black and Councilman Smith had questions regarding the changes and the sale of alcohol. Chief Jordan addressed those questions and Councilman Eaddy made the motion unanimously approved to close the public hearing.

Councilman Black made the motion unanimously approved to amend the Code as requested by the Chief of Police.

APPLICATION FROM TERAMORE DEVELOPMENT, LLC REQUESTING A CONDITIONAL USE PERMIT TO CONSTRUCT A 9,100 SQUARE FEET RETAIL BUILDING (DOLLAR GENERAL) IN THE PLANNED BUSINESS (PB DISTRICT). THE SUBJECT PROPERTY HAS FRONTAGE ON BOTH W. NC HIGHWAY 27 AND W NC HIGHWAY 15o AND IS APPROXIMATELY 300 FEET WEST OF THE INTERSECTION OF THESE TWO ROADS (PARCEL ID 21439)

CUP-9-2o17

Mayor Hatley opened the Public Hearing. The City Clerk administered the oath to all those wishing to speak for or against the issue.

Laura Elam, Planning Director, reviewed the request from Teramore Development for a conditional use permit to construct a 9,10o square feet retail building on a 1.22 acre site located approximately 300 feet west of the intersection of West Highway 27 and West Highway 15o (Parcel ID 21439).

She said the subject property and all surrounding properties are primarily zoned Planned Business (P-B). Several properties located at the intersection of West Highway 27 and Spake Road are zoned General Business (G-B). Properties located further out West Highway 27 and West Highway 150 are zoned R-25.

The property is currently vacant. Properties located to the north and across West Highway 27 and West Highway 15o are used for commercial purposes. The parcel located to the west along West Highway 27 is used for office purposes. Properties located further west along West Highway 27 and to the south are residential or vacant.

Laura further reviewed the request reading aloud the report as follows:

COMPLIANCE WITH CONDITIONAL USE PERMIT APPLICATION REQUIREMENTS

Section 153.236 of the UDO requires that a conditional use permit application contain specific terms and meet specific requirements. The site plan needs to include the following information:

- Parking calculations
- A landscaping plan noting parking lot landscaping and street landscaping
- Built upon area calculations

OTHER CONDITIONAL USE PERMIT REQUIREMENTS

Section 153.237 of the Unified Development Ordinance requires that four findings be determined by City Council. They are as follows:

1. The use will not materially endanger the public health or safety if located where proposed and developed according to plan, and
2. The use meets all required conditions and specifications, and
3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity, and
4. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the City as officially adopted by the City Council.

COMPLIANCE WITH SECTION 153.237

1. It does not appear that the use will endanger the public health or safety.

2. The use meets all required conditions and specifications with the exception of the items listed above.
3. The applicant will need to provide evidence that the use will not substantially injure the value of adjoining or abutting properties.
4. The use is in conformity with the Lizncolnton Land Use Plan in that the site is located within the Planned Business Planning Area. The applicant will need to provide evidence that the use will be in harmony with the area.

STAFF REVIEW COMMITTEE

The Staff Review Committee made the following comments:

(1) Erosion control plan must be submitted to and approved by Lincoln County.

(2) Building plans must be approved by Lincoln County Inspections.

(3) Driveway permits must be reviewed and approved by the NCDOT.

(4) The owner/operator is responsible for storm water leaving the site. Storm water must be configured so as to have no more harmful effect on streets and adjacent properties than the current situation. A storm water management plan is to be reviewed and approved by the Public Works Department prior to issuance of a certificate of occupancy.

(5) Hours of operation should be limited to between 8:oo am and 10 pm.

(6) The building design should blend with the character of the area by incorporating brick or brick veneer facades, windows and roof pitch and should avoid long, uninterrupted expanses of blank wall, use of concrete block walls and flat roof.

(7) Signage should be designed to blend with the character of the area. Wall signage should be limited to the portion of the building wall above the entrance. No window signage should be used and detached signage should be limited to a monument type sign generally similar in scale to the

(8) sign at the nearby Peoples Bank. Sign colors should be neutral.

(9) Any outdoor lighting is to be downwardly directed so as not to cast glare on adjoining properties used for residential purposes.

(to) An opaque fence or other form of screening along the southern property line should be provided.

Laura concluded recommending on behalf of the Planning Board and Staff that Council approve the conditional use permit subject to the applicant satisfactorily proving the findings of fact and subject to ordinance requirements and Staff Review Committee comments.

Both Attorney Rob Brown and Daniel Ozine spoke in favor of the request on behalf of the applicant. Bobby Leatherman also spoke and expressed concerns about allowing a conditional use permit.

Councilman Black made the motion unanimously approved to close the public hearing.

Findings of Fact:

(1) Councilman Eaddy made the motion unanimously approved that the use would not materially endanger the public health or safety if located where proposed and developed according to plan.

(2) Councilman Jetton made the motion unanimously approved that the use meets all required conditions and specification.

(3) Councilman Black made the motion unanimously approved that the use would not substantially injure the value of adjoining or abutting property unless the use is a public necessity.

(4) Councilman Black made the motion unanimously approved that the location and character of the use, if developed according to plan as submitted and approved, will be in harmony with the area in which it is to be located and would be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the City as officially adopted by the City Council.

Councilman Eaddy made the motion unanimously approved the conditional use permit as recommended by the Planning Board and staff.

PRESENTATION OF RETIREMENT RESOLUTION HONORING WILLIAM "CLAY" HARRELSON - DISTRIBUTION AND COLLECTIONS SUPERINTENDENT FOR R4 YEARS OF SERVICE WITH THE CITY OF LINCOLNTON **(R-13-17)**

Mayor Hatley called on Clay Harreslon to come forward to be presented the following framed resolution, honoring him on his upcoming retirement:

WHEREAS, the City of Lincolnton does desire to recognize and honor employees of the City for dedicated and distinguished contributions to our City and its citizens; and

WHEREAS, William "Clay" Harrelson, has been employed with the City for 34 years and has demonstrated his dedication to his profession through education and training, Clay received certifications from the North Carolina State Water Pollution Control System Operators Certification Commission and the NC American Water Works Association completing four certifications in four categories that were the highest Certification Attainable; and

WHEREAS, William "Clay" Harrelson has assisted the City, along with his department, in maintaining 26o miles of water lines and 225 miles of sewer lines providing quality services to the City and its citizens. In March of 2017 the Distribution and Collections Division was awarded the prestigious OSHA Sharp Award from the NC Department of Labor; being one of only five utility departments in the State to receive this award;

NOW, THEREFORE, BE IT RESOLVED, by the Mayor and City Council of the City of Lincolnton, that appreciation be shown to Clay, honoring him on his upcoming retirement on January 1, 2018, and that we extend congratulations and best wishes to him for continued success in all his future endeavors.

Councilman Black made the motion unanimously approved the resolution as drafted and presented.

<u>PRESENTATION OF RETIREMENT RESOLUTION HONORING MARK CARPENTER — ZONING ADMINISTRATOR FOR 27 YEARS OF SERVICE WITH THE CITY OF LINCOLNTON:</u>

(R-14-17)

Mayor Hatley called on Mark carpenter to come forward to be presented the following framed resolution, honoring him on his upcoming retirement. The resolution read as follows:

WHEREAS, Mark Carpenter began his employment with the City on September 17, 199o, as a Planner II, in the Lincolnton Planning Department; and

WHEREAS, Mark Carpenter became a Certified Zoning Enforcement Officer in 1992 and then in 1999 was named the NC Zoning Official of the Year through the NC Association of Zoning Officials, to which he also served as Treasurer on the certification committee; and

WHEREAS, Mark Carpenter has served on the City's Wellness Committee; He is a member of the NC Association of Zoning Officials, the American Planning Association and the American Institute of Certified Planners. Mark has assisted the Planning Director, City Administration and the Lincolnton Planning Board and Board of Adjustment in many facets regulating and planning growth to encourage the most appropriate use of land, buildings, and other structures within the Lincolnton jurisdiction. He is extremely knowledgeable in many areas of local government, utilizing excellent research and analysis skills working extremely well with the public in sometimes difficult situations;

NOW THEREFORE BE IT RESOLVED, that the governing body of the City of Lincolnton wishes to officially commend Mark Carpenter for his service rendered to the City, and that appreciation and honor be shown to him on his upcoming retirement January 1, 2018. May congratulations and best wishes be extended as he begins the next chapter in his life.

Councilman Eaddy made the motion unanimously approved the resolution as drafted and presented.

CONSIDERATION OF RESOLUTION ADOPTING THE 2018 CALENDAR FOR LINCOLNTON CITY COUNCIL MEETING DATES AND TIMES IN ACCORDANCE WITH THE OPEN MEETINGS LAW AND NCGS 143.33

(R-15-17)

Donna Flowers, City Clerk, presented the proposed calendar of meetings for the Lincolnton City Council for 2018. Councilman Eaddy requested that the Council consider moving the July meeting to June 25th.

Councilman Jetton made the motion unanimously approved to the resolution, amending the July meeting, moving it to June 25th. The following is an excerpt of the resolution which will be advertised as described in NCGS 143, Article 33 B in accordance with public notices:

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of Lincolnton that the regular meeting of the City Council shall be held the first Thursday of each month at 7:00 p.m. in the Council Chambers of the Lincolnton City Hall, located at 114 W. Sycamore Street, on the following dates and times with the exception of the July meeting:

January 11	**May 3**	**September 6**
February 1	**June** 7	**October 4**
March 1	**June 28**	**November 1**
April 5	**August** 2	**December 6**

All meetings will be held in 2018.

CONSIDERATION OF RESOLUTION AMENDING THE RECREATION COMMISSION BY-LAWS:

(R-16-17)

Nathan Eurey, Recreation Director, recommended Council consider amending the by-laws for the Lincolnton Recreation Commission, with one primary change, which would change the board to an advisory board rather than a commission. The proposed changes were as follows:

BYLAWS

LINCOLNTON RECREATION ADVISORY BOARD

ARTICLE I — THE ADVISORY BOARD

Section 1. Name of Advisory Board. The name of the Advisory Board shall be the "Lincolnton Recreation Advisory Board."

Section 2. Office Authority. The offices of the Advisory Board shall be at William M. Lentz Recreation Center in the city of Lincolnton, Lincoln County, North Carolina, but the Advisory Board may hold its meetings at such other places as it may designate.

Section 3. Membership. The Lincolnton Recreation Advisory Board shall be appointed by the Lincolnton City Council and shall consist of 5 members. The City Council shall appoint members for a term of three years. Vacancies in the Lincolnton Recreation Advisory Board shall be filled for the unexpired term by appointment of the City Council. The members shall serve without compensation. One member of the City Council shall serve as ex officio member.

Section 4. Attendance. It shall be the duty of each member to attend meetings whenever possible.

ARTICLE II — PURPOSE

The Lincolnton Recreation Advisory Board shall advise on the provision, maintenance, operation, and supervision of the public parks and playgrounds, athletic fields, recreation centers, and other facilities owned, controlled, or leased by the City of Lincolnton.

ARTICLE III — OFFICERS

Section 1. The officers of the Advisory Board shall be a Chairman, Vice-Chairman, and a Secretary.

Section 2. Chairman. The Chairman shall preside at all meetings of the Advisory Board. At such meetings the Chairman shall submit recommendations and information he/she may consider proper concerning business, affairs, and policies of the Advisory Board.

Section 3. Vice-Chairman. The Vice-Chairman shall perform the duties of the Chairman in the absence or incapacity of the Chairman.

Section 4. Secretary. The Secretary shall be the Recreation Director, and as such shall have general supervision over the administration of its business and affairs, subject to the direction of the Advisory Board. He/she shall be charged with the management of the projects of the Advisory Board. The Recreation Director may appoint a staff member as recording secretary.

The Secretary shall keep the records of the Advisory Board, shall act as secretary of the meetings of the Advisory Board and record all votes, shall keep a record of the proceedings of the Advisory Board in a journal of proceedings minutes, and shall perform all duties incident to his/her office.

Section 5. Additional Duties. The officers of the Advisory Board shall perform additional duties and functions that from time to time may be required.

Section 6. Election or Appointment of Officers. The Chairman and Vice-Chairman shall be elected at the first meeting of the new fiscal year. They shall be chosen from among the Advisory Board, and shall hold office for one year or until their successors are elected and qualified.

Section 7. Additional Personnel. The Advisory Board may from time to time recommend for employment such personnel as it deems necessary to exercise its duties and functions as prescribed by the establishing resolution.

ARTICLE IV - MEETINGS

Section 1. Regular• Meetings. The regular meeting shall be scheduled quarterly, or as needed, at a date and time to be determined at the first meeting of each fiscal year.

Section 2. Special Meetings. The Chairman of the Advisory Board or his/her designee may, when he/she deems it necessary, call a special meeting of the Advisory Board for the purpose of transacting any business designated in the call. The call for a special meeting may be delivered to each member of the Advisory Board or may be mailed to each member of the Advisory Board at least three days prior to the date of such special meeting.

Section 3. Quorum. A quorum shall consist of a majority of the members. When a quorum is in attendance, action may be taken by the Advisory Board upon a vote of a majority of the members present.

Section 4. Order of Business. All meetings of the Advisory Board shall follow Roberts Rules of Order (current edition) with the following being the general order of business:

1. Roll call
2. Reading and approval of the minutes of the previous meeting
3. Communications
4. Report of the Director
5. Reports of Committees
6. Business
7. Adjournment

ARTICLE V — AMENDMENTS

Amendments to Bylaws. The bylaws of the Advisory Board shall be amended only with the approval of a majority of the members of the Advisory Board at a regular or a special meeting, but no such amendments shall be adopted unless at least seven days written notice thereof has been previously given to all members of the Advisory Board.

Adopted as amended, this the 28th day of August, 2007. (Original adoption date)

Revised and adopted, this the 7th day of December, 2017.

Councilman Black made the motion unanimously approved to amend the Recreation by-laws as presented and recommended by the Recreation Director.

CONSIDERATION OF RESOLUTION DESIGNATING CITY OF LINCOLNTON REVIEW OFFICERS

(R-17-17)

Laura Elam, Planning Director, presented Council with a proposed resolution for their consideration that would name Brett Hicks, and herself as the official review officers on behalf of the City, which is required so they can review each map and plat, and sign off, before it is presented to the Register of Deeds for recording. Laura said, "with the upcoming retirement of Mark Carpenter, new review officers would need to be designated, and this resolution would ensure Lincoln County has the appropriate people assigned on behalf of the City."

The resolution read as follows:

WHEREAS, the 1997 General Assembly enacted General Statute 47-30.2 requiring the Board of Commissioners of each county, by resolution, to designate by name one or more persons experienced in mapping of land records management as a Review Officer to review each map and plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording, and

WHEREAS, to comply with General Statute 47-30.2 the Lincolnton City Council enacts this Resolution:

NOW, THEREFORE, BE IT RESOLVED BY THE LINCOLNTON CITY COUNCIL:

1. That Brett Hicks and Laura Elam are hereby appointed as a **REVIEW OFFICER** to review each map or plat required to be submitted for review before the map or plat is presented to the Register of Deeds for recording.
2. That the **REVIEW OFFICER** shall review expeditiously each map or plat required to be submitted to the officer before the map or plat s presented to the Register of Deeds for recording.
3. The **REVIEW OFFICER** shall certify the map or plat if it complies with all statutory requirements for recording, and affix his certification to the map.
4. This Resolution designating the aforesaid **REVIEW OFFICER** be recorded in the Office of the Register of Deeds for Lincoln County and indexed on the Grantor Index in the name of the **REVIEW OFFICER.**

Councilman Eaddy made the motion unanimously approved to adopt the resolution as presented and recommended by the Planning Director.

RE-APPOINTMENTS:

(APPT-o4-17)

Donna Flowers, City Clerk, told City Council that the following boards had individuals who had completed either an unexpired term, or first three year term on the following boards, and would need to be considered for re-appointment.

ABC BOARD - Emily Robinson

(completed the unexpired term of Ed Hatley and would begin a first three year term if Council so chooses)

(To begin serving a <u>second</u> 3 year term January 2018—Dec 2020) HISTORIC PROPERTIES - Annette Stone

HOUSING AUTHORITY - Elaine Harmon

PLANNING BOARD - And Lynn

TOURISM DEV AUTH - Carol King

Councilman Jetton made the motion unanimously approved to reappoint the above named individuals to said board.

NEW APPOINTMENTS:

(APPT-o5-17)

Donna Flowers, City Clerk, told City Council that the City advertised for two vacancies; one for the Housing Authority and one for the Recreation board. The following applications were received:

HOUSING AUTHORITY (1 vacancy) — Ralph Lineberger
RECREATION (1 vacancy) — Daphne Ingram

Councilman Black made the motion unanimously approved to appoint Ralph Lineberger to the Lincolnton Housing Authority. Mr. Lineberger would begin his first three year term in January of 2018 through December 2020.

Councilman Eaddy made the motion unanimously approved to appoint Daphne Ingram to the Lincolnton Recreation Advisory Board. Mrs. Ingram would begin her first three year term in January of 2018 through December of 2020.

The City Clerk will notify these applicants of their appointment and make arrangements to administer their oath of office.

APPLICATION FROM JONATHAN WISE FOR BUSINESS INCENTIVE GRANT FOR BUILDING RENOVATIONS FOR NEW INDUSTRIAL PARK AT 311 MOTZ AVENUE.

BIG-o9-2o17

Laura Elam, Planning Director, reviewed the following request for a business incentive grant:

Project Information

- Location: 311 Motz Avenue
- Use: Building renovations for new industrial park
    - Renovate bathrooms
    - Replacement of drywall
    - Replacement of fixtures

  - Remove and replace sections of damaged flooring
  - Replace broken glass doors and windows where needed
- Total project cost estimate: $50,000
- Anticipated start: December 2017
- Anticipated Completion: December 2018

Request

- $5,000 for building renovations

She concluded noting that the staff and the Lincolnton Steering Committee recommended approval.

Councilman Smith made the motion unanimously approved to award the Business Incentive Grant as recommended.

QUARTERLY UPDATE FROM THE LINCOLNTON STEERING COMMITTEE:

Fred Jarrett, Chairman of the Steering Committee, provided Council with a quarterly report. He reviewed the primary purpose of the committee and reported to Council on items they have been discussing.

The City of Lincolnton Steering Committee's primary function is to assist City government in aligning the committees, groups, and goals of allied support organizations (ASO) to improve communications, remove duplicated efforts and align them with the City of Lincolnton's Strategic Plan to accomplish the unified goal of a prosperous Lincolnton. The Committee shall have no powers, except as stated in the committee's charter or as granted by the Lincolnton City Council.

The Steering Committee as an advisory committee provides a stabilizing influence so ASO projects, conceptions and directions are maintained with a visionary view of strategic plan. The Steering Committee provides insight on short-term and long-term strategies in support of city mandates. Members of the Steering Committee ensure city objectives are being adequately addressed and separate projects remain strategic. In practice these responsibilities are carried out by performing the following functions:

- Development of a road map of ASO committee projects aligned with the city strategic plan;
- Monitoring and review of road map at regular Steering Committee meetings;
- Provide recommendations to ASO;
- ASO Members report back to their perspective ASO;
- Reporting to City Council quarterly or as requested;
- Providing assistance to projects when required;
- Provide advice to city officials when needed;
- Controlling road map scope as emergent issues force changes to be considered, ensuring that scope aligns with the agreed requirements of sponsors and key stakeholders; and

Fred concluded telling Council he would plan to provide another report sometime in the first quarter of 2018.

MONTHLY FINANCIAL UPDATE / OVERTIME REPORT: Steve Zickefoose, City Manager, reviewed the following monthly financial report:

December 2017 Council Meeting

Executive Summary

October 2017 Year-To-Date

General Fund		Budget 17-18	Actual 17-18	% of Budget	Budget 16-17	Actual 1647	Difference
Fund 10	Revenues	10,252,739	4,215,577	38%	10,662,262	3,939,669	275,908
	Fund Balance	785,301	-		1,366,107	-	-
		11,038,040	4,215,577		12,028,369	3,939,669	275,908
	City Manager/Cierk	333,365	136,844		309,730	88,801	48,043
	Human Resources	235,030	81,023		215,848	73,607	7,417
	Finance	279,012	182,538		273,609	176,946	5,592
	General Expense	809,520	442,482		878454	323,201	119,281
	General Debt Service	463,524	25,423		425,535	28,768	(3,346)
	Police	3,344,770	987,401		3,153,942	987,804	(403)
	Fire	2,030,690	730,992		2,206,450	646,924	84,068
	Public Works	181,356	74,838		246,538	64,809	10,029
	Street	1,229,141	243,155		1,534,891	391,148	(147,993)
	Equipment Services	132,120	51,620		157,819	77,753	(26,133)
	Solid Waste	718,328	184,787		820,485	220,718	(35,932)
	General Services	-	-		212,559	74,731	(74,731)
	Plannin/Zoning	277,060	86,761		276,258	63,004	23,757
	Bus & Comm. Dev	132,454	10,112		160,693	48,329	(38,217)
	Recreation	871,670	361,691		1,155,858	229,804	131,887
	Expenses	11,038,040	3,599,667	33%	12,028,369	3,496,347	103,320
	Difference		615,910			443,322	172,588

Water & Sewer Fund			Budget 17-18	Actual 17.18	% of Budget	Budget 16-17	Actual 16-17	Difference
Fund 61	Revenues		7,449,995	2,810,698	36%	7,867,135	2,965,207	(154,509)
	Fund Balance		390,000	.		1,265,399		
			7,839,995	2,610,698		9,132,534	2,965,207	(154,509)
		Water Treatment	1,501,500	409,139		1,476,528	378,847	30,291
		Dist & Collection	1,356,250	467,474		2,390,175	869,333	(401,859)
		Wastewater	1,537,900	275,010		1,648,076	295,505	(20,495)
		W &S Intangibles	3,444,345	234,097		3,617,755	277,901	(43,804)
	Expenses		7,839,995	1,385,719	18%	9,132,534	1,821,586	{435,867)
	Difference			1,424,979			1,143,621	281,358

Electric Fund			Budget 17-18	Actual 17-18	% of Budget	Budget 16-17	Actual 16-17	Difference
Fund 63	Revenues		7,791,714	2,768,490	36%	8,000,000	2,898,478	(129,988)
	Fund Balance					79,000		
			7,791,714	2,768,490		8,079,000	2,898,478	(129,988)
		Electric Dept.	7,791,714	2,263,862		8,079,000	2,197,880	65,982
	Expenses		7,791,714	2,263,862	29%	8,079,000	2,197,880	65,982
	Difference			504,628			700,598	(195,970)
Overtime 80+ hours				96,836			103,033	(6,197)

NEWS MEDIA:

There were no questions from the News Media.

ADJOURNMENT:

Councilman Black made the motion unanimously approved to adjourn the meeting.

DONNA C. FLOWERS, MMC
CITY CLERK

ED HATLEY
MAYOR

ITEM

4

Print

Lincolnton, NC Code of Ordinances

ARTICLE II: MAYOR AND CITY COUNCIL

Sec. 2.1. Governing body.

The City Council, elected and constituted as herein set forth, shall be the governing body of the City. On behalf of the City, and in conformity with applicable laws, the City Council may provide for the exercise of all municipal powers, and shall be charged with the general government of the City.

Sec. 2.2. Composition of city council length of terms.

The City Council shall be composed of four (4) members, each of whom shall be elected by the qualified voters of the City for a term of four (4) years, in the manner provided by Article III of this charter.

Sec. 2.3. Mayor; term of office; duties.

The Mayor shall be elected by the qualified voters of the City to serve for a term **of** ~~**two** (2) years~~ four (4) years, in the manner provided by Article III of this charter. The Mayoral seat will run for election with Ward 1 and Ward 3, beginning in 2018. The Mayor shall preside at meetings of the City Council, but shall vote only when there is an equal number of votes in the affirmative and in the negative.

Sec. 2.4. Mayor pro tempore.

In accordance with applicable state law, the City Council shall elect one **(1)** of its members to act as Mayor pro tempore to perform the duties of the Mayor in the Mayor's absence or disability. In the event of a vacancy in the office of the Mayor, the Mayor pro tempore shall perform the duties of the Mayor until the vacancy is filled. The Mayor pro tempore shall have no fixed term of office, but shall serve in such capacity at the pleasure of the remaining members of the council.

time in accordance with law. An official map showing the current boundaries of the City, entitled "Map of the City of Lincolnton, North Carolina," or a current metes and bounds description of the corporate limits shall be maintained in the office of the City Clerk, and shall be available for public inspection. Upon alteration of the corporate limits made pursuant to law, the appropriate changes to the official map of the City shall be made.

ARTICLE II: MAYOR AND CITY COUNCIL

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The City Council, elected and constituted as herein set forth, shall be the governing body of the City. On behalf of the City, and in conformity with applicable laws, the City Council may provide for the exercise of all municipal powers, and shall be charged with the general government of the City.

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Sec. 2.3. Mayor; term of office; duties.

The Mayor shall be elected by the qualified voters of the City to serve for a term of ~~two (2)~~ four (4)- years, in the manner provided by Article III of this charter. The Mayor shall preside at meetings of the City Council, but shall vote only when there is an equal number of votes in the affirmative and in the negative.

Sec. 2.4. Mayor pro tempore.

In accordance with applicable state law, the City Council shall elect one (1) of its members to act as Mayor pro tempore to perform the duties of the Mayor in the Mayor's absence or disability. In the event of a vacancy in the office of the Mayor, the Mayor pro tempore shall perform the duties of the Mayor until the vacancy is filled. The Mayor pro tempore shall have no fixed term of office, but shall serve in such capacity at the pleasure of the remaining members of the council.

ARTICLE III: ELECTIONS

Sec. 3.1. Method of election.

Regular municipal elections shall be held in the City every ~~two (2)~~ four (4) years in ~~odd~~ even-numbered years and shall be conducted in accordance with state law governing municipal elections. The Mayor and members of the City Council shall be elected according to the partisan primary and election method.

Statutory reference:

Election law, see G.S. §§ 163-279 et seq.

Sec. 3.2. Election of the Mayor; term of office.

At each regular municipal election in the City, a Mayor shall be elected for a term of ~~two (2)~~ four (4) years by and from the qualified voters of the City voting at large.

Sec. 3.3. Election of the council members; term of office; ward representation.

(a) The City Council shall continue to serve four-year staggered terms of office as set forth herein. At the regular municipal election to be held in 1979, and every four (4) years thereafter, there shall be elected two (2) members to the City Council, one (1) member from Ward Two and one (1) member from Ward Four, to serve terms of four (4) years each. At the regular municipal election in ~~1981~~ 2018, and every four (4) years thereafter, there shall be elected two (2) members to the City Council, one (1) member from Ward One and one (1) member from Ward Three, and the Mayoral seat to serve terms of four (4) years each.

(b) Every person who is a candidate for the City Council and every person who is elected to the City Council shall reside in the ward which the person represents or seeks to represent, but all candidates shall be voted upon and elected by all the qualified voters of the City.

(c) If a member of the City Council has been elected from a ward and during his tenure of office moves from his ward to another ward within the City, the councilmember will not forfeit his office but will continue to serve as councilmember for the remaining term for which he was elected.

Sec. 3.4. Wards and ward boundaries.

(a) The City shall be divided into four (4) wards—Ward One, Ward Two, Ward Three and Ward Four.

(b) The boundaries of the four (4) wards shall be those existing at the time of the ratification of this charter, as the same are set forth on an official map or written description of the City. The official map or written description showing the current ward boundaries shall be maintained in the office of the City Clerk, and shall be available for public inspection. Upon alteration of the City's corporate limits, the City Council shall have the authority to revise the ward boundaries, in accordance with state law.

Print | Close Window

Subject: **Fw: City of Lincolnton Charter**
From: **"Stephen Wiley (Rep. Jason Saine)" <Sainela@ncleg.net>**
Date: **Thu, Nov 30, 2017 5:24 pm**
To: **"tim@timsmithcpa.com" <tim@timsmithcpa.com>**
Attach: **H504v6.pdf**
Lincolnton Charter revisions 2017 engrossed.docx

Re: your previous email

Stephen B. Wiley
Office of Representative Jason Saine
North Carolina House, District 97
919-733-5782

From: Erika Churchill (Legislative Analysis)
Sent: Thursday, November 30, 2017 5:08 PM
To: Stephen Wiley (Rep. Jason Saine)
Subject: RE: City of Lincolnton Charter

Stephen,

House Bill 504, which is S.L. 2017-62, has actually already amended the Charter of Lincolnton. I've attached the session law, and a Word document with the engrossed changes from HB 504. If the City is desiring further changes, a local bill can accomplish that. If they will provide us with the new language, we can take the drafting from there. Just remember – the Word document is how Article III. Elections of that Charter currently reads, as of June 28, 2017.

E

From: Stephen Wiley (Rep. Jason Saine)
Sent: Thursday, November 30, 2017 1:54 PM
To: Erika Churchill (Legislative Analysis) <Erika.Churchill@ncleg.net>
Subject: Fw: City of Lincolnton Charter

Erika,

Tim is one of our city council members. Do you know what the best path forward on this might be?

Thanks,

Stephen B. Wiley
Office of Representative Jason Saine
North Carolina House, District 97
919-733-5782

From: tim@timsmithcpa.com<mailto:tim@timsmithcpa.com> <tim@timsmithcpa.com><mailto:tim@timsmithcpa.com>>
Sent: Thursday, November 30, 2017 9:05 AM
To: Stephen Wiley (Rep. Jason Saine)
Subject: City of Lincolnton Charter

Stephen,

We need to change the city's charter to reflect the changes passed in House Bill 504. We would like to get this done for the upcoming session for the General Assembly and per our clerk says we need to have a council action on it to make everything legal.

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

SESSION LAW 2017-62
HOUSE BILL 504

AN ACT TO PROVIDE THAT REGULAR MUNICIPAL ELECTIONS IN THE CITY OF LINCOLNTON SHALL BE HELD IN EVEN-NUMBERED YEARS AND TO EXTEND THE MAYOR'S TERM FROM TWO TO FOUR YEARS.

The General Assembly of North Carolina enacts:

SECTION 1. Article III of Chapter 341 of the 1979 Session Laws, as amended by Chapter 58 of the 1983 Session Laws, reads as rewritten:

"ARTICLE III. ELECTIONS.

"Section 3.1. Method of Election. ~~Regular~~ Beginning in 2018, regular municipal elections shall be held in the City every two years in ~~odd-numbered~~even-numbered years and shall be conducted in accordance with State law governing municipal elections. The Mayor and members of the City Council shall be elected ~~according to the partisan primary and election method.~~on a partisan basis. The primary and election shall be held and conducted in accordance with the general laws governing primaries and elections for county officers.

"Section 3.2. Election of the Mayor; Term of Office. At each regular municipal election in the City, a Mayor shall be elected ~~for a term of two years~~ by and from the qualified voters of the City voting at large. The Mayor whose term expires in 2017 shall continue to serve until 2018. In 2018, and quadrennially thereafter, the Mayor shall be elected for a term of four years.

"Section 3.3. Election of the City Council; Term of Office; Ward Representation. (a) The City Council shall continue to serve four-year staggered terms of office as set forth herein. ~~At the regular municipal election to be held in 1979, and every four years thereafter, there shall be elected two members to the City Council, one member from Ward Two and one member from Ward Four, to serve terms of four years each. At the regular municipal election in 1981, and every four years thereafter, there shall be elected two members to the Board of Aldermen, one member from Ward One and one member from Ward Three, to serve terms of four years each.~~The two members of the City Council whose terms expire in 2017 shall continue to serve until 2018. At the regular municipal election in 2018, and quadrennially thereafter, two members shall be elected to the City Council, one member from Ward One and one member from Ward Three, who shall each serve four-year terms. The two members of the City Council whose terms expire in 2019 shall continue to serve until 2020. At the regular municipal election in 2020, and quadrennially thereafter, two members shall be elected to the City Council, one member from Ward Two and one member from Ward Four, who shall each serve four-year terms.

(b) Every person who is a candidate for the City Council and every person who is elected to the City Council shall reside in the ward which the person represents or seeks to represent, but all candidates shall be voted upon and elected by all the qualified voters of the City.

(c) If a member of the City Council has been elected from a ward and during his tenure of office moves from his ward to another ward within the City, the Council member will not forfeit his office but will continue to serve as Council member for the remaining term for which he was elected.

H504-V-6

"ARTICLE III. ELECTIONS.

"Section 3.1. Method of Election. Beginning in 2018, regular municipal elections shall be held in the City every two years in even-numbered years and shall be conducted in accordance with State law governing municipal elections. The Mayor and members of the City Council shall be elected on a partisan basis. The primary and election shall be held and conducted in accordance with the general laws governing primaries and elections for county officers.

"Section 3.2. Election of the Mayor; Term of Office. At each regular municipal election in the City, a Mayor shall be elected by and from the qualified voters of the City voting at large. The Mayor whose term expires in 2017 shall continue to serve until 2018. In 2018, and quadrennially thereafter, the Mayor shall be elected for a term of four years.

"Section 3.3. Election of the City Council; Term of Office; Ward Representation. (a) The City Council shall continue to serve four-year staggered terms of office as set forth herein. The two members of the City Council whose terms expire in 2017 shall continue to serve until 2018. At the regular municipal election in 2018, and quadrennially thereafter, two members shall be elected to the City Council, one member from Ward One and one member from Ward Three, who shall each serve four-year terms. The two members of the City Council whose terms expire in 2019 shall continue to serve until 2020. At the regular municipal election in 2020, and quadrennially thereafter, two members shall be elected to the City Council, one member from Ward Two and one member from Ward Four, who shall each serve four-year terms.

(b) Every person who is a candidate for the City Council and every person who is elected to the City Council shall reside in the ward which the person represents or seeks to represent, but all candidates shall be voted upon and elected by all the qualified voters of the City.

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(b) The boundaries of the four wards shall be those existing at the time of the ratification of this Charter, as the same are set forth on an official map or written description of the City. The official map or written description showing the current ward boundaries shall be maintained in the office of the City Clerk, and shall be available for public inspection. Upon alteration of the City's corporate limits, the City Council shall have the authority to revise the ward boundaries, in accordance with State law.

"Section 3.5. Unaffiliated Candidates; Nomination by Petition. Any candidate seeking nomination by petition for municipal office shall comply with the requirements of Article II of Chapter 163 of the General Statutes, provided the Lincoln County Board of Elections may set the date and time completed petitions must be timely submitted for verification."

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(b) The boundaries of the four wards shall be those existing at the time of the ratification of this Charter, as the same are set forth on an official map or written description of the City. The official map or written description showing the current ward boundaries shall be maintained in the office of the City Clerk, and shall be available for public inspection. Upon alteration of the City's corporate limits, the City Council shall have the authority to revise the ward boundaries, in accordance with State law.

"<u>Section 3.5. Unaffiliated Candidates; Nomination by Petition. Any candidate seeking nomination by petition for municipal office shall comply with the requirements of Article II of Chapter 163 of the General Statutes, provided the Lincoln County Board of Elections may set the date and time completed petitions must be timely submitted for verification.</u>"

SECTION 2. No elections shall occur in the City of Lincolnton in 2017. Municipal elections shall next occur in the City of Lincolnton in 2018.

SECTION 3. This act is effective when it becomes law and applies to elections held on or after that date.

In the General Assembly read three times and ratified this the 28th day of June, 2017.

s/ Daniel J. Forest
President of the Senate

s/ Tim Moore
Speaker of the House of Representatives

ITEM

5

MEMO TO: Mayor and City Council Members

FROM: Laura Elam, Planning Director

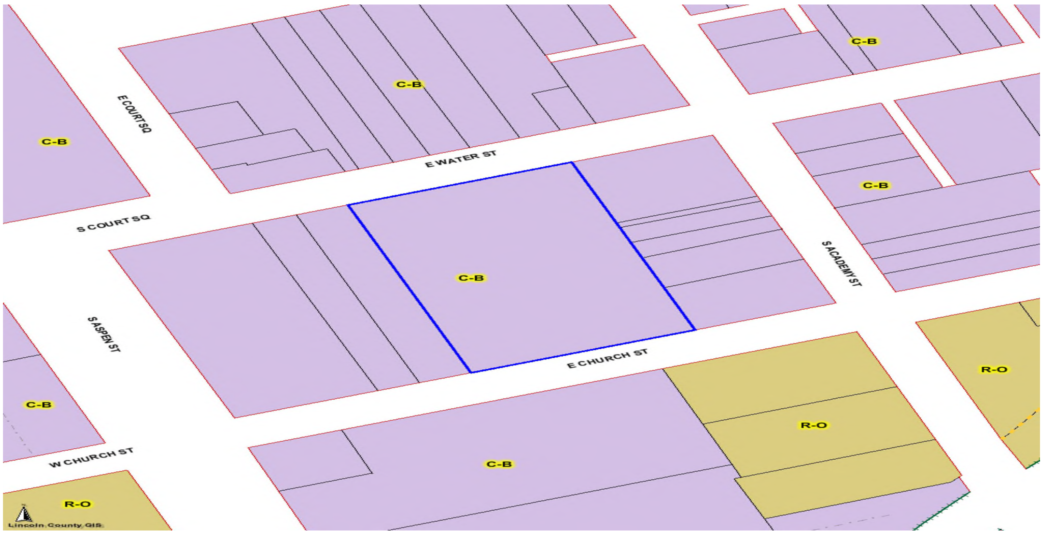
SUBJECT: CUP -10- 2017- Conditional Use Permit Application from Brian and Marie Kenyon to operate a tap room in the Central Business (CB) district

DATE: January 11, 2018

SITE AND AREA DESCRIPTION

Brian and Marie Kenyon are requesting a conditional use permit to operate a tap room at 118 East Water Street (Parcel ID 00485).

The subject property and all surrounding properties are primarily zoned Central Business (CB). Several properties located at the intersection of S. Academy Street and E. Church Street are zoned Residential –Office (R-O).



The subject property and all surrounding properties are used for commercial purposes.

PROPOSED USE

The applicant proposes use of the existing building for a tap room.

COMPLIANCE WITH CONDITIONAL USE PERMIT APPLICATION REQUIREMENTS

Section 153.236 of the UDO requires that a conditional use permit application contain specific terms and meet specific requirements. The application meets all requirements.

OTHER CONDITIONAL USE PERMIT REQUIREMENTS

Section 153.237 of the Unified Development Ordinance requires that four findings be determined by City Council. They are as follows:

1. The use will not materially endanger the public health or safety if located where proposed and developed according to plan, and
2. The use meets all required conditions and specifications, and
3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity, and
4. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the City as officially adopted by the City Council.

COMPLIANCE WITH SECTION 153.237

1. It does not appear that the use will endanger the public health or safety.
2. The use meets all required conditions and specifications.
3. The applicant will need to provide evidence that the use will not substantially injure the value of adjoining or abutting properties.
4. The use is in conformity with the Lincolnton Land Use Plan in that the site is located within the Central Business Planning Area.

STAFF REVIEW COMMITTEE

The Staff Review Committee made the following comments:

1. Building plans must be approved by Lincoln County Inspections.
2. Coordinate electrical connection with Chris Wilson – City of Lincolnton Public Works.
3. Coordinate water/sewer connection with Robert Pearson – City of Lincolnton Water Treatment.

4. Resurfacing or upgrading the front sidewalks/driveways is recommended. Any cost associated with upgrades would be the developer’s responsibility.
5. A grease trap may be required. If required, it must be approved by the pretreatment coordinator prior to development.
6. Solid Waste Pick up – City will provide up to 6 rollouts. If additional solid waste pick up is needed, it would need to be provided by a private contractor. All recyclables must be handled via private contractor.

PLANNING BOARD AND STAFF RECOMMENDATION

Planning Board and Staff recommend approval of the conditional use permit subject to the applicant satisfactorily proving the findings of fact and Staff Review Committee comments.

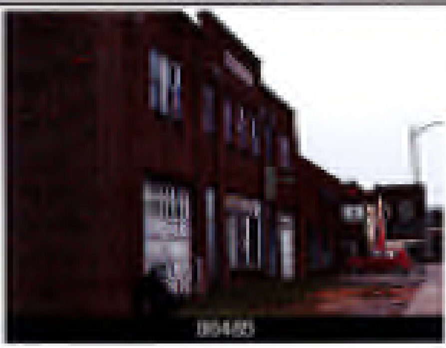
Lincoln County, NC

Office of the Tax Administrator, GIS Mapping Division

Lincoln County and its mapping contractors assume no legal responsibility for the information contained on this map. This map is not to be used for land conveyance. The map is based on NC State Plane Coordinate System 1983 NAD.

Date: 12/4/2017 Scale: 1 Inch = 100 Feet

PHOTOS



00485

PARCEL INFORMATION FOR 3623-83-4874

Parcel ID 00485 **Owner** FOTINOS MICHAEL &
FOTINOS PETER C

Map 3623-16 **Mailing Address** 6343 STEPHENS GROVE LN
Account 0710899 HUNTERSVILLE NC 28078

Deed 2024-242 **Last Transaction Date** 4/7/2008 **Sale Price** $170,000

Land Value $169,224 **Total Value** $267,477 **Previous Parcel**

—— All values are for tax year 2017. ——

Description 124 E WATER ST **Deed Acres** 0

Address 118 120 E WATER ST **Tax Acres** 0.82

Township LINCOLNTON **Tax/Fire District** CITY OF LINCOLNTON

Main Improvement SERVICE GARAGE **Value** $44,343

Main Sq Feet 6072 **Stories** 1 **Year Built** 1930

Zoning District	Calculated Acres	Voting Precinct	Calculated Acres
C-B	0.83	LINCOLNTON SOUTH (LS12)	0.83

Watershed Class		Sewer District	
WS-IVP	0.83	Not in the sewer district	0.83

2000 Census County	Tract	Block	
37109	070100	4011	0.83

Flood	Zone Description	Panel	
X	NO FLOOD HAZARD	3710362300	0.83

E COURT SQ
E WATER ST
S COURT SQ
S ACADEMY ST
S ASPEN ST
E CHURCH ST
W CHURCH ST
Lincoln County GIS

ITEM

6

MEMO TO: Mayor and City Council Members

FROM: Laura Elam, Planning Director

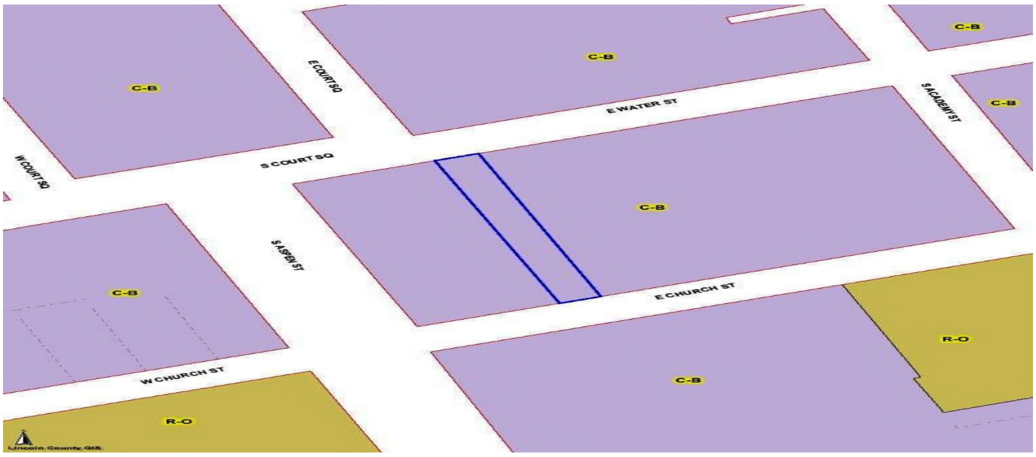
SUBJECT: CUP-11-2017 – Application from Pete and April DeGregory requesting a conditional use permit to operate a tavern in the Central Business (CB) district.

DATE: January 11, 2018

<u>SITE AND AREA DESCRIPTION</u>

Pete and April DeGregory are requesting a conditional use permit to operate a tap room at 110 East Water Street (Parcel ID 20480).

The subject property and all surrounding properties are primarily zoned Central Business (CB). Several properties located at the intersection of S. Aspen Street and W. Church Street are zoned Residential –Office (R-O).



The subject property and all surrounding properties are used for commercial purposes.

PROPOSED USE

The applicant proposes use of the existing building for a tavern.

COMPLIANCE WITH CONDITIONAL USE PERMIT APPLICATION REQUIREMENTS

Section 153.236 of the UDO requires that a conditional use permit application contain specific terms and meet specific requirements. The application meets all requirements.

OTHER CONDITIONAL USE PERMIT REQUIREMENTS

Section 153.237 of the Unified Development Ordinance requires that four findings be determined by City Council. They are as follows:

1. The use will not materially endanger the public health or safety if located where proposed and developed according to plan, and
2. The use meets all required conditions and specifications, and
3. The use will not substantially injure the value of adjoining or abutting property unless the use is a public necessity, and
4. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and will be in general conformity with the Lincolnton Land Use Plan and other plans for the physical development of the City as officially adopted by the City Council.

COMPLIANCE WITH SECTION 153.237

1. It does not appear that the use will endanger the public health or safety.
2. The use meets all required conditions and specifications.
3. The applicant will need to provide evidence that the use will not substantially injure the value of adjoining or abutting properties.
4. The use is in conformity with the Lincolnton Land Use Plan in that the site is located within the Central Business Planning Area.

STAFF REVIEW COMMITTEE

The Staff Review Committee made the following comments:

1. Building plans must be approved by Lincoln County Inspections.
2. Coordinate electrical connection with Chris Wilson – City of Lincolnton Public Works.
3. Coordinate water/sewer connection with Robert Pearson – City of Lincolnton Water Treatment.

4. Resurfacing or upgrading the front sidewalks/driveways is recommended. Any cost associated with upgrades would be the developer’s responsibility.
5. A grease trap may be required. If required, it must be approved by the pretreatment coordinator prior to development.
6. Solid Waste Pick up – City will provide up to 6 rollouts. If additional solid waste pick up is needed, it would need to be provided by a private contractor. All recyclables must be handled via private contractor.

PLANNING BOARD AND STAFF RECOMMENDATION

Planning Board and Staff recommend approval of the conditional use permit subject to the applicant satisfactorily proving the findings of fact and Staff Review Committee comments.

Lincoln County, NC

Office of the Tax Administrator, GIS Mapping Division

Lincoln County and its mapping contractors assume no legal responsibility for the information contained on this map. This map is not to be used for land conveyance. The map is based on NC State Plane Coordinate System 1983 NAD.

Date: 12/4/2017 Scale: 1 Inch = 100 Feet

PHOTOS

20480

20480

PARCEL INFORMATION FOR 3623-83-3758

Parcel ID	20480	**Owner**	IST HOLDINGS LLC		
Map	3623-16	**Mailing**	123 MAJOR LANE		
Account	0251440	**Address**	IRON STATION NC 28080		
Deed	2449-175	**Last Transaction Date**	4/3/2014	**Sale Price**	$150,000
Land Value	$44,557	**Total Value**	$75,830	**Previous Parcel**	

----- All values are for tax year 2017. -----

Description	110+112 E WATER ST	**Deed Acres**	0
Address	110 E WATER ST	**Tax Acres**	0.15
Township	LINCOLNTON	**Tax/Fire District**	CITY OF LINCOLNTON

Main Improvement		RETAIL				**Value**	$31,273
Main Sq Feet	5174	**Stories**	1.76	**Year Built**	1925		

Zoning District	**Calculated Acres**	**Voting Precinct**		**Calculated Acres**
C-B	0.16	LINCOLNTON SOUTH (LS12)		0.16
Watershed Class		**Sewer District**		
WS-IVP	0.16	Not in the sewer district		0.16
2000 Census County		**Tract**	**Block**	
37109		070100	4011	0.16
Flood	**Zone Description**	**Panel**		
X	NO FLOOD HAZARD	3710362300		0.16


E COURT SQ
E WATER ST
S ACADEMY ST
W COURT SQ
S COURT SQ
S ASPEN ST
E CHURCH ST
W CHURCH ST

ITEM #

7

NO

BACK UP

NECESSARY

FOR THIS ITEM

ITEM

8

CITY OF LINCOLNTON POLICE DEPARTMENT

RODNEY JORDAN • CHIEF OF POLICE

PO BOX 617 • 627 EAST MAIN STREET
LINCOLNTON, NORTH CAROLINA 28093-0617
PHONE: (704) 736-8900 • FAX: (704) 736-8904

TO: Steve Zickefoose, City Manager
FROM: Chief R. Jordan RJ
SUBJECT: Commendation Medal
DATE: December 13, 2017

The purpose of this memo is to seek City Council approval to award the police department's "Life Saving Medal" to Officer Thomas Hall for his meritorious service while on duty August 25, 2016. Officer Hall was responding to a call of an unresponsive male at the Walmart store located on Generals Boulevard. Officer Hall realized the man's airway was obstructed while trying to listen for a pulse. Officer Hall with assistance from the store Manager rolled the victim on his side and continued with sternum rubs and diaphragm compressions until the subject's airway was finally cleared and normal breathing began. In a letter I received from Lieutenant Steve Bridges of Lincoln County Emergency Service it states, " The actions of Officer Hall were in my opinion the difference between the man living and dying". The department's policy and procedures manual states the following in regards to receiving this medal:

1. Life Saving Medal:

> *"This medal is awarded for an act above and beyond the call of duty that results in the saving of another human life".*

In reviewing this case, the Command Staff of the department feels that it would be appropriate to award this "Life Saving Medal" to Officer Hall for his service on August 25, 2016. We now respectfully ask that council consider the facts of this case and allow us to award the Life Saving Medal to Officer Hall at the January 2, 2017 City Council Meeting. Your consideration in this matter is greatly appreciated.

Cc: Donna Flowers
City Council Members

CITY OF LINCOLNTON POLICE DEPARTMENT

RODNEY JORDAN • CHIEF OF POLICE

PO BOX 617 • 627 EAST MAIN STREET
LINCOLNTON, NORTH CAROLINA 28093-0617
PHONE: (704) 736-8900 • FAX: (704) 736-8904

TO: Steve Zickefoose, City Manager
FROM: Chief R. Jordan RJ
SUBJECT: Presentation
DATE: December 13, 2017

The purpose of this memorandum is to request permission to present Officer Thomas Hall with his Intermediate Law Enforcement Certification Award at the January 2nd council meeting. Officer Hall has been with the department since October of 2015. Officer Hall has logged hundreds of continuing education hours during that time. His training coupled with his college degree has earned him the Intermediate Law Enforcement Certificate. This is the second highest certification awarded by the North Carolina Training and Standards division.

Your consideration in this matter is greatly appreciated.

Cc: Donna Flowers

ITEM

9

AUDIT REPORT

SUMMARY

WILL BE PRESENTED

AT THE MEETING

ITEM

10

CITY OF LINCOLNTON

CITY MANAGER
Steve Zickefoose, MBA
szickefoose@lincolntonnc.org
CITY CLERK
Donna C. Flowers, MMC, NCCMC
donnaflowers@ci.lincolnton.nc.us
CITY ATTORNEY
Thomas J. Wilson, Jr..

(BA-01-2018)

BE IT ORDAINED by the Governing Board of the City of Lincolnton, North Carolina, that the following amendment be made to the Annual Budget Ordinance for the fiscal year ending June 30, 2018.

Section 1: To amend the General Fund, the expenditures are to be changed as follows:

ACCOUNT NUMBER	DEPARTMENT/ACCOUNT DESCRIPTION	INCREASE	DECREASE
	GENERAL EXPENSE		
10-00-4280-607	Marcia Cloninger Rail Trail Carryover	12,793.31	
10-00-4280-610	July 4th Carryover	14,010.90	
		-	-
	PARKS AND RECREATION		
10-80-6100-500	State Grant- Betty Ross Park	150,000.00	-
			-
		176,804.21	0.00

This will result in a net increase of $ 176,804.21 expenditures of the General Fund. To balance the adjustments to the budge the following revenues have also been changed with a corresponding net effect.

ACCOUNT NUMBER	DEPARTMENT/ACCOUNT DESCRIPTION	INCREASE	DECREASE
	ISSUANCE OF DEBT		
10-00-3315-300	State Grants	150,000.00	0.00
	APPROPRIATION FUND BALANCE		
10-00-3991-900	Appropriation from Fund Balance (Carryover from 2016-17 accounts)	26,804.21	0.00
		176,804.21	0.00

Section 13: Copies of these budget amendments shall be furnished to the Clerk of the Governing Board, and to the Budget Officer and the Finance Director for their direction.

Adopted this 11th day of January, 2018.

Donna C. Flowers
City Clerk

Ed L. Hatley
Mayor

ITEM

11

CITY COUNCIL
Ed L. Hatley, Mayor
Martin A. Eaddy, Mayor Pro-Tem
David M. Black
Roby D. Jetton
Tim Smith

Lincolnton NC
Near the City. Near the Mountains. Near Perfect.

CITY MANAGER
Steve Zickefoose, MBA
szickefoose@lincolntonnc.org
CITY CLERK
Donna C. Flowers, MMC, NCCMC
donnaflowers@ci.lincolnton.nc.us
CITY ATTORNEY
Thomas J. Wilson, Jr..

MEMORANDUM

TO: Mayor and Council

FROM: Steve Zickefoose, City Manager Steve

SUBJECT: Audit Contract 2017-18

DATE: January 11, 2018

Please see the attached letter and a copy of the proposed contract for fiscal year 2018 from Mr. Phil Church of Lowdermilk Church and Company.

The contract amount is for $35,300, which is still lower than the 2005 contract with Cherry, Bekaert and Holland of $36,700. The fee also includes the printing of 50 audits, which was an additional cost paid separately to a printing company in 2005 and prior years.

Single audits are completed for grant fund spending that exceeds the $500K threshold, such as Powell Bill funds and CMAQ (Rail-Trail) at no additional cost. In the past, other auditing firms charged extra for the completion of any single audits.

The Local Government Commission provides audit oversight and must approve all audit contracts and invoicing.

Lowdermilk, Church and Company performs the audit for the City's component unit, City of Lincolnton ABC Board; this information must be included in our audit. The Lincolnton Tourism Development Association will be added as a component unit as well. By utilizing the same auditing firm, this facilitates the completion of our audit on a timely basis, whereas in the past the City has experienced delays waiting for the information from another firm.

The staff and I are very pleased with the expertise and professionalism of their staff. They have always been available to address any questions that may arise throughout the year.

I am recommending that the City of Lincolnton accept the proposed auditing contract from Lowdermilk, Church and Company. Thank you for your consideration.

LGC-205 (Rev. 2018)

CONTRACT TO AUDIT ACCOUNTS

Of City of Lincolnton
Primary Government Unit

Lincolnton Tourism Development Authority
Discretely Presented Component Unit (DPCU) if applicable

On this 12 day of December, 2017,

Auditor: Lowdermilk Church & Co., LLP Auditor Mailing Address: 121 North Sterling Street

Morganton, NC 28655 Hereinafter referred to as The Auditor

and City Council (Governing Board(s)) of City of Lincolnton
(Primary Government)

and Lincolnton Tourism Development Autho: hereinafter referred to as the Governmental Unit(s), agree as follows:
(Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2017, and ending June 30, 2018. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards,* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board). **<u>County and Multi-County Health Departments:</u>** The Office of State Auditor (OSA) will require Auditors of these Governmental Units to perform agreed upon procedures (AUPs) on eligibility determination on certain programs. Both Auditor and Governmental Unit agree that Auditor shall complete and report on these AUPs on Eligibility Determination as required by OSA and in accordance with the instructions and timeline provided by OSA.

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's Auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unqualified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unqualified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. <u>Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.</u>

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract. **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

   If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end.
   Audit report is due on October 31, 2018. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC**. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoices shall be sent via upload through the current portal address: http://nctreasurer.slgfd.leapfile.net Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (**Note: Fees listed on Fees page**.). This does not include fees for any Pre-Issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item #12).

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue

bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the Governmental Unit's audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the fiscal year end.

12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit shall not be billed for the pre-issuance review. The pre-issuance review shall be performed **prior** to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.

13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. **Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form.** These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit's financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

    If the OSA designates certain programs to be audited as major programs, as discussed in item #2, a turnaround document and a representation letter addressed to the OSA shall be submitted to the SLGFD.

    The SLGFD's process for submitting contracts, audit reports and invoices is subject to change. Auditors shall use the submission process in effect at the time of submission. The most current instructions will be found on our website: https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is http://nctreasurer.slgfd.leapfile.net No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.

17. Special provisions should be limited. Please list any special provisions in an attachment. See attached engagement letter.

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is http://nctreasurer.slgfd.leapfile.net. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer's web site at https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx for the most recent instructions.

20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**

21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

22. **E-Verify**. Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item #16 for clarification). #22

SIGNATURE PAGES FOLLOW FEES PAGE

Contract to Audit Accounts (cont.) City of Lincolnton

Primary Government Unit

Lincolnton Tourism Development Authority

Discretely Presented Component Unit (DPCU) if applicable

FEES – PRIMARY GOVERNMENT

AUDIT: $ 29,400

WRITING FINANCIAL STATEMENTS: $ 5,900

ALL OTHER NON-ATTEST SERVICES: $ 0

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $ 26,475

**** NA if there is to be no interim billing**

FEES – DPCU (IF APPLICABLE)

AUDIT: $ 0

WRITING FINANCIAL STATEMENTS: $ 0

ALL OTHER NON-ATTEST SERVICES: $ 0

For all non-attest services the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Governmental Auditing Standards* (as applicable). Bookkeeping and other non-attest services necessary to perform the audit shall be included under this contract. However, bookkeeping assistance shall be limited to the extent that the Auditor is not auditing his or her own work or making management decisions. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience necessary to oversee the services and accept responsibility for the results of the services. Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. The Auditor shall maintain written documentation of his or her compliance with these standards in the audit work papers.

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is $ 0

**** NA if there is to be no interim billing**

Contract to Audit Accounts (cont.) City of Lincolnton

Primary Government Unit

Lincolnton Tourism Development Authority

Discretely Presented Component Unit (DPCU) if applicable

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

Lowdermilk Church & Co., LLP

Name of Audit Firm

By Phillip E. Church

Authorized Audit firm representative name: Type or print

Phillip E. Church

Signature of authorized audit firm representative

Date 12-13-17

phil.church@lowdermilkchurchcpa.com

Email Address of Audit Firm

Governmental Unit Signatures:

City of Lincolnton

Name of Primary Government

By Edward L. Hatley

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

**

Signature of Audit Committee Chairperson

Date

** *If Governmental Unit has no audit committee, mark this section "N/A"*

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

By Steven B. Zickefoose

Primary Government Unit Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date

*(Pre-audit Certificate **must be dated**.)*

stevezickefoose@ci.lincolnton.nc.us

Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)

*****Please provide us the most current email addresses available as we use this information to update our contact database*****

Contract to Audit Accounts (cont.) City of Lincolnton
Primary Government Unit
Lincolnton Tourism Development Authority
Discretely Presented Component Unit (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units If Applicable ****

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.
DPCU Governmental Unit Signatures:

Lincolnton Tourism Development Authority
Name of Discreetly Presented Component Unit

By Carol S. King
DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Date

By N/A
Chair of Audit Committee - Type or print name

**
Signature of Audit Committee Chairperson

Date
** *If Governmental Unit has no audit committee, mark this section "N/A"*

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28 (a)
This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.

By Steven B. Zickefoose
DPCU Finance Officer:
Type or print name

DPCU Finance Officer Signature

Date
*(Pre-audit Certificate **must be dated.**)*

stevezickefoose@ci.lincolnton.nc.us
Email Address of Finance Officer

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

*****Please provide us the most current email addresses available as we use this information to update our contact database*****

Steps to Completing the Audit Contract

1. Complete the header information – If a DPCU is subject to the audit requirements found in the Local Government Budget and Fiscal Control Act and a separate report is being issued for that DPCU, a separate audit contract for the DPCU is required. If a separate report is not being issued for the DPCU – it is being included in the Primary Government's audit – the DPCU shall be named with the Primary Government on the audit contract for the Primary Government. The Board Chairperson of the DPCU shall sign the audit contract in addition to the elected leader of the Primary Government.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx
5. Item No. 9 –Please note that the new fee section has been moved to page 5.
6. Item No. 16 – Has the engagement letter been attached to the contract that is being submitted to SLGFD?
    a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *"In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence."*
    b. Does the engagement letter contain an indemnification clause? **The audit contract shall not be approved if there is an indemnification clause – refer to LGC Memo # 986.**
7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the fees page; please note:
    - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we shall compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: https://www.nctreasurer.com/slg/lfm/audit_acct/Pages/default.aspx select "audit fees"

      Please call or email Lorna Hodge at 919-814-4299 lorna.hodge@nctreasurer.com if you have any questions about the fees on this list.
    - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)

- If there is to be no interim billing, please indicate N/A instead of leaving the line blank.

8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Please only send the page(s) that are applicable to your Unit of Government and do not include the instructions pages. Make sure all signatures have been obtained, and properly dated. **The contract shall be approved by Governing Boards pursuant to G.S. 159-34(a).** If this contract includes the audit for a DPCU that is a Public Authority that falls under the Local Government Budget and Fiscal Control Act, it shall be named in this contract and the Board Chairperson of the DPCU also shall sign the contract in the area indicated. If the DPCU is filing a separate audit, a separate audit contract is required for that DPCU.

9. Please place the date the Primary Government's Governing Board and the DPCU's Governing Board (if applicable) approved the audit contract in the space provided.

    a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.

    b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?

    c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?

10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the fees page.

11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.

12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to PDF. **When submitting for approval combine and send the documents as one PDF file to include the Audit contract, any applicable addendums, the engagement letter and Peer Review Report.** Submit these documents using the most current submission process which can be obtained at the NC Treasurer's web site https://www.nctreasurer.com/slg/Audit%20Forms%20and%20Resources/Instructions%20for%20Contract%20Submission.pdf

13. If an audit cannot be completed by the due date, the Auditor or Governmental Unit shall file an Amended Contract form (Amended LGC-205). This form shall be signed by the Governmental Unit representative and the Auditor. The explanation for the delay in completing the audit is part of this contract amendment form and shall be provided. The parties that signed the original audit contract shall sign the amended contract form as well. If the signing representatives are unable to sign the amended contract, please include an explanation for this in the submitted amended contract form.

Directory of Governmental Unit and Audit Firm Officials

City of Lincolnton
Governmental Unit

Lowdermilk Church & Co., L.L.P.
Auditor for the 2017-2018 Fiscal Year

GOVERNMENTAL UNIT

1. ELECTED OFFICIAL:
(Mayor for Municipalities and chairperson of governing board for all other units)

Edward L. Hatley
Name

Mayor
Title

2. MANAGER:
(Or person who serves in this capacity e.g. Administrator, Executive Director, etc.)

Steven B. Zickefoose
Name

City Manager
Title

3. FINANCE OFFICER:

Steven B. Zickefoose
Name

Finance Director
Title

(704) 736-8980
Phone No.

(704) 736-8999
Fax No.

stevezickefoose@ci.lincolnton.nc.us
E-Mail Address

AUDITOR

1. CONTACT PERSON:
Partner or other person with legal authority to contract for the firm)

Phillip E. Church
Name

Partner
Title

(828) 433-1226
Phone No.

(828) 433-1230
Fax No.

carol.avery@lowdermilkchurchcpa.com
E-Mail Address

2. AUDITOR ANTICIPATES PREPARING THE FOLLOWING TYPE OF REPORT:

(Check the appropriate box)

____ General Purpose Financial Statements with combining, individual fund, and account group financial statements, and schedules required by the LGC

_X_ Comprehensive Annual Financial Report (CAFR) including schedules required by the LGC

Notes:

1. Please type all information on this questionnaire.
2. The audit firm representative, the elected official, and the finance officer reported on this questionnaire should agree with the persons reported on the Contract to Audit Accounts.
3. The information on this questionnaire will be used in official correspondence from the Local Government Commission, and the Commission must be notified of any changes in the persons holding these positions.

Lowdermilk Church & Co., L.L.P.
Certified Public Accountants

121 N. Sterling Street
Morganton, North Carolina 28655
Phone: (828) 433-1226
Fax: (828) 433-1230

To the Honorable Mayor and Members of
City Council of the
City of Lincolnton
Lincolnton, North Carolina

December 12, 2017

We are pleased to confirm our understanding of the services we are to provide City of Lincolnton for the year ended June 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of City of Lincolnton as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement City of Lincolnton's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to City of Lincolnton's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Budgetary Comparison Information.
3) Law Enforcement Officers Special Separation Allowance and Other Postemployment Benefits Schedule of Funding Progress and Schedules of Employer Contributions.
4) Local Government Employees' Retirement System Schedule of the Proportionate Share of Net Pension Liability (Asset) and Schedule of Contributions
5) Schedule of the Proportionate Share of Net Pension Liability-Firefighters' and Rescue Squad Workers' Pension

We have also been engaged to report on supplementary information other than RSI that accompanies City of Lincolnton's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of expenditures of federal awards and State awards.
2) Individual Fund Financial Statements.
3) Budgetary Schedules.
4) Other Schedules.

The following other information accompanying the financial statements will not be subjected to the auditing procedures applied in our audit of the financial statements, and our auditor's report will not provide an opinion or any assurance on that other information.

1) Introductory Information
2) Statistical Information

Audit Objectives

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. The objective also includes reporting on—

- Internal control over financial reporting and compliance with the provisions of laws, regulations, contracts, and award agreements, noncompliance with which could have a material effect on the financial statements in accordance with Government Auditing Standards.

- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal statutes, regulations, and the terms and conditions of federal awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).

The Government Auditing Standards report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with the Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Mayor and City Council of City of Lincolnton. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit, or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, Government Auditing Standards does not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and Government Auditing Standards. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of management of any material errors, any fraudulent financial reporting, or misappropriation of assets that come to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. We will include such matters in the reports required for a Single Audit. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and State awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to Government Auditing Standards.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, Government Auditing Standards, and the Uniform Guidance.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of City of Lincolnton's compliance with provisions of applicable laws, regulations, contracts, and agreements, including grant agreements. However, the objective of those procedures will not be to provide an opinion on overall compliance and we will not express such an opinion in our report on compliance issued pursuant to Government Auditing Standards.

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the OMB Compliance Supplement for the types of compliance requirements that could have a direct and material effect on each of City of Lincolnton's major programs. The purpose of these procedures will be to express an opinion on City of Lincolnton's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

Other Services

We will also assist in preparing the financial statements, schedule of expenditures of federal and State awards, and related notes of City of Lincolnton in conformity with U.S. generally accepted accounting principles and the Uniform Guidance based on information provided by you. We will also prepare the following based on information provided by you: AFIR Data Collection Form and Unit Data Input Worksheet. These nonaudit services do not constitute an audit under Government Auditing Standards and such services will not be conducted in accordance with Government Auditing Standards. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal and State awards, and related notes services previously defined. We, in our sole judgement, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal and State awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and State awards, and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit, and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud, or suspected fraud, affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on August 13, 2018.

You are responsible for identifying all federal and State awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and State awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and State awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and State awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and State awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal and State awards no later than the date the schedule of expenditures of federal and State awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and State awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and State awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and State awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains, and indicates that we have reported on, the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits, or other studies related to the objectives discussed in the Audit Objectives section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or studies. You are also responsible for providing management's views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

With regard to the electronic dissemination of audited financial statements, including financial statements published electronically on your website, you understand that electronic sites are a means to distribute information and, therefore, we are not required to read the information contained in these sites or to consider the consistency of other information in the electronic site with the original document.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and State awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and State awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and State awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Engagement Administration, Fees, and Other

We understand that your employees will prepare all cash, accounts receivable, or other confirmations and schedules we request and will locate any documents selected by us for testing.

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to electronically submit the reporting package (including financial statements, schedule of expenditures of federal and State awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 calendar days after receipt of the auditors' reports or nine months after the end of the audit period.

We will provide copies of our reports to City; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of our reports are to be made available for public inspection.

The audit documentation for this engagement is the property of Lowdermilk Church & Co., L.L.P. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Local Government Commission or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Lowdermilk Church & Co., L.L.P. personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Local Government Commission, another cognizant agency, or pass-through entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately August 13, 2018 and to issue our reports no later than October 31, 2018. Phillip E. Church is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them. To ensure that Lowdermilk Church & Co., L.L.P.'s independence is not impaired under the AICPA Code of Professional Conduct, you agree to inform the engagement partner before entering into any substantive employment discussions with any of our personnel.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed $35,300. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs. We are required to inform you that we charge interest at at rate of 18% per annum on all invoices over 30 days old.

You may request that we perform additional services not addressed in this engagement letter. If this occurs, we will communicate with you regarding the scope of the additional services and the estimated fees. We also may issue a separate engagement letter covering the additional services. In the absence of any other written communication from us documenting such additional services, our services will continue to be governed by the terms of this engagement letter.

Our audit engagement ends on delivery of our audit report. Any follow-up services that might be required will be a separate, new engagement. The terms and conditions of that new engagement will be governed by a new, specific engagement letter for that service.

We are providing you with a copy of our 2015 external peer review report which accompanies this letter.

We appreciate the opportunity to be of service to City of Lincolnton and believe this letter accurately summarizes the significant terms of our engagement. If you have any questions, please let us know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to us.

Very truly yours,

Phillip E. Church

Phillip E. Church
Partner

RESPONSE:

This letter correctly sets forth the understanding of City of Lincolnton.

Management signature: ______________________________

Title: ______________________________

Date: ______________________________

Governance signature: ______________________________

Title: ______________________________

Date: ______________________________

BERNARD ROBINSON & Company, L.L.P.
Greensboro, NC | Raleigh, NC | Winston-Salem, NC

Certified Public Accountants and Advisors Since 1947

System Review Report

September 24, 2015

To the Partners of Lowdermilk Church & Co., L.L.P.
and the Peer Review Committee of the North Carolina
Association of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Lowdermilk Church & Co., L.L.P. (the firm) in effect for the year ended May 31, 2015. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Lowdermilk Church & Co., L.L.P. in effect for the year ended May 31, 2015, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass, pass with deficiency(ies)* or *fail*. Lowdermilk Church & Co., L.L.P. has received a peer review rating of *pass*.

Bernard Robinson & Company, LLP

BERNARD ROBINSON & COMPANY, L.L.P.

Office: 1501 Highwoods Blvd., Suite 300 . Greensboro, NC 27410
Mailing: P.O. Box 19608 . Greensboro, NC 27419-9608
Phone (336) 294-4494 . Fax (336) 294-4495 . www.brccpa.com

ITEM

12

MEMO TO: Mayor and City Council Members

FROM: City of Lincolnton Planning Department

DATE: January 11, 2018

RE: Business Incentive Grant (BIG-1-2018)

Application from Don Hartsoe for Business Incentive Grant for building renovations for expansion of Ledford Fabrics and More at 202 West Pine Street

Project Information

- Location: 202 West Pine Street
- Use: Building renovations for expansion of the retail space of Ledford Fabrics into an area that is now storage space. The project would include the following:
  - Installation of HVAC
  - Installation of new flooring
  - Installation of new lighting

- Total project cost estimate: $41,500
- Anticipated start: January 2018
- Anticipated Completion: March 2018

Request

- $15,000 for building renovations

LINCOLN COUNTY IMPROVEMENT PHOTOS

PIN 3623-74-2479 **12/29/2017**

All values are for tax year 2017.

Parcel ID	00598	**Deed**	2702-984	**Improvement**		**Area**	**Basement**	**Year Built**	**Value**
PIN	3623-74-2479	**Last Transaction Date**	10/31/2017	**#1**	WAREHOUSE	9280	0		
Account	0179784			**Market Value**	$58,622				
Owner	AC&B INVESTMENTS LLC	**Sale Price**	$220,000	**#8**	WAREHOUSE	1600	0		
Mailing	116 WOODVALE CIRCLE	**Land Value**	$63,607	**Market Value**	$25,634				
Address	LINCOLNTON NC 28092	**Total Value**	$200,899	**#9**	WAREHOUSE	1500	0		
Description	LAND & BLDGS PINE ST	**Deed Acres**	0	**Market Value**	$24,361				
Address	202 W PINE ST	**Tax Acres**	0.88	**#6**	WAREHOUSE	1500	0		
Township	LINCOLNTON	**Zoning**	C-B	**Market Value**	$24,361				
		Fire District	CITY OF LINCOLNTON	**#5**	PAVING	5680	0		
				Market Value	$4,314				

N HIGH ST
N GOVERNMENT ST
W PINE ST
Lincoln County GIS

City of Lincolnton Business Incentive Grant Application
Building Rehabilitations and Renovations
Which Encourage
Economic Development in Lincolnton

DATE: 12/22/17

NAME OF APPLICANT: DON HARTSOE

PROJECT NAME: LEDFORD BUILDING

PROJECT DESCRIPTION:

Resurface main Entrance Porch Stone Bond
Remove Flat Roof AWNING
Install new Canvas Awning
Install HVAC in Warehouse to EXPAND Retail Space
Install New Floor (LVT) in Retail Space NEW Lighting

PROJECT ADDRESS: 202 West Pine Street
Lincolnton NC 28092

APPLICANT HOME ADDRESS: 2012 W Hwy 27
Lincolnton NC 28092

EMAIL ADDRESS: donhartsoe builders@charter.net

TELEPHONE: 828-312-3227

If Property Owner differs from Business Owner, complete the following:

NAME OF PROPERTY OWNER: ______________________

ADDRESS: ______________________

EMAIL ADDRESS: ______________________

TELEPHONE: ______________________

ATTACHMENTS REQUIRED *(incomplete applications will be returned to applicant)*

1. Provide an itemized cost estimate of all materials, supplies and labor costs of this project. ***(Attach to application)*** $41,500.00

2. Provide a sketch or scaled drawing of the proposed renovation work. ***(Attach to application)***

3. Provide a current photograph of (1) the building itself and (2) within the context of the streetscape clearly showing the existing conditions of the proposed area of improvement. ***(Attach to application)***

4. Written plans for future improvements to the building and proposed time frame for such work. ***(Attach to application)***

5. Samples of all paint colors and awning fabrics ***(if applicable)***

6. Copy of two-year lease, if leasing.

7. Provide anticipated start date and a proposed schedule of completion for the proposed improvements.

START DATE: JAN 2, 2018

ANTICIPATED COMPLETION: March 2018

I have read and fully understand the requirements and guidelines of the City of Lincolnton Business Incentive Grant Program and agree to comply with all its requirements in full.

Signature of Applicant

PROPERTY OWNER CONSENT

If property owner differs from the business owner, I ____________________ Owner of the aforementioned property, consent to the proposed work being undertaken by __________________________, the business owner. I as the property owner have read and fully understand the requirements of the City of Lincolnton Business Incentive Grant Program and agree with all the requirements set forth by the Grant Application and Guidelines.

Signature of Property Owner (if different from business owner)

ITEM #

13

City of Lincolnton

Human Resources Department

MEMORANDUM

To: Steve Zickefoose, City Manager

From: Tanya Osborne, Human Resources Director

Re: Budgeted Position Revisions

Date: January 3, 2018

As part of your recommendations for the continued restructuring of city departments to enhance and improve services to the citizens, Council will need to consider the following changes to the Position Classification listing and Schedule of Budgeted Positions. Attached are revised lists which show the following:

1. Add (1) Administrative Support Assistant grade 9 to Parks & Recreation Department
2. Reclass Fire Department Part Time Administrative Support Assistant grade 9 to Full Time Administrative Support Assistant
3. Reclass Events & Facilities Coordinator from grade 13 to Community Relations Director grade 22 exempt position
4. Eliminate Business and Community Dev Coordinator grade 15 from Planning Department
5. Eliminate Admin Support Assistant grade 9 in Administration Department

The above position changes will result in the number of full time budgeted positions remaining at 156, and it is anticipated there will be a slight overall net decrease in the salary line.

If Council approves the changes, I would ask the revised attached documents be effective January 23, 2018 which corresponds with the beginning of the next effective pay period. Please let me know if you have any questions.

attachments

114 West Sycamore Street – P. O. Box 617 – Lincolnton, North Carolina 28093-0617
Phone (704) 736-8980 – FAX (704) 736-8975
www.ci.lincolnton.nc.us

CITY OF LINCOLNTON
SCHEDULE OF BUDGETED POSITIONS
Effective January 23, 2018

Position Title	Grade	E or N-E	Bi-Weekly Hours
Administration 10.00.4110			
City Manager/Finance Director	35	E	75
Assistant City Manager	30	E	75
Asst to City Mgr/City Clerk	18	N-E	75
~~Admin Support Assistant~~	~~9~~	~~N-E~~	~~75~~
	3		
Total Full Time Positions: 3			
Human Resources 10.00.4120			
Human Resources Director	25	E	75
HR Benefits Administrator	17	N-E	75
Admin Support Assistant	9	N-E	75
Building Services Attendant	7	N-E	75
	4		
Total Full Time Positions: 4			
Finance 10.00.4130			
Information Tech Manager	24	E	75
Accounting Services Manager	19	N-E	75
Business Services Manager	18	N-E	75
Accountant	15	N-E	75
Account Billing Specialist	11	N-E	75
Accounting Technician	11	N-E	75
Accounting Technician	11	N-E	75
Accounting Technician	11	N-E	75
Customer Services Rep I	9	N-E	75
	9		
Total Full Time Positions: 9			

Position Title	Grade	E or N-E	Bi-Weekly Hours
Police Department 10.10.4310			
Police Chief	27	E	80
Police Captain	21	E	80
Police Investigations Lieutenant	18	N-E	80
Community Service/Training Lt.	18	N-E	80
Police Lieutenant	18	N-E	84
Police Lieutenant	18	N-E	84
Police Investigations Sergeant	16	N-E	80
Police Sergeant	16	N-E	84
Police Sergeant	16	N-E	84
Police Sergeant	16	N-E	84
Police Sergeant	16	N-E	84
Police Investigator	14	N-E	80
Police Investigator	14	N-E	80
Police Investigator	14	N-E	80
Police Officer-MPO	14	N-E	80
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer	13	N-E	84
Police Officer-School Resource	13	N-E	80
Police Officer-School Resource	13	N-E	80
Police Records Supervisor	13	N-E	75
Police Records Specialist	9	N-E	75
Police Evidence Technician	9	N-E	75
Administrative Support Assistant	9	N-E	75
Police Records Specialist	9	N-E	75

38

Total Full Time Positions: 38

Position Title	Grade	E or N-E	Bi-Weekly Hours
Fire Department 10.10.4340			
Fire Chief	25	E	80
Assistant Fire Chief	21	E	80
Fire Captain	17	N-E	106
Fire Captain	17	N-E	106
Fire Captain	17	N-E	106
Fire Inspector	15	N-E	80
Fire Lieutenant	14	N-E	106
Fire Lieutenant	14	N-E	106
Fire Lieutenant	14	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Fire Engineer	12	N-E	106
Firefighter II	11	N-E	106
Firefighter II	11	N-E	106
Firefighter	10	N-E	106
Firefighter	10	N-E	106
Firefighter	10	N-E	106
Firefighter	10	N-E	106
Admin Support Assistant	9	N-E	75

25

Total Full Time Positions: 25

Position Title	Grade	E or N-E	Bi-Weekly Hours
Public Works - Administration 10.20.4510			
Public Works and Electric Utilities Director	25	E	80
Senior Admin Support Assistant	10	N-E	75
Admin Support Assistant	9	N-E	75

3

Total Full Time Positions: 3

Position Title	Grade	E or N-E	Bi-Weekly Hours
Public Works - Streets & Property Maintenance 10.20.4520			
Public Works Supervisor	17	N-E	80
Street Maint Crew Leader	11	N-E	80
Equipment Operator	9	N-E	80
Equipment Operator	9	N-E	80
Equipment Operator	9	N-E	80
Equipment Operator	9	N-E	80
Equipment Operator	9	N-E	80
Lead Street Maintenance Worker	8	N-E	80
Street Maintenance Worker	7	N-E	80
Street Maintenance Worker	7	N-E	80
Street Maintenance Worker	7	N-E	80
11			
Total Full Time Positions: 11			
Public Works - Equip Services 10.20.4530			
Fleet Services Superintendent	16	N-E	80
Senior Fleet Maintenance Mechanic	12	N-E	80
2			
Total Full Time Positions: 2			
Public Works - Solid Waste 10.30.4710			
Solid Waste Equip Op III	10	N-E	80
Solid Waste Equip Op III	10	N-E	80
Solid Waste Equip Op III	10	N-E	80
Solid Waste Equip Op II	9	N-E	80
Solid Waste Equip Op II	9	N-E	80
Solid Waste Equip Op I	8	N-E	80
Solid Waste Equip Op I	8	N-E	80
Solid Waste Collector	6	N-E	80
Solid Waste Collector	6	N-E	80
Solid Waste Collector	6	N-E	80
Solid Waste Collector	6	N-E	80
11			
Total Full Time Positions: 11			

Position Title	Grade	E or N-E	Bi-Weekly Hours
Planning 10.40.4910			
Planning & Comm Develop Director	25	E	75
Zoning Administrator	15	N-E	75
~~Business & Comm Dev Coordinator~~	~~15~~	~~N-E~~	~~75~~
Administrative Support Assistant	9	N-E	75
Part Time Building Inspections Consultant	20	N-E	
3			
Total Full Time Positions: 3			
Parks & Recreation 10.80.6100			
Parks & Recreation Director	24	E	80
Senior Admin Support Assistant	10	N-E	75
Admin Support Assistant	9	N-E	75
Recreation Program Coordinator	15	N-E	80
Recreation Program Coordinator	15	N-E	80
~~Events & Facilities Coordinator~~	~~13~~	~~N-E~~	~~75~~
Community Relations Director	22	E	75
Parks & Recreation Maint Specialist	13	N-E	80
General Services Supervisor	14	N-E	80
Property Maintenance Technician	7	N-E	80
9			
Total Full Time Positions: 9			

Position Title	Grade	E or N-E	Bi-Weekly Hours

Public Works - Water Treatment 61.91.7100

Position Title	Grade	E or N-E	Bi-Weekly Hours
Water Resources Director	25	E	80
Chief Water Plant Operator	14	N-E	80
Lead WTP Maint Mech	12	N-E	80
Laboratory Analyst	11	N-E	80
WTP Maintenance Mechanic	11	N-E	80
WTP Operator A	12	N-E	80
WTP Operator B	10	N-E	80
WTP Operator C	9	N-E	80
WTP Operator C	9	N-E	80
Sr. Admin Support Assistant	10	N-E	75

10

Total Full Time Positions: 10

Public Works - Distribution & Collection 61.91.7110

Position Title	Grade	E or N-E	Bi-Weekly Hours
Distribution & Coll System Supt	19	E	80
Distribution & Coll System Supervisor	14	N-E	80
Distribution/Collection Crew Leader	12	N-E	80
Distribution/Collection Crew Leader	12	N-E	80
Lift Station Mechanic	11	N-E	80
Distribution/Collection Maint Tech III	10	N-E	80
Distribution/Collection Maint Tech III	10	N-E	80
Distribution/Collection Maint Tech II	9	N-E	80
Distribution/Collection Maint Tech I	8	N-E	80
Distribution/Collection Maint Tech I	8	N-E	80
Lead Meter Specialist	10	N-E	80

11

Total Full Time Positions: 11

Position Title	Grade	E or N-E	Bi-Weekly Hours
Public Works - Waste Water Treatment 61.91.7120			
WWTP Superintendent	19	E	80
Pretreatment Technician	13	N-E	80
Laboratory Analyst	12	N-E	80
WWTP Maint Mechanic	11	N-E	80
WWTP Maint Mechanic	11	N-E	80
WWTP Operator III	12	N-E	80
WWTP Operator II	10	N-E	80
WWTP Operator II	10	N-E	80
WWTP Operator I	9	N-E	80
	9		
Total Full Time Positions: 9			
Public Works - Electric 63.93.7200			
Electric Distribution Sys Supt	21	E	80
Electric Distribution Sys Supv	18	N-E	80
Electric Line Technician Class A	16	N-E	80
Electric Line Technician Class A	16	N-E	80
Electric Line Technician Class C	11	N-E	80
Meter Specialist	8	N-E	80
Meter Specialist	8	N-E	80
Customer Services Rep II	10	N-E	75
	8		
Total Full Time Positions: 8			
Total Full Time Public Works Positions	**65**		
Total Full Time City Positions:	**156**		

Salary Schedule-Position Classifications
City of Lincolnton, NC
Effective January 23, 2018

Grade	Class Title	FLSA	Minimum	Midpoint	Maximum
3	Not assigned	N	21,046	26,307	31,569
4	Not assigned	N	22,098	27,623	33,147
5	Not assigned	N	23,203	29,004	34,805
6	Solid Waste Collector	N	24,363	30,454	36,545
7	Building Services Attendant	N	25,582	31,977	38,372
7	Property Maintenance Tech	N	25,582	31,977	38,372
7	Street Maintenance Worker	N	25,582	31,977	38,372
8	Distribution/Collection Maint Tech I	N	26,861	33,576	40,291
8	Electric Meter Specialist	N	26,861	33,576	40,291
8	Lead Street Maintenance Worker	N	26,861	33,576	40,291
8	Solid Waste Equip Operator I	N	26,861	33,576	40,291
9	Administrative Support Assistant	N	28,204	35,255	42,305
9	Customer Service Representative I	N	28,204	35,255	42,305
9	Distribution/Collection Maint Tech II	N	28,204	35,255	42,305
9	Police Evidence Technician	N	28,204	35,255	42,305
9	Police Records Specialist	N	28,204	35,255	42,305
9	Solid Waste Equip Operator II	N	28,204	35,255	42,305
9	Street Maint Equipment Operator	N	28,204	35,255	42,305
9	WTP Operator C	N	28,204	35,255	42,305
9	WWTP Operator I	N	28,204	35,255	42,305
10	Customer Service Representative II	N	29,614	37,017	44,421
10	Distribution/Collection Maint Tech III	N	29,614	37,017	44,421
10	Firefighter I	N	29,614	37,017	44,421
10	Lead Meter Specialist	N	29,614	37,017	44,421
10	Solid Waste Equip Operator III	N	29,614	37,017	44,421
10	Sr Administrative Support Assistant	N	29,614	37,017	44,421
10	WTP Operator B	N	29,614	37,017	44,421
10	WWTP Operator II	N	29,614	37,017	44,421
11	Accounting Technician	N	31,095	38,868	46,642
11	Electric Line Technician (Class C)	N	31,095	38,868	46,642
11	Firefighter II	N	31,095	38,868	46,642
11	Lift Station Maintenance Mechanic	N	31,095	38,868	46,642
11	Account Billing Specialist	N	31,095	38,868	46,642
11	Street Maintenance Crew Leader	N	31,095	38,868	46,642
11	WTP Laboratory Analyst	N	31,095	38,868	46,642
11	WTP Maintenance Mechanic	N	31,095	38,868	46,642
11	WWTP Maintenance Mechanic	N	31,095	38,868	46,642
12	Distribution/Collection Crew Leader	N	32,649	40,812	48,974
12	Firefighter Engineer	N	32,649	40,812	48,974
12	Lead WTP Maintenance Mechanic	N	32,649	40,812	48,974
12	Sr Fleet Maintenance Mechanic	N	32,649	40,812	48,974

Salary Schedule-Position Classifications
City of Lincolnton, NC
Effective January 23, 2018

12	WTP Operator A	N	32,649	40,812	48,974
12	WWTP Laboratory Analyst	N	32,649	40,812	48,974
12	WWTP Operator III	N	32,649	40,812	48,974
~~13~~	~~Events & Facilities Coordinator~~	~~N~~	~~34,282~~	~~42,852~~	~~51,423~~
13	Parks Maintenance Specialist	N	34,282	42,852	51,423
13	Police Officer I	N	34,282	42,852	51,423
13	Police Officer I-SRO	N	34,282	42,852	51,423
13	Police Records Supervisor	N	34,282	42,852	51,423
13	WWTP Pretreatment Coordinator	N	34,282	42,852	51,423
14	Chief WTP Operator	N	35,996	44,995	53,994
14	Distribution/Collection Supervisor	N	35,996	44,995	53,994
14	Electric Line Technician (Class B)	N	35,996	44,995	53,994
14	Fire Lieutenant	N	35,996	44,995	53,994
14	General Services Supervisor	N	35,996	44,995	53,994
14	Master Police Officer	N	35,996	44,995	53,994
14	Police Investigator	N	35,996	44,995	53,994
15	Accountant	N	37,796	47,244	56,693
~~15~~	~~Business/Community Develop Coord~~	~~N~~	~~37,796~~	~~47,244~~	~~56,693~~
15	Fire Inspector	N	37,796	47,244	56,693
15	Recreation Program Coordinator	N	37,796	47,244	56,693
15	Zoning Administrator	N	37,796	47,244	56,693
16	Electric Line Technician (Class A)	N	39,685	49,607	59,528
16	Fleet Services Superintendent	N	39,685	49,607	59,528
16	Police Sergeant	N	39,685	49,607	59,528
17	Fire Captain	N	41,670	52,087	62,504
17	HR Benefits Administrator	N	41,670	52,087	62,504
17	Public Works Supervisor	N	41,670	52,087	62,504
18	Assistant to City Manager/City Clerk	N	43,753	54,691	65,630
18	Business Services Manager	N	43,753	54,691	65,630
18	Electric Distribution System Supv	N	43,753	54,691	65,630
18	Police Lieutenant	N	43,753	54,691	65,630
19	Accounting Services Manager	N/E*	45,941	57,426	68,911
19	Distribution/Collections System Supt	N/E*	45,941	57,426	68,911
19	WWTP Superintendent	N/E*	45,941	57,426	68,911
20	Building Inspections Consultant	N	48,238	60,297	72,357
21	Assistant Fire Chief	E	50,650	63,312	75,975
21	Electric Distribution System Supt	E	50,650	63,312	75,975
21	Police Captain	E	50,650	63,312	75,975
22	Community Relations Director	E	53,182	66,478	79,773

23	Not assigned	E	55,841	69,802	83,762
24	Information Technology Manager	E	58,633	73,292	87,950
24	Parks & Recreation Director	E	58,633	73,292	87,950
25	Fire Chief	E	61,565	76,956	92,347
25	Human Resource Director	E	61,565	76,956	92,347
25	Planning & Comm Develop Director	E	61,565	76,956	92,347
25	Public Works and Electric Utilities Director	E	61,565	76,956	92,347
25	Water Resources Director	E	61,565	76,956	92,347
26	Not assigned	E	64,643	80,804	96,965
27	Police Chief	E	67,875	84,844	101,813
28	Not assigned	E	71,269	89,086	106,904
29	Not assigned	E	74,833	93,541	112,249
30	Assistant City Manager	E	78,574	98,218	117,861
31	Not assigned	E	82,503	103,129	123,754
32	Not assigned	E	86,628	108,285	129,942
33	Not assigned	E	90,960	113,699	136,439
34	Not assigned	E	95,508	119,384	143,261
35	City Manager/Finance Director	E	100,283	125,354	150,424
36	Not assigned	E	105,297	131,621	157,946

Notes:

1 Employees in classifications with FLSA status "N" are **subject to** the overtime provisions of the Federal Fair Labor Standards Act which requires the payment of overtime (or equivalent compensatory time) after the employee has worked more than 40 hours in the employer's official **work week**, not the employee's **work schedule**

2 Employees in classifications with FLSA status "E" are **exempt from** the overtime provisions of the Federal Fair Labor Standards Act

3 Law enforcement officers and firefighting personnel who are subject to the overtime provisions of the FLSA may be paid on the basis of a **work period** from 7 to 28 days and not the City's official work week

rvsd 180123

ITEM #

14

NO BACKUP

NECESSARY

FOR THIS ITEM

ITEM

15

January 2018 Council Meeting

Executive Summary
November 2017 Year-To-Date

General Fund		Budget 17-18	Actual 17-18	% of Budget	Budget 16-17	Actual 16-17	Difference
Fund 10	Revenues	10,252,739	4,767,504	43%	10,662,262	4,801,497	(33,993)
	Fund Balance	785,301	-	-	1,366,107	-	-
		11,038,040	4,767,504		12,028,369	4,801,497	(33,993)
	City Manager/Clerk	333,365	183,278		309,730	128,656	54,622
	Human Resources	235,030	106,142		215,848	100,706	5,436
	Finance	279,012	241,847		273,609	239,574	2,272
	General Expense	809,520	483,970		878,154	416,912	67,058
	General Debt Service	463,524	26,666		425,535	30,012	(3,346)
	Police	3,344,770	1,274,494		3,153,942	1,307,263	(32,769)
	Fire	2,030,690	918,622		2,206,450	842,855	75,767
	Public Works	181,356	97,569		246,538	86,589	10,980
	Street	1,229,141	313,112		1,534,891	479,372	(166,260)
	Equipment Services	132,120	67,540		157,819	93,677	(26,137)
	Solid Waste	718,328	239,987		820,485	289,078	(49,090)
	General Services	-	-		212,559	90,317	(90,317)
	Plannin/Zoning	277,060	113,038		276,258	89,646	23,392
	Bus & Comm. Dev	132,454	20,090		160,693	54,360	(34,271)
	Recreation	871,670	472,229		1,155,858	281,217	191,012
	Expenses	11,038,040	4,558,583	41%	12,028,369	4,530,235	28,348
	Difference		208,921			271,262	(62,341)

Water & Sewer Fund			Budget 17-18	Actual 17-18	% of Budget	Budget 16-17	Actual 16-17	Difference
Fund 61	Revenues		7,449,995	3,464,222	44%	7,867,135	3,589,545	(125,323)
	Fund Balance		390,000	-		1,265,399		
			7,839,995	3,464,222		9,132,534	3,589,545	(125,323)
		Water Treatment	1,501,500	500,740		1,476,528	475,562	25,178
		Dist & Collection	1,356,250	580,247		2,390,175	1,019,044	(438,797)
		Wastewater	1,537,900	379,852		1,648,076	382,918	(3,066)
		W & S Intangibles	3,444,345	281,955		3,617,755	310,509	(28,555)
	Expenses		7,839,995	1,742,794	22%	9,132,534	2,188,033	(445,239)
	Difference			1,721,429			1,401,512	319,916

Electric Fund			Budget 17-18	Actual 17-18	% of Budget	Budget 16-17	Actual 16-17	Difference
Fund 63	Revenues		7,791,714	3,341,598	43%	8,000,000	3,531,288	(189,690)
	Fund Balance		-	-		79,000	-	-
			7,791,714	3,341,598		8,079,000	3,531,288	(189,690)
		Electric Dept.	7,791,714	2,827,798		8,079,000	2,731,972	95,826
	Expenses		7,791,714	2,827,798	36%	8,079,000	2,731,972	95,826
	Difference			513,801			799,316	(285,516)

Overtime	80+ hours			126,473			125,121	1,352