

**SPECIAL MEETING and BUDGET WORK SESSION -
FEBRUARY 18, 2010**

The Mayor and City Council held a special meeting/budget work session on Friday, February 18th, 2010 in the Council Chambers of City Hall, 114 West Sycamore Street, Lincolnton, North Carolina.

Mayor Gilleland called the Special meeting/Budget work session to order at 8:45 a.m. The following Council members were in attendance:

HOUSER CLONINGER HEAVNER

Councilman Hovis was absent due to illness.

Mr. Steve Shelton and Matt Shuell of ElectriCities provided a detailed overview of ElectriCities and what part Lincolnton plays in being a member. Mr. Shelton reviewed a power point presentation outlining the three types of power generated and the seventy cities across North Carolina that own and operate an electric system. He noted Lincolnton's residential electric rate is the seventh lowest of the nineteen cities in our group.

He gave the 2010 rate increase summary, with preliminary budget recommendation being an 8.9% increase. Lincolnton may face passing this increase along to its customers rather than absorbing the increase as we have done in the past.

The City Manager noted that of the past increases (20.6%) received by Lincolnton over the past ten years, only 4.5% has been passed on to its customers.

Mr. Shelton said March 11th the rate committee will meet to discuss the proposed increase and the City could then get a more definite percentage at that time. This was a very informative meeting for both Mayor and Council members as well as City staff.

After some discussion, Mayor Gilleland and Council thanked Mr. Shelton for his presentation. Mayor Gilleland called for a recess at 10:30 a.m., to reconvene at 2:00 p.m.

A copy of the Power Point presentation is attached, providing great detail and history, and will become a permanent part of these official minutes.

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Mayor Gilleland reconvened the budget work session at 2:00 p.m.

The following organizations appeared before Council to request funding for the 2010-2011 fiscal year:

Lincolnton-Lincoln County Airport: Airport Manager Jeff Lynn and Airport Authority Board Chair David Lowe attended on behalf of the Lincolnton-Lincoln County Airport. Jeff provided a handout, outlining the funding sources for the Airport. He updated on Council on the progress of the new terminal and said they are behind on the construction due to the weather. Fuels sales are down 30%, and the airport has realized an 8 million dollar loss this past year due to losing four aircraft.

Mr. Lowe said he hopes a positive turn in the economy will help the Airport begin to grow and serve more of the corporate aircraft in our community. He emphasized again the continued need for sewer to be provided to the Airport. Jeff reviewed projects, plans and goals for 2010 for the airport and concluded thanking Council for their continued support.

Their request for 2010-11 was: **Airport Operation: \$ 57,251**
Grant Match : 67,084
Total Request: \$ 124,335

Chamber of Commerce: Chamber President Ken Kindley, and Chamber Board Chair Bill McLucus were in attendance on behalf of the Chamber to present the request.

He reviewed a handout displaying the Chamber's program of work throughout the year. He said their budget has decreased from \$ 320,660 to \$ 275,000 and they have downsized to five employees. Ken concluded saying that he appreciates all the support the City has provided to the Chamber in past years. The total requested was \$ 19,000 from the City for fiscal year 2010-11.

Communities in Schools: Billy Marsh, Director reviewed the services provided by Communities in Schools to both the schools within the City and County. He gave Council a fact sheet for the CIS. He discussed how CIS assists the local schools in Lincolnton and provided a narrative of the work and benefits that the CIS program provides to our community as a whole. He thanked the City for their continued support of a much needed service. The total funding requested was \$ 5,000.

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U.D.C. Building: Hazel Andrews appeared on behalf of the Southern Stars Chapter #477, requesting that Council continue providing funding in the amount of \$ 1500. She noted that the amount requested is typically funded to assist in offsetting the UDC utilities expenses which will help during these difficult economic times. She concluded thanking Council for their many years of support to this historical treasure.

Lincoln Cultural Center: Lincoln Cultural Center Board Chair Worth Roberts, spoke on behalf of the Cultural Center. Shelley Johnson spoke on behalf of the Arts Council, Jason Harpe spoke on behalf of the Historical Association, and Christopher Goodson spoke on behalf of the Theatre Guild. Each organization gave Council a detailed packet of information on the programs they provide to the citizens of both Lincoln and Lincoln County.

Their requests were as follows:

Lincoln Cultural Center	\$ 49,500
Arts Council	\$ 6,500
*Historical Association	\$ 19,000 (+ \$2,000)
Theatre Guild	\$ 12,000

*NOTE: Jason Harpe requested that Council **consider funding \$ 2,000 for the Battle of Ramseur's Mill Re-Enactment.** He said this event qualifies as a tourism related event and suggested that the money be taken from the Occupancy Tax Fund. This would require action from the Lincoln Tourism Development Authority to expend these funds, in accordance with LTDA by-laws.

Economic Development Association: Director Barry Matherly spoke to Council reviewing the goals and objectives for Lincoln Economic Development Association, noting the changes from the previous year. He reviewed the EDA Action Plan for 2010-2011. He noted that LEDA funding request did not reflect an increase for this year.

Mayor Gilleland and City Council thanked Barry for the great job he and his staff do in recruitment and in providing positive communication throughout the community. **Request for 2010-2011 was \$ 46,000.**

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**DONNA C. FLOWERS, CMC
CITY CLERK**

**JOHN O. GILLELAND, JR.
MAYOR**