

**TENTATIVE AGENDA & MEETING NOTICE  
BOARD OF COUNTY COMMISSIONERS**

**TUESDAY, APRIL 16, 2019  
5:30 P.M.**

**WATAUGA COUNTY ADMINISTRATION BUILDING  
COMMISSIONERS' BOARD ROOM**

TIME	#	TOPIC	PRESENTER	PAGE
5:30	1	CALL REGULAR MEETING TO ORDER		
	2	APPROVAL OF MINUTES: February 18 & 19, 2019 Special Meeting Minutes April 2, 2019, Regular Meeting April 2, 2019, Closed Session		1
	3	APPROVAL OF THE APRIL 16, 2019 AGENDA		11
5:35	4	PUBLIC HEARING TO ALLOW CITIZEN COMMENT ON PROPOSED AMENDMENTS TO THE WATAUGA COUNTY SOLID WASTE ORDINANCE	MR. REX BUCK	13
5:40	5	LAW ENFORCEMENT ASSISTED DIVERSION (LEAD) PROGRAM PRESENTATION	DR. MARISA CORNELL SGT. CASEY MILLER	17
5:45	6	TAX MATTERS A. Monthly Collections Report B. Refunds & Releases	MR. LARRY WARREN	19 21
5:50	7	FINANCE MATTERS A. Budget Amendments B. Proposed Audit Contract	MS. MISTY WATSON	35 39
5:55	8	MISCELLANEOUS ADMINISTRATIVE MATTERS A. Proposed Resolution Supporting Increased Access To Healthcare In North Carolina B. Proposed Appalachian Enterprise Center Lease Renewal with NC Works C. Proposed Lease with Appalachian State University for Use of Human Services Parking Lot on Home Game Days D. Boards and Commissions E. Announcements	MR. DERON GEOUQUE	57 59 69 71 73
6:00	9	PUBLIC COMMENT		75
6:05	10	BREAK		75
7:05	11	CLOSED SESSION Attorney/Client Matters – G. S. 143-318.11(a)(3)		75
7:10	12	ADJOURN		

**AGENDA ITEM 2:**

**APPROVAL OF MINUTES:**

February 18 & 19, 2019, Special Meeting Minutes (Annual Pre-Budget Retreat)

April 2, 2019, Regular Meeting

April 2, 2019, Closed Session

**DRAFT****MINUTES**

**WATAUGA COUNTY BOARD OF COMMISSIONERS  
SPECIAL MEETING  
MONDAY, FEBRUARY 18, 2019 & TUESDAY, FEBRUARY 19, 2019**

The Watauga County Board of Commissioners held a special meeting on Monday, February 18, 2019, and Tuesday, February 19, 2019, in order to conduct a budget retreat to review goals and objectives for the County. The meetings were held in the Commissioners' Board Room located in the Watauga County Administration Building, Boone, North Carolina.

PRESENT:           John Welch, Chairman  
                          Billy Kennedy, Vice-Chairman  
                          Larry Turnbow, Commissioner  
                          Charlie Wallin, Commissioner  
                          Perry Yates, Commissioner  
                          Deron Geouque, County Manager  
                          Misty Watson, Finance Director

Lunch was provided at 12:00 PM. Chairman Welch called the meeting to order on Monday, February 18, 2019, at 12:40 PM, welcoming those in attendance.

The following topics were discussed:

**Opening Remarks**

*Mr. Deron Geouque*

**FY 2019 Review and Discussion of 2020 Budget**

*Ms. Misty Watson*

1. Revenues
2. Expenditures
3. Debt Service Report
4. Budget Calendar
5. Future Appropriations

**Review of Current Capital Improvement Plan (CIP)**

*Mr. Deron Geouque & Mr. Robert Marsh*

1. Current CIP Status Report
2. Courtroom # 2 Renovations
3. East Annex Building Program
4. Turner Building
5. Recreation Fields
  - a. Reorientation of Complex Field
  - b. Tennis Courts
  - c. Basketball Courts

- d. Pickleball Courts
- e. Draft Fee Schedule for New Community Recreation Center

**Break from 2:30 PM to 3:00 PM**

**Sanitation Matters**

*Mr. Rex Buck*

- 1. New Solid Waste Contract
- 2. Solid Waste Ordinance
- 3. Community Pride Schedule

**Tourism Development Authority (TDA)**

*Mr. Matt Vincent and Mr. Wright Tilley*

**Caldwell Community College & Technical Institute**

*Dr. Mark Poarch*

**Break from 4:45 PM to 5:00 PM**

**School Board Funding Issues**

*Superintendent Dr. Scott Elliott, School Board Members Ron Henries, Jason Cornett, Dr. Jay Fenwick, Dr. Gary Childers, and Staff members Ly Marze, Dr. Stephen Martin, Danny Clark*

- 1. FY 2020 Funding Needs
- 2. Schools' Capital Improvement Plan

**Public Safety and Emergency Communications Systems Study Update**

*Mr. Marvin Hoffman and Mr. Will Holt*

**County Manager's Summary**

*Mr. Deron Geouque*

A recess was declared at 6:46 P.M. The meeting reconvened on Wednesday, February 21, 2018, at 9:00 AM.

**Children's Council Presentation**

*Ms. Crystal Kelly*

**Update on Recreational Projects**

*Mr. Joe Furman & Ms. Wendy Patoprsty*

- 1. Guy Ford Paddle Access
- 2. Middle Fork Greenway

**Community Recreation Center (CRC) Update**

*Mr. Chad Roberson*

**County Facilities Assessment**

*Mr. Chad Roberson*

**Landfill Solar Lease**

*Mr. Derek Moretz*

**Miscellaneous & Commissioner Matters**

*Mr. Deron Geouque*

Budget work sessions were set for May 8, 2019, from 2-8 P.M. and May 9, 2019, from 9 A.M.-4 P.M.

**Board Discussion and Directives**

The County Manager concluded the retreat by reviewing the issues discussed and seeking direction from the Board for Fiscal Year 2019-2020.

The meeting adjourned at 11:25 PM

John Welch  
Chairman, Watauga County Board of Commissioners

ATTEST:  
Deron Geouque  
County Manager

**DRAFT****MINUTES****WATAUGA COUNTY BOARD OF COMMISSIONERS  
TUESDAY, APRIL 2, 2019**

The Watauga County Board of Commissioners held a regular meeting, as scheduled, on Tuesday, April 2, 2019, at 8:30 A.M. in the Commissioners' Board Room of the Watauga County Administration Building, Boone, North Carolina.

PRESENT: John Welch, Chairman  
 Billy Kennedy, Vice-Chairman  
 Larry Turnbow, Commissioner  
 Charlie Wallin, Commissioner  
 Perry Yates, Commissioner  
 Andrea Capua, County Attorney  
 Deron Geouque, County Manager  
 Anita J. Fogle, Clerk to the Board

Chairman Welch called the meeting to order at 8:35 A.M.

Commissioner Yates opened with a prayer and Vice-Chairman Kennedy led the Pledge of Allegiance.

**APPROVAL OF MINUTES**

Chairman Welch called for additions and/or corrections to the March 19, 2019, regular meeting and closed session minutes.

Commissioner Yates, seconded by Vice-Chairman Kennedy, moved to approve the March 19, 2019, regular meeting minutes as presented.

VOTE: Aye-5  
 Nay-0

Commissioner Yates, seconded by Vice-Chairman Kennedy, moved to approve the March 19, 2019, closed session minutes as presented.

VOTE: Aye-5  
 Nay-0

**APPROVAL OF AGENDA**

Chairman Welch called for additions and/or corrections to the April 2, 2019, agenda.

Vice-Chairman Kennedy, seconded by Commissioner Turnbow, moved to approve the April 2, 2019, agenda as presented.

VOTE: Aye-5  
 Nay-0

## **PROPOSED PROCLAMATION ESTABLISHING “GREENING MY PLATE” MONTH**

Ms. Margie Mansure, representing Cooperative Extension and Watauga Food Council, presented a proposed proclamation declaring the month of April 2019 as “Greening My Plate Month.” Mr. Bill Moretz, a local grower, was not able to attend the meeting due to a previous commitment. The purpose of the proclamation is to bring awareness to the benefits of locally grown fruits and vegetables and recognize and celebrate the farmers who provide this produce.

Vice-Chairman Kennedy, seconded by Commissioner Yates, moved to adopt the proclamation as presented.

VOTE: Aye-5  
Nay-0

## **FRONTIER NATURAL GAS PIPELINE SAFETY UPDATE**

Mr. Fred Steele, Ms. Kim Foley, and Mr. Jeff Whitaker, with Frontier Natural Gas, updated the Board on local projects by Frontier Natural Gas. Mr. Steele shared public awareness information and discussed training available for emergency personnel as offered by Mr. Whitaker. Mr. Whitaker stated that he had a natural gas training program available to teach for fire departments and first responders as well. Mr. Whitaker stated that he would like to hold a training session in the future for Board members and stated that it would be approximately two hours. Maps for upcoming projects were also shared. County Manager Geouque asked about running natural gas to the County jail. Ms. Foley stated that, due to recent lines being run, it would only be less than a mile to connect the jail. Ms. Foley stated that she was waiting on usage updates for the facility to determine if it would be cost effective for the County. The County Manager requested that they let the County know when working on projects so that office staff could answer calls correctly from citizens. Ms. Foley stated that Frontier also gives notice to areas that they are working in and they will go door to door to notify everyone. Mr. Steele stated that Frontier welcomes neighborhoods to host information sessions where project details can be shared with those near areas being worked in. Discussion was held on the availability to convert local schools to natural gas. Ms. Foley stated that she can do cost analysis for schools to see how long it would take to realize savings. The presentation was for information only and, therefore, no action was required.

## **SANITATION MATTERS**

### ***A. Proposed Amendment to the Solid Waste Ordinance***

Mr. Rex Buck, Operations Service Director, presented proposed amendments to the County’s Solid Waste Ordinance. The amendments were located in Article IV, Section (5) and (22) and incorporate a Municipal Solid Waste Collector definition. The changes are required to clarify the different types of waste generated in the County and how those wastes are collected. Mr. Buck recommended, per County policy, that a public hearing be scheduled for April 16, 2019, at 5:30 P.M. to allow for citizen comment on the proposed amendments.

Vice-Chairman Kennedy, seconded by Commissioner Turnbow, moved to schedule a public hearing for Tuesday, April 16, 2019, at 5:30 P.M. to allow for citizen comment on the proposed amendments.

VOTE: Aye-5  
Nay-0

***B. Proposed Changes to the Solid Waste Fee Schedule***

Mr. Rex Buck presented proposed amendments to the fee schedule for the remainder of Fiscal Year 2018-2019 and for Fiscal Year 2019-2020. Mr. Buck stated that beginning April 1, 2019, the disposal fees for the County increased by 9.1%. Mr. Buck stated that the proposed amendments included offsetting the 9.1% increase as well as an added fee for Municipal Solid Waste. Commissioner Yates asked if hours could be extended on Saturdays and Mr. Buck stated that they could not at this time, however, he was trying to do modifications that would allow for extended hours. County Manager Geouque stated that rather than having Community Pride for only a week or two a year it would be held every Saturday. Also, the two-thousand free pounds for citizens was not being cut. Mr. Buck stated that having Community Pride each Saturday would keep citizens from having to stock pile waste. Mr. Buck stated that Household Hazardous Waste Day events were being extended to 3:00 P.M. County Manager Geouque stated that he planned to meet with Town Managers so they can prepare their budgets according to the new Solid Waste Fee Schedule.

Commissioner Turnbow, seconded by Commissioner Yates, moved to approve the Solid Waste Fee Schedule as presented by Mr. Buck.

VOTE: Aye-5  
Nay-0

***C. Brush Grinding and Screening Contracts***

Mr. Rex Buck presented a request for rentals with Vermeer for a TG 5000 tub grinder and a TR 5300 trommel screen. The cost of the tub grinder is \$41,593.25 for 2,500 tons of brush and \$17,040.75 to process 6,500 cubic yards of mulch. Utilizing these pieces of equipment has proven to be more economical and provides for a more desirable product. Adequate funds are available in the current budget to cover the expense. Mr. Buck stated that mulch produced was free to citizens and he is looking for wholesalers as well.

Commissioner Yates, seconded by Commissioner Turnbow, moved to approve the rentals with Vermeer for a TG 5000 tub grinder and a TR 5300 trommel screen in the amounts of \$41,593.25 and \$17,040.75, respectively.

VOTE: Aye-5  
Nay-0

Mr. Robert Marsh, Maintenance Director, stated that the County realized \$15,000 in savings by using mulch generated by the Sanitation Department this past Fall.



## **CHANGE ORDER #1 FOR EAST ANNEX ROOFING PROJECT**

Mr. Robert Marsh, Maintenance Director, present Change Order # 1 for the East Annex Roofing Project. The Change Order, in the amount of \$4,713.66, was for work outside the scope of the original contract. The current project had a \$5,500 contingency and accepting the change order would leave \$786.34 unspent in the contingency. Mr. Marsh stated that the contractors got a late start on the project but worked through a horrible winter.

Commissioner Yates, seconded by Commissioner Turnbow, moved to approve Change Order # 1 for the East Annex Roof Project in the amount of \$4,713.66 with funds to be allocated from the contract contingency.

VOTE: Aye-5  
Nay-0

## **MISCELLANEOUS ADMINISTRATIVE MATTERS**

### ***A. Proposed Lease Renewal with Cove Creek Preservation and Development***

Cove Creek Preservation and Development has requested a new ten-year lease be prepared to replace the lease for the Old Cove Creek High School which is set to expire in 2022. The new lease would be for ten years and expire in 2029.

A proposed resolution authorizing the lease of a to the Cove Creek Preservation and Development all of that property known as the old Cove Creek School rock building, and Library, together with an area in front of said buildings to the paved street and together with an area in back of said buildings sufficient for maintenance purposes. Property owned by the County may be leased or rented for such terms and upon such conditions as the Board may determine, for up to ten (10) years. Property may be rented or leased only pursuant to a resolution of the Board authorizing the execution of the lease or rental agreement adopted at a regular Board meeting upon 10 days' public notice. Notice shall be given by publication describing the property to be leased or rented, stating the annual rental or lease payments, and announcing the Board's intent to authorize the lease or rental at a meeting after the ten day notice. Vice-Chairman Kennedy requested that trees on the property not be cut down as had been requested.

Vice-Chairman Kennedy moved to adopt the resolution as presented. The motion was withdrawn when Commissioner Yates moved to approve the lease to be amended by the County Attorney to include the tree stipulations. Clerk to the Board Fogle stated that the lease would be prepared for approval at the May 7, 2019, meeting which would allow time for the ten day public notice upon the adoption of the proposed resolution. Commissioner Yates withdrew his motion.

Vice-Chairman Kennedy, seconded by Commissioner Wallin, moved to adopt the resolution and direct the County Attorney to prepare the lease for approval at a future meeting after the ten day public notice time.

VOTE: Aye-5  
Nay-0

***B. Boards and Commissions***

County Manager Geouque stated that each Commissioner nominates a representative to the Boone Rural Fire Protection Service District Board whose terms run concurrent with the term of the appointing Commissioner. Boone Rural Fire Service District Board members must own property and reside within that Fire Service District.

***C. Announcements***

County Manager Geouque announced that the North Carolina Association of County Commissioners (NCACC) planned a series of District Meetings throughout the state this Spring. There is no cost to attend the meetings, which begin at 5:00 P.M. and include dinner. Each meeting will conclude by 8:00 P.M. Following are the date, location, and topic for each meeting:

April 4 - Districts 16 & 17                      Topic: Broadband  
The Ramsey Center at Western Carolina University  
92 Catamount Road  
Cullowhee, NC 28723

April 8 - Districts 13 & 15                      Topic: Jail Population & Diversion  
Earl Scruggs Center  
103 S Lafayette Street  
Shelby, NC 28150

April 17 - Districts 14 & 18                      Topic: DSS Issues  
Wilkes County Agricultural Center  
416 Executive Drive  
Wilkesboro, NC 28697

April 23 - Districts 10 & 12                      Topic: County Tier System  
Rowan County Administration Building  
130 W Innes Street  
Salisbury, NC 28144

April 25 - Districts 9 & 11                      Topic: Broadband  
Chatham County Agriculture and Conference Center  
1192 US-64 BUS  
Pittsboro, NC 27312

**PUBLIC COMMENT**

Mr. Fred Steele, Ms. Kim Foley, and Mr. Jeff Whitaker, with Frontier Natural Gas, inadvertently signed up to speak but had left the meeting prior to the scheduled Public Comment time; therefore, there were no public comments.

**CLOSED SESSION**

At 9:12 A.M., Commissioner Wallin, seconded by Commissioner Turnbow, moved to enter Closed Session to discuss Attorney/Client Matters, per G. S. 143-318.11(a)(3).

VOTE: Aye-5  
Nay-0

Commissioner Yates, seconded by Commissioner Turnbow, moved to resume the open meeting at 9:39 A.M.

VOTE: Aye-5  
Nay-0

**ADJOURN**

Vice-Chairman Kennedy, seconded by Commissioner Turnbow, moved to adjourn the meeting at 9:39 A.M.

VOTE: Aye-5  
Nay-0

John Welch, Chairman

ATTEST:  
Anita J. Fogle, Clerk to the Board

**AGENDA ITEM 3:**

**APPROVAL OF THE APRIL 16, 2019, AGENDA**

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**AGENDA ITEM 4:**

**PUBLIC HEARING TO ALLOW CITIZEN COMMENT ON PROPOSED AMENDMENTS TO THE WATAUGA COUNTY SOLID WASTE ORDINANCE**

**MANAGER’S COMMENTS:**

A public hearing has been scheduled to allow citizen comment on the proposed changes to the Solid Waste Ordinance. Mr. Rex Buck, Operations Service Director, requested the Board amend the Solid Waste Ordinance Article IV, Section (5) and (22) and incorporate a Municipal Solid Waste Collector definition. The changes are required to clarify the different types of waste generated in the county and how those wastes are collected.

Upon completion of the public hearing the Board may approve the changes as presented, amend the changes based on feedback from the hearing, or schedule a work session to further discuss the ordinance changes.

Board action is requested.

**PUBLIC HEARING NOTICE**

THE WATAUGA COUNTY BOARD OF COMMISSIONERS WILL HOLD A PUBLIC HEARING TO ALLOW CITIZEN COMMENT ON PROPOSED AMENDMENTS TO THE SOLID WASTE ORDINANCE. THE PUBLIC HEARING WILL BE HELD ON TUESDAY, APRIL 16, 2019, AT 5:30 P.M. IN THE COMMISSIONERS' BOARD ROOM LOCATED IN THE WATAUGA COUNTY ADMINISTRATION BUILDING AT 814 WEST KING STREET, BOONE, NORTH CAROLINA. INTERESTED PARTIES ARE ENCOURAGED TO ATTEND. FOR INFORMATION OR QUESTIONS PLEASE CALL 828-265-8000.

JOHN WELCH  
CHAIRMAN

Watauga County  
Sanitation Department  
Recycling Office

# Memo

**To:** Deron Geouque  
**From:** Rex Buck  
  
**Date:** March 26, 2019  
  
**Re:** Solid Waste Ordinance

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Staff is recommending amending Article IV, Sections (5) and (22) of the Watauga County Solid Waste Ordinance, and inserting a classification of solid waste collector titled **Municipal Solid Waste Collector**, and incorporating the enclosed Municipal Solid Waste Collector definition into the ordinance.

The purpose of the recommended amendments is to better classify the types of waste generated within Watauga County, and to more accurately differentiate the means by which those waste streams are collected.



**STATE OF NORTH CAROLINA**

**COUNTY OF WATAUGA**

**SOLID WASTE ORDINANCE**

**(Proposed Amendment)**

**26 March, 2019**

5. Commercial Solid Waste Collector: Any person, firm, corporation, or other entity, engaged in whole or part, in the collection, transportation, delivery, or disposal of solid waste generated within the service area, including any such entity engaged in such activities with respect to solid waste generated by others for profit.

22. Municipal Solid Waste: Any solid waste resulting from the operation of residential, commercial, industrial, governmental, or institutional establishments that would normally be collected, processed and disposed of through a public entity or municipal solid waste management service. Municipal solid waste does not include hazardous waste, sludge, or industrial waste managed in a solid waste management facility owned and operated by the generator of the industrial waste for management of that waste, or solid waste from mining or agricultural operations.

**(Insert)**

28. Municipal Solid Waste Collector: Any public entity or municipal solid waste management service engaged in whole or part, in the collection, transportation, delivery, or disposal of solid waste generated within the service area, including any such entity engaged in such activities with respect to solid waste generated by others.

**AGENDA ITEM 5:**

**LAW ENFORCEMENT ASSISTED DIVERSION (LEAD) PROGRAM PRESENTATION**

**MANAGER'S COMMENTS:**

The Law Enforcement Assisted Diversion (LEAD) will make a presentation regarding their program. It is unclear at this time if any action will be requested of the Board.

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**AGENDA ITEM 6:**

**TAX MATTERS**

***A. Monthly Collections Report***

**MANAGER'S COMMENTS:**

Mr. Larry Warren, Tax Administrator, will present the Monthly Collections Report and be available for questions and discussion.

The reports are for information only; therefore, no action is required.


**Monthly Collections Report****Watauga County**

Bank deposits of the following amounts have been made and credited to the account of Watauga County. The reported totals do not include small shortages and overages reported to the Watauga County Finance Officer

Monthly Report March 2019

	<u>Current Month</u> <u>Collections</u>	<u>Current Month</u> <u>Percentage</u>	<u>Current FY</u> <u>Collections</u>	<u>Current FY</u> <u>Percentage</u>	<u>Previous FY</u> <u>Percentage</u>
<b>General County</b>					
Taxes 2018	531,259.24	41.53%	30,231,756.33	97.66%	97.39%
Prior Year Taxes	66,497.56		321,118.24		
Solid Waste User Fees	57,737.64	35.19%	2,489,330.97	96.54%	96.22%
Green Box Fees	564.26	NA	3,963.76	NA	NA
<b>Total County Funds</b>	<b>\$656,058.70</b>		<b>\$33,046,169.30</b>		
<b>Fire Districts</b>					
Foscoe Fire	9,869.76	50.54%	454,533.30	98.12%	97.96%
Boone Fire	16,665.91	37.43%	873,392.89	97.72%	97.55%
Fall Creek Service Dist.	349.13	51.13%	9,125.27	96.54%	97.93%
Beaver Dam Fire	2,399.37	24.77%	96,671.93	93.89%	94.43%
Stewart Simmons Fire	5,007.23	34.23%	219,941.61	96.08%	97.96%
Zionville Fire	2,040.64	28.75%	109,364.21	95.84%	95.53%
Cove Creek Fire	4,303.07	29.25%	228,958.25	96.26%	96.49%
Shawneehaw Fire	4,701.28	75.70%	96,200.75	98.63%	97.38%
Meat Camp Fire	4,461.97	27.62%	197,386.22	95.49%	95.14%
Deep Gap Fire	4,591.63	38.34%	182,231.85	96.85%	96.38%
Todd Fire	1,623.74	60.93%	60,370.85	98.34%	96.74%
Blowing Rock Fire	9,075.67	45.51%	471,216.48	98.00%	97.42%
M.C. Creston Fire	237.14	22.74%	5,684.18	91.92%	94.83%
Foscoe Service District	649.73	23.88%	71,880.15	97.60%	98.08%
Beech Mtn. Service Dist.	277.80	96.47%	1,601.24	99.38%	99.44%
Cove Creek Service Dist.	0.00	0.00%	324.15	100.00%	100.00%
Shawneehaw Service Dist	521.94	57.88%	6,034.07	94.63%	92.68%
	<b>\$66,426.88</b>		<b>\$3,075,792.13</b>		
<b>Towns</b>					
Boone	78,348.73	54.19%	5,777,454.01	98.91%	98.43%
Municipal Services	724.53	28.21%	130,104.10	98.60%	93.46%
Boone MV Fee	NA	NA	NA	NA	NA
Blowing Rock	NA	NA	NA	NA	NA
Seven Devils	NA	NA	NA	NA	NA
Beech Mountain	NA	NA	NA	NA	NA
<b>Total Town Taxes</b>	<b>\$79,073.26</b>		<b>\$5,907,558.11</b>		
<b>Total Amount Collected</b>	<b>\$801,558.84</b>		<b>\$42,029,519.54</b>		

 Nitaj Rochelle  
Tax Collections Director

 Amy Warren  
Tax Administrator

**AGENDA ITEM 6:**

**TAX MATTERS**

***B. Refunds and Releases***

**MANAGER'S COMMENTS:**

Mr. Warren will present the Refunds and Releases Reports. Board action is required to accept the Refunds and Releases Reports.

03/29/2019 15:22  
Larry.Warren

WATAUGA COUNTY  
RELEASES - 03/01/2019 TO 03/29/2019

P 1  
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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1773473 ALEXANDER, GREG LYONS, BROOKE 280 LYNN HILL RD  BOONE, NC 28607	RE 2018	21302	03/29/2019			0	F02	13.08
	1991-74-5656-000			F02			G01	76.95
	REFUND RELEASE				6827			
	RELEASED AND REBILLED TO	1523305						90.03
1729290 BLUE RIDGE MOUNTAIN CLUB PROPERTY OWNERS PO BOX 1727  BLOWING ROCK, NC 28605	RE 2018	32403	03/29/2019			0	F05	26.61
	2848-78-9066-000			F05			G01	110.49
	TAX RELEASES				6813			
	PROPERTY IS COMMON AREA OF BLUE RIDGE MOUNTAIN CLUB AND IS EXCLUDED							137.10
1572418 CALAMAI, ANTHONY G CALAMAI, SUSAN G 141 BLACK JACK MTN RD  BLOWING ROCK, NC 28605-9091	RE 2018	24215	03/29/2019			0	F12	20.65
	2808-69-8609-000			F12			G01	145.79
	TAX RELEASES				6814			
	RELEASED AND REBILLED TO ERIC YOURCHISIN							166.44
1646848 CARR, BARBARA 2229 WOODS AND WATER CT  SEBRING, FL 33872	PP 2018	3659	03/29/2019			0	SWF	80.00
	646848999			F12			G01	25.70
	TAX RELEASES				6824		F12	3.64
	MH SOLD IN 2017						G01L	2.57
							F12L	.36
								112.27
1588772 CELTIC SIGNS POTTS, JAMES R 568 MORETZ FARM RD PO BOX 245 DEEP GAP, NC 28618	PP 2018	3006	03/29/2019			0	G01	57.82
	588772999			F10			F10	8.19
	TAX RELEASES				6819			
	SOLD BUSINESS							66.01
1642636 CORDELL, WILLARD LIFE ESTATE CORDELL, SUSIE LIFE ESTATE 380 WIEDEMANN RD  BANNER ELK, NC 28604	RE 2018	13197	03/29/2019			25,000	F03	12.50
	1951-07-4188-000			F03			G01	88.25
	ELDERLY OR DISABLED EXEMPTION				6805			
	SENIOR EXEMPTION DID NOT REFLECT ON 2018 TAX BILL							100.75
1110113 JAMES POTTER POTTER, DEBORAH 390 EMORY GREER RD  ZIONVILLE, NC 28698-9779	RE 2018	1000140	03/29/2019			0	F06	1.75
	1995-21-4694-000			F06			G01	12.36
	TAX RELEASES				6806			
	PROPERTY DIVIDED BUT REMAINED IN PRESENT USE							14.11

03/29/2019 15:22  
Larry.Warren

WATAUGA COUNTY  
RELEASES - 03/01/2019 TO 03/29/2019

P 2  
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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1110113 JAMES POTTER POTTER, DEBORAH 390 EMORY GREER RD  ZIONVILLE, NC 28698-9779	RE 2018	1000141	03/29/2019			0	F06	1.75
		1995-21-4694-000		F06			G01	12.36
	TAX RELEASES				6807			
	PROPERTY WAS DIVIDED BUT REMAINED IN PRESENT USE							14.11
1110113 JAMES POTTER POTTER, DEBORAH 390 EMORY GREER RD  ZIONVILLE, NC 28698-9779	RE 2018	1000142	03/29/2019			0	F06	1.75
		1995-21-4694-000		F06			G01	10.96
	TAX RELEASES				6808			
	PROPERTY WAS DIVIDED BUT REMAINED IN PRESENT USE							12.71
1110113 JAMES POTTER POTTER, DEBORAH 390 EMORY GREER RD  ZIONVILLE, NC 28698-9779	RE 2018	1000143	03/29/2019			0	F06	1.75
		1995-21-4694-000		F06			G01	10.96
	TAX RELEASES				6809			
	PROPERTY WAS DIVIDED BUT REMAINED IN PRESENT USE							12.71
1773409 JOHN N DAVIS, III REVOCABLE TRUST DAVIS, JOHN N III TTEE 421 WESTOVER AVE  WINSTON SALEM, NC 27104	RE 2018	25316	03/29/2019			100,400	G01	354.41
		2817-14-6346-000		C03				
	REFUND RELEASE				6826			
	PER APPRAISAL THE PROPERTY WAS ASSESSED AT THE INCORRECT AMT OF ACREAGE							
1760803 NORRIS, JAMES B. 932 NC 111 SOUTH  GOLDSBORO, NC 27534	PP 2018	908	03/29/2019			0	F10	1.51
		1893		F10			G01	10.63
	TAX RELEASES				6810		SWF	80.00
	CUSTOMER SOLD MH IN 2017						F10L	.15
							G01L	1.06
1523549 ONEAL, DENNIS EDWIN ONEAL, MARTHA B C/O MARTHA B O'NEAL 108 ROCKING HOUSE LN4 BLOWING ROCK, NC 28605	RE 2018	26583	03/29/2019			160,850	F12	80.43
	2818-15-2047-000		F12				G01	567.80
ELDERLY OR DISABLED EXEMPTION				6825				
RECEIVES SENIOR EXEMPTION								648.23
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2009	1388013	03/29/2019			0	G01	62.60
		1940-29-6316-000		G01				
	TAX RELEASES				6795			
	PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED							



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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE CHARGE	AMOUNT
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2010 1940-29-6316-000 TAX RELEASES PROPERTY SOLD IN 2005 AND FAILED TO GET TRANSFERRED	1433511	03/29/2019	G01	6796	0 G01	62.60
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2011 1940-29-6316-000 TAX RELEASES PROPERTY SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7579	03/29/2019	C05	6797	0 G01	62.60
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2012 1940-29-6316-000 TAX RELEASES PROPERTY SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7549	03/29/2019	C05	6798	0 G01	62.60
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2013 1940-29-6316-000 TAX RELEASES PROPERTY SOLD IN 2005 AND FAILED TO GET TRANSFERRED	37218	03/29/2019	C05	6799	0 G01	62.60
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2014 1940-29-6316-000 TAX RELEASES PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7599	03/29/2019	C05	6800	0 G01	31.30
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2015 1940-29-6316-000 TAX RELEASES PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7610	03/29/2019	C05	6801	0 G01	31.30
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2016 1940-29-6316-000 TAX RELEASES PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7634	03/29/2019	C05	6802	0 G01	31.30
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2017 1940-29-6316-000 TAX RELEASES PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7721	03/29/2019	C05	6803	0 G01	35.30

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1557462 SAIZ, MARY 6814 SW 114 PLACE UNIT F MIAMI, FL 33173	RE 2018 1940-29-6316-000 TAX RELEASES PROPERTY WAS SOLD IN 2005 AND FAILED TO GET TRANSFERRED	7770	03/29/2019	C05	6804	0	G01	35.30
1760808 SANCHEZ, ALISHA M. 131 ALLEN DALE LN LOT 28 NORTH WILKESBORO, NC 28659-7423	PP 2018 1761 TAX RELEASES MH SOLD 2017	816	03/29/2019	F02	6823	0	F02 G01 SWF	7.66 45.08 80.00 <hr/> 132.74
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2009 1031424 626391999 TAX RELEASES MH IS LISTED UNDER ANOTHER NAME	03/29/2019	F02	6828	0	G01 F02 LF GB	14.99 1.92 62.00 25.00 <hr/> 103.91	
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2010 1034579 626391999 TAX RELEASES MH LISTED UNDER ANOTHER NAME	03/29/2019	F02	6829	0	G01 F02 LF GB	14.55 1.86 62.00 25.00 <hr/> 103.41	
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2011 3362 626391999 TAX RELEASES MH LISTED UNDER ANOTHER NAME	03/29/2019	F02	6830	0	LF GB G01 F02	62.00 25.00 14.12 1.80 <hr/> 102.92	
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2012 3436 626391999 TAX RELEASES MH LISTED UNDER ANOTHER NAME	03/29/2019	F02	6831	0	LF GB G01 F02	62.00 25.00 13.68 2.19 <hr/> 102.87	
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2013 3490 626391999 TAX RELEASES mh listed under another name	03/29/2019	F02	6833	0	SWF GB G01 F02 G01L F02L	62.00 25.00 13.27 2.12 1.33 .21 <hr/> 103.93	

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE CHARGE	AMOUNT
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2014	3554	03/29/2019			0 SWF	80.00
	626391999			F02		G01	13.27
	TAX RELEASES				6834	F02	2.12
	mh listed under another name					G01L	1.33
						F02L	.21
							96.93
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2015	3467	03/29/2019			0 SWF	80.00
	626391999			F02		G01	13.27
	TAX RELEASES				6835	F02	2.12
	mh listed under another name					G01L	1.33
						F02L	.21
							96.93
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2016	3568	03/29/2019			0 SWF	80.00
	626391999			F02		G01	13.27
	TAX RELEASES				6836	F02	2.54
	mh listed under another name					G01L	1.33
						F02L	.25
							97.39
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2017	3603	03/29/2019			0 SWF	80.00
	626391999			F02		G01	14.97
	TAX RELEASES				6837	F02	2.54
	mh listed under another name						
1626391 SOLES, JOSEPH MICHAEL 428 BLUEBIRD LANE BOONE, NC 28607	PP 2018	3456	03/29/2019			0 SWF	80.00
	626391999			F02		G01	14.51
	TAX RELEASES				6838	F02	2.47
	mh listed under another name					G01L	1.45
						F02L	.25
							98.68
1608833 STAPLETON, STEPHANIE WATSON 2524 ROMINGER RD BANNER ELK, NC 286048377	PP 2017	3406	03/29/2019			0 SWF	80.00
	608833999			F08		G01	64.60
	TAX RELEASES				6815	F08	9.15
	MOBILE HOME WAS REPOSSESSED BY					G01L	6.46
	VANDERBILT MTG AND MOVED OUT OF COUNTY					F08L	.92
							161.13

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE CHARGE	AMOUNT
1608833 STAPLETON, STEPHANIE WATSON 2524 ROMINGER RD BANNER ELK, NC 286048377	PP 2018 608833999 TAX RELEASES MOBILE HOME WAS REPOSSESSED BY VANDERBILT MTG AND MOVED OUT OF COUNTY	3270	03/29/2019	F08	6816	0 SWF G01 F08 G01L F08L	80.00 62.66 8.88 6.27 .89 <hr/> 158.70
19245 STATE OF NORTH CAROLINA 1321 MAIL SERVICE CENTER RALEIGH, NC 27699-1321	RE 2018 1869-90-7410-000 TAX RELEASES PROPERTY IS OWNED BY STATE OF NC THEREFORE EXEMPT	539	03/29/2019	F08	6818	0 F08 G01	61.30 432.78 <hr/> 494.08
19245 STATE OF NORTH CAROLINA 1321 MAIL SERVICE CENTER RALEIGH, NC 27699-1321	RE 2018 2905-64-1668-000 TAX RELEASES PROPERTY IS OWNED BY STATE OF NC THEREFORE EXEMPT	37789	03/29/2019	FX9	6817	0 FX9 G01	28.30 199.80 <hr/> 228.10
1732881 TOWN OF SEVEN DEVILS 1356 SEVEN DEVILS RD SEVEN DEVILS, NC 28604-9154	RE 2018 1878-15-1431-000 TAX RELEASES OWNED BY THE TOWN OF SEVEN DEVILS PROPERTY IS EXEMPT	786	03/29/2019	C04	6811	0 G01	115.78
1767459 UGGA MUGGA BAKERY 1107 MAIN ST. STE B BLOWING ROCK NC, NC 28605	PP 2018 2120 TAX RELEASES BUSINESS CLOSED	1038	03/29/2019	C03	6794	0 G01	35.23
1457696 WALLACE, ROBERT WAYNE JANE ELIZABETH BLA 458 MAST GAP RD SUGAR GROVE, NC 28679-9210	PP 2018 173197800 TAX RELEASES MH MOVED OFF IN 2017	1559	03/29/2019	F07	6812	0 G01 F07 SWF G01L F07L	19.77 2.80 80.00 1.98 .28 <hr/> 104.83
1595880 WINEBARGER, KIMBERLY JANE 109 CLYDE WINEBARGER ROAD BOONE, NC 28607	PP 2017 1892 TAX RELEASES MH-WAS LISTED ACCT#1767559-PAID 2017	984	03/29/2019	F11	6821	0 F11 G01 F11L G01L	17.33 87.37 1.73 8.74 <hr/> 115.17

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OWNER NAME AND ADDRESS	CAT YEAR PROPERTY REASON	BILL	EFF DATE	JUR	REF NO	VALUE	CHARGE	AMOUNT
1767559 WINEBARGER, KIMBERLY JANE 109 CLYDE WINEBARGER RD BOONE, NC 28607	PP 2018 2130 TAX RELEASES MH LISTED TWICE-1595880	1048	03/29/2019	F11	6820	0	F11 G01 SWF	13.83 69.75 80.00 <hr/> 163.58
DETAIL SUMMARY	COUNT: 43	RELEASES - TOTAL				286,250		5,013.55

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RELEASES - CHARGE SUMMARY FOR ALL CLERKS

YEAR	CAT	CHARGE	AMOUNT	
2009	RE	G01	WATAUGA COUNTY RE	62.60
2009	PP	F02	BOONE FIRE PP	1.92
2009	PP	G01	WATAUGA COUNTY PP	14.99
2009	PP	GB	GREEN BOX PP	25.00
2009	PP	LF	SOLID WASTE PP	62.00
2009 TOTAL			166.51	
2010	RE	G01	WATAUGA COUNTY RE	62.60
2010	PP	F02	BOONE FIRE PP	1.86
2010	PP	G01	WATAUGA COUNTY PP	14.55
2010	PP	GB	GREEN BOX PP	25.00
2010	PP	LF	SOLID WASTE PP	62.00
2010 TOTAL			166.01	
2011	RE	G01	WATAUGA COUNTY RE	62.60
2011	PP	F02	BOONE FIRE PP	1.80
2011	PP	G01	WATAUGA COUNTY PP	14.12
2011	PP	GB	GREEN BOX PP	25.00
2011	PP	LF	SOLID WASTE PP	62.00
2011 TOTAL			165.52	
2012	RE	G01	WATAUGA COUNTY RE	62.60
2012	PP	F02	BOONE FIRE PP	2.19
2012	PP	G01	WATAUGA COUNTY PP	13.68
2012	PP	GB	GREEN BOX PP	25.00
2012	PP	LF	SOLID WASTE PP	62.00
2012 TOTAL			165.47	
2013	RE	G01	WATAUGA COUNTY RE	62.60
2013	PP	F02	BOONE FIRE PP	2.12
2013	PP	F02L	BOONE FIRE LATE LIST	.21
2013	PP	G01	WATAUGA COUNTY PP	13.27
2013	PP	G01L	WATAUGA COUNTY LATE LIST	1.33
2013	PP	GB	GREEN BOX PP	25.00
2013	PP	SWF	SOLID WASTE PP	62.00
2013 TOTAL			166.53	
2014	RE	G01	WATAUGA COUNTY RE	31.30
2014	PP	F02	BOONE FIRE PP	2.12
2014	PP	F02L	BOONE FIRE LATE LIST	.21
2014	PP	G01	WATAUGA COUNTY PP	13.27
2014	PP	G01L	WATAUGA COUNTY LATE LIST	1.33
2014	PP	SWF	SOLID WASTE USER FEE	80.00
2014 TOTAL			128.23	
2015	RE	G01	WATAUGA COUNTY RE	31.30
2015	PP	F02	BOONE FIRE PP	2.12
2015	PP	F02L	BOONE FIRE LATE LIST	.21
2015	PP	G01	WATAUGA COUNTY PP	13.27
2015	PP	G01L	WATAUGA COUNTY LATE LIST	1.33

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RELEASES - CHARGE SUMMARY FOR ALL CLERKS

YEAR	CAT	CHARGE	AMOUNT	
2015	PP	SWF	SANITATION USER FEE	80.00
			2015 TOTAL	128.23
2016	RE	G01	WATAUGA COUNTY RE	31.30
2016	PP	F02	BOONE FIRE PP	2.54
2016	PP	F02L	BOONE FIRE LATE LIST	.25
2016	PP	G01	WATAUGA COUNTY PP	13.27
2016	PP	G01L	WATAUGA COUNTY LATE LIST	1.33
2016	PP	SWF	SANITATION USER FEE	80.00
			2016 TOTAL	128.69
2017	RE	G01	WATAUGA COUNTY RE	35.30
2017	PP	F02	BOONE FIRE PP	2.54
2017	PP	F08	SHAWNEEHAW FIRE PP	9.15
2017	PP	F08L	SHAWNEEHAW FIRE LATE LIST	.92
2017	PP	F11	TODD FIRE PP	17.33
2017	PP	F11L	TODD FIRE LATE LIST	1.73
2017	PP	G01	WATAUGA COUNTY PP	166.94
2017	PP	G01L	WATAUGA COUNTY LATE LIST	15.20
2017	PP	SWF	SANITATION USER FEE	160.00
			2017 TOTAL	409.11
2018	RE	F02	BOONE FIRE RE	13.08
2018	RE	F03	FALL CREEK FIRE DISTRICT	12.50
2018	RE	F05	STEWART SIMMONS FIRE RE	26.61
2018	RE	F06	ZIONVILLE FIRE RE	7.00
2018	RE	F08	SHAWNEEHAW FIRE RE	61.30
2018	RE	F12	BLOWING ROCK FIRE RE	101.08
2018	RE	FX9	MEAT CAMP/CRESTON SERV DIST RE	28.30
2018	RE	G01	WATAUGA COUNTY RE	2,173.99
2018	PP	F02	BOONE FIRE PP	10.13
2018	PP	F02L	BOONE FIRE LATE LIST	.25
2018	PP	F07	COVE CREEK FIRE PP	2.80
2018	PP	F07L	COVE CREEK FIRE LATE LIST	.28
2018	PP	F08	SHAWNEEHAW FIRE PP	8.88
2018	PP	F08L	SHAWNEEHAW FIRE LATE LIST	.89
2018	PP	F10	DEEP GAP FIRE PP	9.70
2018	PP	F10L	DEEP GAP FIRE LATE LIST	.15
2018	PP	F11	TODD FIRE PP	13.83
2018	PP	F12	BLOWING ROCK FIRE PP	3.64
2018	PP	F12L	BLOWING ROCK FIRE LATE LIST	.36
2018	PP	G01	WATAUGA COUNTY PP	341.15
2018	PP	G01L	WATAUGA COUNTY LATE LIST	13.33
2018	PP	SWF	SANITATION USER FEE	560.00
			2018 TOTAL	3,389.25
			SUMMARY TOTAL	5,013.55

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RELEASES - JURISDICTION SUMMARY FOR ALL CLERKS

JUR	YEAR	CHARGE	AMOUNT
C03	2018	G01 WATAUGA COUNTY PP	389.64
		C03 TOTAL	389.64
C04	2018	G01 WATAUGA COUNTY RE	115.78
		C04 TOTAL	115.78
C05	2011	G01 WATAUGA COUNTY RE	62.60
C05	2012	G01 WATAUGA COUNTY RE	62.60
C05	2013	G01 WATAUGA COUNTY RE	62.60
C05	2014	G01 WATAUGA COUNTY RE	31.30
C05	2015	G01 WATAUGA COUNTY RE	31.30
C05	2016	G01 WATAUGA COUNTY RE	31.30
C05	2017	G01 WATAUGA COUNTY RE	35.30
C05	2018	G01 WATAUGA COUNTY RE	35.30
		C05 TOTAL	352.30
F02	2009	F02 BOONE FIRE PP	1.92
F02	2009	G01 WATAUGA COUNTY PP	14.99
F02	2009	GB GREEN BOX PP	25.00
F02	2009	LF SOLID WASTE PP	62.00
F02	2010	F02 BOONE FIRE PP	1.86
F02	2010	G01 WATAUGA COUNTY PP	14.55
F02	2010	GB GREEN BOX PP	25.00
F02	2010	LF SOLID WASTE PP	62.00
F02	2011	F02 BOONE FIRE PP	1.80
F02	2011	G01 WATAUGA COUNTY PP	14.12
F02	2011	GB GREEN BOX PP	25.00
F02	2011	LF SOLID WASTE PP	62.00
F02	2012	F02 BOONE FIRE PP	2.19
F02	2012	G01 WATAUGA COUNTY PP	13.68
F02	2012	GB GREEN BOX PP	25.00
F02	2012	LF SOLID WASTE PP	62.00
F02	2013	F02 BOONE FIRE PP	2.12
F02	2013	F02L BOONE FIRE LATE LIST	.21
F02	2013	G01 WATAUGA COUNTY PP	13.27
F02	2013	G01L WATAUGA COUNTY LATE LIST	1.33
F02	2013	GB GREEN BOX PP	25.00
F02	2013	SWF SOLID WASTE PP	62.00
F02	2014	F02 BOONE FIRE PP	2.12
F02	2014	F02L BOONE FIRE LATE LIST	.21
F02	2014	G01 WATAUGA COUNTY PP	13.27
F02	2014	G01L WATAUGA COUNTY LATE LIST	1.33
F02	2014	SWF SOLID WASTE USER FEE	80.00
F02	2015	F02 BOONE FIRE PP	2.12
F02	2015	F02L BOONE FIRE LATE LIST	.21
F02	2015	G01 WATAUGA COUNTY PP	13.27
F02	2015	G01L WATAUGA COUNTY LATE LIST	1.33
F02	2015	SWF SANITATION USER FEE	80.00
F02	2016	F02 BOONE FIRE PP	2.54
F02	2016	F02L BOONE FIRE LATE LIST	.25
F02	2016	G01 WATAUGA COUNTY PP	13.27
F02	2016	G01L WATAUGA COUNTY LATE LIST	1.33
F02	2016	SWF SANITATION USER FEE	80.00



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RELEASES - JURISDICTION SUMMARY FOR ALL CLERKS

JUR	YEAR	CHARGE	AMOUNT
F02	2017	F02 BOONE FIRE PP	2.54
F02	2017	G01 WATAUGA COUNTY PP	14.97
F02	2017	SWF SANITATION USER FEE	80.00
F02	2018	F02 BOONE FIRE PP	23.21
F02	2018	F02L BOONE FIRE LATE LIST	.25
F02	2018	G01 WATAUGA COUNTY PP	136.54
F02	2018	G01L WATAUGA COUNTY LATE LIST	1.45
F02	2018	SWF SANITATION USER FEE	160.00
F02 TOTAL			1,227.25
F03	2018	F03 FALL CREEK FIRE DISTRICT	12.50
F03	2018	G01 WATAUGA COUNTY RE	88.25
F03 TOTAL			100.75
F05	2018	F05 STEWART SIMMONS FIRE RE	26.61
F05	2018	G01 WATAUGA COUNTY RE	110.49
F05 TOTAL			137.10
F06	2018	F06 ZIONVILLE FIRE RE	7.00
F06	2018	G01 WATAUGA COUNTY RE	46.64
F06 TOTAL			53.64
F07	2018	F07 COVE CREEK FIRE PP	2.80
F07	2018	F07L COVE CREEK FIRE LATE LIST	.28
F07	2018	G01 WATAUGA COUNTY PP	19.77
F07	2018	G01L WATAUGA COUNTY LATE LIST	1.98
F07	2018	SWF SANITATION USER FEE	80.00
F07 TOTAL			104.83
F08	2017	F08 SHAWNEEHAW FIRE PP	9.15
F08	2017	F08L SHAWNEEHAW FIRE LATE LIST	.92
F08	2017	G01 WATAUGA COUNTY PP	64.60
F08	2017	G01L WATAUGA COUNTY LATE LIST	6.46
F08	2017	SWF SANITATION USER FEE	80.00
F08	2018	F08 SHAWNEEHAW FIRE PP	70.18
F08	2018	F08L SHAWNEEHAW FIRE LATE LIST	.89
F08	2018	G01 WATAUGA COUNTY PP	495.44
F08	2018	G01L WATAUGA COUNTY LATE LIST	6.27
F08	2018	SWF SANITATION USER FEE	80.00
F08 TOTAL			813.91
F10	2018	F10 DEEP GAP FIRE PP	9.70
F10	2018	F10L DEEP GAP FIRE LATE LIST	.15
F10	2018	G01 WATAUGA COUNTY PP	68.45
F10	2018	G01L WATAUGA COUNTY LATE LIST	1.06
F10	2018	SWF SANITATION USER FEE	80.00
F10 TOTAL			159.36
F11	2017	F11 TODD FIRE PP	17.33

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RELEASES - JURISDICTION SUMMARY FOR ALL CLERKS

JUR	YEAR	CHARGE	AMOUNT	
F11	2017	F11L	TODD FIRE LATE LIST	1.73
F11	2017	G01	WATAUGA COUNTY PP	87.37
F11	2017	G01L	WATAUGA COUNTY LATE LIST	8.74
F11	2018	F11	TODD FIRE PP	13.83
F11	2018	G01	WATAUGA COUNTY PP	69.75
F11	2018	SWF	SANITATION USER FEE	80.00
			F11 TOTAL	278.75
F12	2018	F12	BLOWING ROCK FIRE RE	104.72
F12	2018	F12L	BLOWING ROCK FIRE LATE LIST	.36
F12	2018	G01	WATAUGA COUNTY RE	739.29
F12	2018	G01L	WATAUGA COUNTY LATE LIST	2.57
F12	2018	SWF	SANITATION USER FEE	80.00
			F12 TOTAL	926.94
FX9	2018	FX9	MEAT CAMP/CRESTON SERV DIST RE	28.30
FX9	2018	G01	WATAUGA COUNTY RE	199.80
			FX9 TOTAL	228.10
G01	2009	G01	WATAUGA COUNTY RE	62.60
G01	2010	G01	WATAUGA COUNTY RE	62.60
			G01 TOTAL	125.20
			SUMMARY TOTAL	5,013.55

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**AGENDA ITEM 7:**

**FINANCE MATTERS**

***A. Budget Amendments***

**MANAGER'S COMMENTS:**

Ms. Misty Watson, Finance Director, will review budget amendments as included in your packet.

Board approval is requested.



WATAUGA COUNTY  
FINANCE OFFICE

814 West King St., Suite 216, Boone, NC 28607 Phone (828) 265-8007

**MEMORANDUM**

**TO:** Deron T. Geouque, County Manager  
**FROM:** Misty Watson, Finance Director  
**SUBJECT:** Budget Amendments - FY 2018/19  
**DATE:** April 16, 2019

The following budget amendment requires the approval of the Watauga County Board of Commissioners. Board approval is requested.

<u>Account #</u>	<u>Description</u>	<u>Debit</u>	<u>Credit</u>
145410 440002	Low income energy assistance program		50,000
143531 323000	Allocations - federal and state	50,000	

To recognize reduce funding for the Low Income Energy Assistance Program

103300 343317	Homeland Security Grant - Prime Mover		1,500
104330 454000	Capital outlay - vehicles	1,500	

To recognize the acceptance of additional funds for the Homeland Security Grant for the prime mover. No match is required.

103300 332006	Senior Health Info Grant		1,816
105550 449901	Senior Health Information Program	1,816	

Per Board action 2-19-19; to recognize the acceptance of the Senior Health Insurance Information Program (SHIIP) Medicare Improvements for Patients and Providers Act (MIPPA) grant funds. No County dollars are required as match funds.

145310 469101	Professional Services - Legal (DSS)	55,000	
145370 469101	Professional Services - Legal (CSE)	6,000	
143531 323000	Admin Cost Reimbursement - Federal and State		31,460
143991 399100	Appropriated Fund Balance		29,540

To recognize additional funding needs for legal fees associated with child support enforcement and foster care.

104920	463000	General Appropriation	33,463	
103980	398121	Transfer from Capital Projects Fund		33,463
219800	498010	Transfer to General Fund	33,463	
213991	399101	Appropriated fund balance		33,463

Per Board action 2/5/19; to allocate funds from CIP set aside funds for projects as requested by Economic Development Commission for High County Local First.

663300	347220	NC Department of Environmental Quality		10,000
663300	385501	Watauga County Schools Grant Match		2,000
667421	455002	Capital outlay - other	12,000	

To recognize the acceptance of the recycling grant funds to purchase recycling containers. The 20 percent match is to be provided by the Watauga County Board of Education as the containers will be located at area schools.

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**AGENDA ITEM 7:**

**FINANCE MATTERS**

***B. Proposed Audit Contract***

**MANAGER'S COMMENTS:**

Ms. Watson will present the fiscal year audit contract and engagement letter with Gould Killian, CPA Group, P.A., in the amount of \$51,000 which includes two (2) major programs. Additional program testing will be assessed at \$2,600 per each program. This will be the second year the County will be utilizing Gould Killian. County staff was very satisfied with the work product and interaction with Gould Killian personnel. The audit was completed and submitted timely to the LGC.

Board action is required to approve the letter of engagement and audit contract with Gould Killian, CPA Group, P.A.





## WATAUGA COUNTY FINANCE OFFICE

814 West King St., Room 216 - Boone, NC 28607 - Phone (828) 265-8007 Fax (828) 265-8006

### MEMORANDUM

**TO: Deron Geouque, County Manager**  
**FROM: Misty Watson, Finance Director**  
**SUBJECT: Gould Gillian CPA Group, PA Contract for FY 19-20**  
**DATE: April 10, 2019**

Attached is a copy of the fiscal year 2019-20 audit contract and engagement letter with Gould Killian CPA Group, PA. The contract amount of \$51,100 covers the annual audit and 2 major programs. If additional testing is required to meet the minimum threshold for testing major programs, an additional \$2,650 will be assessed for each additional program.

The funding for this contract is requested in the Finance Department budget for FY 19-20. Contracts are required to be approved annually by the Local Government Commission and Board of Commissioners.

Board approval is requested for a contract amount not to exceed \$51,100, with the variable rate of \$2,650 for each additional major program exceeding 2 major programs, with Gould Killian CPA Group, PA to complete the County's Fiscal Year 19-20 audit.



**GOULD KILLIAN**  
**CPA GROUP, P.A.**  
CERTIFIED PUBLIC ACCOUNTANTS

Charles E. Killian  
 G. Edward Towson, II  
 Harvey W. Jenkins  
 Shon P. Norris  
 Eric W. Michael  
 Daniel R. Mullinix

March 21, 2019

To the Board of Commissioners  
 Watauga County  
 814 West King St.  
 Suite 205  
 Boone, NC 28607

We are pleased to confirm our understanding of the services we are to provide Watauga County for the year ended June 30, 2019. 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 Watauga County as of and for the year ended June 30, 2019. 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 Watauga County'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 Watauga County'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) Required schedules for the Law Enforcement Officers' Special Separation Allowance
- 3) Required schedules for the Local Government Employees' Retirement System
- 4) Required schedules for Other Postemployment Benefits
- 5) Register of Deeds' Supplemental Pension Fund

We have also been engaged to report on supplementary information other than RSI that accompanies Watauga County'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 separate written report accompanying our auditor's report on the financial statements:

- 1) Combining and individual fund statements, budgetary schedules, other schedules
- 2) Schedule of expenditures of federal and state awards

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 section
- 2) Statistical section

### **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 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 Board of Commissioners of Watauga County. 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 we 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* do 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 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 Watauga County'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 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 Watauga County's major programs. The purpose of these procedures will be to express an opinion on Watauga County's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal 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 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 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 prior to the completion of final field work.

You are responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal 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 awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes 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 awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal 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 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.

You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards, and 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 awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal 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 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 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 the Board of Commissioners of Watauga County; 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.

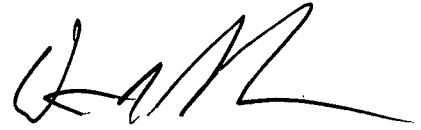
The audit documentation for this engagement is the property of Gould Killian CPA Group, P.A. and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to a , a federal or state 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 Gould Killian CPA Group, P.A. 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 federal or state oversight agency. 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 in June 2019 and to issue our reports no later than October 31, 2019. Daniel R. Mullinix is the engagement partner and is responsible for supervising the engagement and signing the reports or authorizing another individual to sign them.

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 \$51,100 for the financial statement audit and compliance audit on up to 2 major programs. An additional fee of up to \$2,650 will apply for each additional major Federal or State program. 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. 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 appreciate the opportunity to be of service to Watauga County 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,



Daniel R. Mullinix  
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of Watauga County.

Signature: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



**SHARRARD, MCGEE & CO., P.A.**

CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS

1321 LONG STREET • POST OFFICE BOX 5869 • HIGH POINT, NORTH CAROLINA 27262

(336) 884-0410  
FAX (336) 884-1580OFFICES  
HIGH POINT  
GREENSBORO**Report on the Firm's System of Quality Control**

July 28, 2017

To the Owners of  
Gould Killian CPA Group, P.A. and the  
Peer Review Committee of the North Carolina Association of CPAs

We have reviewed the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. (the firm) in effect for the year ended January 31, 2017. 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 (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

**Firm's Responsibility**

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. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

**Peer Reviewer's Responsibility**

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.

**Required Selections and Considerations**

Engagements selected for review included engagements performed under *Government Auditing Standards*, including a compliance audit under the Single Audit Act, and an audit of an employee benefit plan.

As part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

**Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. in effect for the year ended January 31, 2017, 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*. Gould Killian CPA Group, P.A. has received a peer review rating of *pass*.

Shaward, M. L. & Co, P.A.

**CONTRACT TO AUDIT ACCOUNTS**

The	Governing Board County Commissioners
of	Primary Government Unit Watauga County
and	Discretely Presented Component Unit (DPCU) (if applicable)

*Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)*

and	Auditor Name Gould Killian CPA Group, P.A.
	Auditor Address 100 Coxe Avenue, Asheville, NC 28801

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending 06/30/19	Audit Report Due Date 10/31/19
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*Must be within four months of FYE*

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). 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 GAAS. 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 requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

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).

**County and Multi-County Health Departments:** The Office of State Auditor 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 unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC 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. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
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/she 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 the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) 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 U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

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 LGC staff within four months of fiscal year end. 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 GAAS include a review of the Governmental Unit's (Units') 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/her 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 (Units') 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(s) 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 invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) 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 Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any costs 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. 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(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC staff, 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 LGC staff simultaneously with the Governmental Unit's (Units') 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(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) 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 upon completion.

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(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

13. The Auditor shall submit the report of audit in PDF format to LGC Staff when (or prior to) submitting the final 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 LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). 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(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC staff.

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 LGC Staff.

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 modified or amended 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 modified or 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 (pre-audit requirement does not apply to charter schools). 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 to the Secretary of the LGC for approval. 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(s), shall be attached to this contract, and shall be incorporated by reference as if fully set forth herein as part of this 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 26 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
17. Special provisions should be limited. Please list any special provisions in an attachment.
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 (pre-audit requirement does not apply to charter schools), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
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. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.
22. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.
23. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.
24. 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.

25. 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.

26. 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).

27. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.

28. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

### FEES FOR AUDIT SERVICES

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.

Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter, but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8, 9, and 12 for details on other allowable and excluded fees.

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 below. 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. Should the 75% cap provided below conflict with the cap calculated by LGC staff based on the prior year audit fee on file with the LGC, the LGC calculation prevails.

**20 NCAC 03 .0505: All invoices for services rendered in an audit engagement as defined in 20 NCAC 3 .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law.**

#### PRIMARY GOVERNMENT FEES

Primary Government Unit	Watauga County
Audit	\$ Fixed: \$51,100 (incl 2 major prgms) Var: \$2,650 per add'l major prgm
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval	\$42,825.00

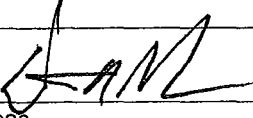
#### DPCU FEES (if applicable)

Discretely Presented Component Unit	
Audit	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
75% Cap for Interim Invoice Approval	\$



## SIGNATURE PAGE

## AUDIT FIRM

Audit Firm Gould Killian CPA Group, P.A.	
Authorized Firm Representative (typed or printed) Daniel R. Mullinix	Signature 
Date 3/21/2019	Email Address dmullinix@gk-cpa.com

## GOVERNMENTAL UNIT

Governmental Unit Watauga County	
Date Primary Government Unit Governing Board Approved Audit Contract (Ref. G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed) John Welch, Chairman	Signature
Date	Email Address

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

## GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

*(Pre-audit certificate not required for charter schools)*

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

*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.*

Primary Governmental Unit Finance Officer (typed or printed) Misty Watson, Finance Director	Signature
Date of Pre-Audit Certificate	Email Address misty.watson@watgov.org

**AGENDA ITEM 8:**

**MISCELLANEOUS ADMINISTRATIVE MATTERS**

***A. Proposed Resolution Supporting Increased Access Vo Healthcare K~~i~~ North Carolina***

**MANAGER’S COMMENTS:**

Per Commissioner request, a resolution regarding the support for increased access to healthcare in North Carolina is presented for consideration. Appalachian Regional Healthcare System has already adopted a similar resolution and is requesting the County do the same.

Board action is required to adopt the resolution as presented.

STATE OF NORTH CAROLINA  
COUNTY OF WATAUGA

**DRAFT**

**RESOLUTION SUPPORTING INCREASED ACCESS TO HEALTHCARE IN NORTH CAROLINA**

**WHEREAS**, the North Carolina General Assembly, in its capacity to draft and legislate the laws of North Carolina, has introduced bicameral legislation which will expand access to healthcare for citizens of North Carolina; and

**WHEREAS**, the proposed legislation will allow approximately 500,000 additional North Carolina citizens to receive increased access to healthcare; and

**WHEREAS**, APPALACHIAN REGIONAL HEALTHCARE SYSTEM, INC. (ARHS) is a 501c3 non-profit provider of comprehensive healthcare services for rural Northwest North Carolina; and

**WHEREAS**, ARHS is committed to providing high quality, compassionate and accessible healthcare for all persons regardless of age, race, sex, color, creed, gender, national origin, ethnicity, religion or ability to pay; and

**WHEREAS**, ARHS serves as the leader for healthcare and is committed to promoting health in the High Country; and

**WHEREAS**, few businesses are more important to a community than the local hospital. Beyond providing essential medical services, ARHS stimulates the economic health of our community, pays taxes, provides charity care and is one of the largest employers in the County.

**NOW THEREFORE, BE IT RESOLVED** that the Watauga County Board of Commissioners supports the Governor of North Carolina and the North Carolina General Assembly in taking all appropriate actions required for North Carolina citizens to be able to have increased access to healthcare services.

**ADOPTED** by the Watauga County Board of Commissioners this, the 16<sup>th</sup> day of April, 2019.

\_\_\_\_\_  
John Welch, Chairman  
Watauga County Board of Commissioners

**ATTEST:**

\_\_\_\_\_  
Anita J. Fogle, Clerk to the Board

## **AGENDA ITEM 8:**

### **MISCELLANEOUS ADMINISTRATIVE MATTERS**

#### ***B. Proposed Appalachian Enterprise Center Lease Renewal***

#### **MANAGER'S COMMENTS:**

The lease with the High Country Workforce Development Board (HCWDB) for a portion of the Appalachian Enterprise Center (AEC) has expired. The County Attorney prepared the previous lease and staff has updated the lease to reflect the new terms. The lease amount is proposed at \$45,000 which would include utilities and maintenance and is consistent with the lease amount for incubator tenants.

Property owned by the County may be leased or rented for such terms and upon such conditions as the Board may determine, for up to ten (10) years. Property may be rented or leased only pursuant to a resolution of the Board authorizing the execution of the lease or rental agreement adopted at a regular Board meeting upon 10 days' public notice. Notice shall be given by publication describing the property to be leased or rented, stating the annual rental or lease payments, and announcing the Board's intent to authorize the lease or rental at its next regular meeting.

#### **Resolution of Watauga County Board of County Commissioners**

Pursuant to NCGS 160A-272, notice is hereby given that at the regular Commissioner Meeting of the Watauga County Board of County Commissioners on April 16, 2019 the Watauga County Board of County Commissioners adopted a resolution which authorized Deron T. Geouque, County Manager, of Watauga County to lease to the High Country Workforce Development Board (HCWDB) a portion of the Appalachian Enterprise Center (AEC) located at 130 Popular Grove Road Connector (the "Property") in Watauga County, North Carolina, and being for a term of three (3) years. The rent to be paid by High Country Workforce Development Board (HCWDB) to Watauga County during the term of the lease is forty-five thousand (\$45,000) per annum. The lease shall become effective ten (10) days after the publication of this notice and formal adoption of the lease by the Board of Commissioners.

Should the Board wish to grant HCWDB's request the above resolution would need to be approved and advertised for ten (10) days and then approve the lease as drafted at the next meeting after the ten (10) day notice.

Staff seeks direction from the Board.

**APPALACHIAN ENTERPRISE CENTER  
LEASE AGREEMENT**

This lease agreement ("Lease") made and entered into this 18<sup>th</sup> day of March 2019, between Watauga County ("Landlord") and High Country Workforce Development Board herein referred to as "Tenant."

**Introduction**

Occupant is (choose one):

Resident Tenant client paying subsidized rents and services and agreeing to certain requirements  
Requirements regarding business operations.

Virtual Tenant client paying subsidized rents and services and agreeing to certain requirements  
Regarding business operations.

**Section 1. Lease**

1.1 The AEC in consideration of the rent and covenants to be kept and performed by both parties, hereby leases to tenant the space identified in Exhibit A consisting of approximately 2800 square feet ("premises") situated in the Town of Boone and the County of Watauga, North Carolina in the building known as the Appalachian Enterprise Center ("the Property"). The Tenant has inspected the Premises and has agreed to accept them in "as is" condition.

1.2 The Premises shall be used for and confined to the following operations and purposes:  
NCWorks Career Center.

The Tenant must obtain prior written approval of the Landlord for any alternate use. The Premises shall not be used, occupied or kept in violation of any law, municipal ordinance or regulation or in any manner which could create a hazard affecting the Landlord's insurance of the Property and /or the Premises.

1.3 The term of this Lease shall be for a period of thirty (30) months commencing on January 1, 2019. Subject to the terms and conditions set forth herein, this Lease shall automatically renew for additional one-year periods unless terminated herein. Should this Lease be renewed for a period extending over the Original Term, or any renewal term, the Landlord reserves the right to relocate Tenant to a comparable office if needed at the Landlord's expense. Notwithstanding the foregoing, the Landlord or Tenant may terminate this Lease upon the expiration of the Original Term, any renewal term, or upon the lack of availability of the State and Federal funds being provided to Tenant for the purpose set forth above, by providing the other party with written notice of termination not less than thirty (30) days prior to expiration of the current term.

**Section 2. Rent and Security Deposit**

- 2.1 For the premises and the Original Term set forth above, the Tenant agrees to pay the Landlord the annual amount of \$45,000.00 at the rate of \$3,750.00 per month, payable in advance on the first day of each calendar month. In the event possession is taken on a date other than the first day of the month, the rent shall be prorated for the period between the date of possession and the first day of the next calendar month. The rent for any renewal term shall be adjusted as follows:**
- 2.1(a.) Rent may be increased 10% or less per month for each renewal term after the 2<sup>nd</sup> renewal for the same amount of space and type of Tenant, in the sole discretion of the Landlord. If rent is to be increased for any renewal term, the Landlord shall provide notice of such increase to the Tenant at least thirty (30) days prior to the commencement of the renewal term. Should the Tenant require additional space in a subsequent Lease the appropriate discounts will be provided, and the increase shall be applied accordingly.**
- 2.2 Fees for any services provided by the landlord to the Tenant and any other monies due to the Landlord under this Lease, shall be invoiced to the Tenant on the first business day of each month and shall be payable within five (5) days thereafter.**
- 2.3 Any rental payment or fees for services or other monies not paid by the due date, including any grace period hereunder, shall be considered late. If any payment is not made on the due date, a five percent (5%) late charge will immediately be assessed upon the amount of the delinquent rent, fees or monies and the failure of the Tenant to promptly pay the same will constitute an event of default and shall entitle the Landlord to terminate this Lease as provided herein. In the event that it becomes necessary for the Landlord to initiate legal proceeding to collect any of the rents or fees payable under this lease, the Tenant will pay all reasonable and necessary expenses incurred by the Landlord in such legal proceedings, including attorney's fees.**
- 2.4 A security deposit in the amount of one month's rent shall be provided by Tenant to the Landlord for the faithful performance by the Tenant of its obligations under this lease. No interest shall be paid on the Security Deposit. The Security Deposit shall be used for payment of past due rent or damages to the Premises, exclusive of normal wear and tear, which occur during the term of this Lease. The balance of the Security Deposit, if any, will be returned at the mailing address provided by the Tenant at the mailing address provided by the Tenant within thirty (30) days of the termination of this Lease.**
- 2.5 Any payment due from the Tenant to the Landlord shall be made to:  
Watauga County (Check payable to Watauga County)  
c/o Watauga County Finance Department  
814 West King Street, Suite 216  
Boone, NC 28607**

### Section 3. Common Areas

- 3.1** The Tenant shall have access to the restrooms, kitchen, hallways, conference rooms and such other areas as may be designated common areas on the Premises on a shared basis under the rules and regulations of the Landlord. These rules and regulations, as amended, shall be provided to the Tenant. Tenant shall comply with all such rules and regulations as promulgated.

### Section 4. Alterations and Additions

- 4.1** The Tenant shall make no alterations or improvements to the Premises, including but not limited to, the construction of additional walls or the moving of walls, during the term of this Lease without first obtaining the written consent of the Landlord. Unless the Landlord shall otherwise agree, Tenant shall be solely responsible for all costs and expenses for all such alterations and improvements. In addition, Landlord shall have the right, in its sole discretion, to require the Tenant to fund an interest-bearing escrow account to be used to reinstate and/or restore the Premises upon termination of this Lease. Any funds not used for such purpose shall be returned to Tenant within a reasonable time after termination of the Lease; subject, however, to any other rights of Landlord in or to such funds provided by law. Tenant may use Landlord's or its own contractor and subcontractors to perform the work requested provided all such workers have been approved in writing by the landlord and provide a Certificate of Insurance. The parties hereto agree that Landlord shall have complete control over all aspects of such alterations and improvements. Tenant shall indemnify and hold Landlords harmless for any claims or damages arising in connection with or related to such alterations and improvements as provided herein. Any alterations or improvements made by the Tenant, or on behalf of Tenant, shall become the property of the Landlord at the termination of the Lease without cost to the Landlord, unless the Landlord, in its sole discretion, directs the Tenant to remove such alterations and improvements from the Premises in which event the Tenant shall remove alterations, improvements and additions and restore the Premises to the same order and condition in which it was at the commencement of this Lease at the Tenant's sole cost and expense. Should the Tenant fail to do so the Landlord may do so and collect at its option, all costs and expenses thereof, in excess of any escrow funds set aside for such purpose, from the Tenant as additional rent. The Tenant shall pay all sums due and payable as a result of all alterations made to the Premises within (10) days from the date of a notice of bill for the same from the Landlord.

### Section 5. Utilities

- 5.1** The Landlord will pay for all changes assessed against the Premises during the term of this Lease for water, Heat and electricity. In the event that the Tenant installs any equipment resulting in a significant increase in the demand for power or cooling, the Tenant shall pay the additional cost of such power and cooling as an additional monthly rental payment to be determined by the landlord. The Tenant shall be responsible for paying current phone line installation charges and monthly service charges as well as the actual costs of all calls. In the event that the Tenant elects to move from the Premises to other premises within the property, the Tenant acknowledges that it will be liable for the foregoing Installation for each and every such move.

**Section 6. Moveable Furniture and Equipment**

- 6.1 All moveable furniture and equipment installed by the Tenant shall be removed at the expiration or earlier termination of this Lease provided the Tenant shall not at such time be in default under any covenant or agreement contained in this Lease; and provided that in the event of such removal, the Tenant shall repair any and all damages incurred to the Premises and/or Property to its original order and condition.**
- 6.2 Any such furniture or equipment not removed at or prior to termination shall be and become the property of the Landlord.**
- 6.3 The Tenant shall not install any furniture or equipment on the Premises or make any alterations to the Premises which may require any change in heating, air conditioning, electrical, water or sewer systems without the prior written approval of the Landlord.**

**Section 7. Maintenance and Repairs**

- 7.1 The Landlord shall keep in good repair the common areas, roof, walls, all electrical, heating, cooling and plumbing systems, gutters, downspouts and exterior painting. In addition, the Landlord will maintain the grounds of the Property, including snow removal and grass cutting. The Landlord shall not be liable (and shall assess the costs thereof to the Tenant) when any repair is made necessary by the negligent or willful acts or omission of the Tenant, its agents, invitees or employees, reasonable wear and tear expected. The Tenant will, at its own expense, keep the Premises in good repair for the term of this Lease and at the expiration of the Lease, deliver to the Premises to the Landlord in like condition as when taken, reasonable wear and tear excepted. Each day that the Tenant occupies the Premises it shall maintain the Premises in a clean, sanitary, neat and attractive condition. The Premises may contain a thermostat that regulates the heating and cooling systems in the Property. The Landlord shall determine the proper settings for the thermostats and the Tenant shall not change the settings without prior approval of the Landlord. The Landlord shall have access to the thermostat on a regular basis, daily if necessary to ensure that the thermostat is being maintained at the designated settings.**
- 7.2 The Tenant shall obtain the written approval of the Landlord prior to displaying any sign on the exterior or interior of the Premises. Any such sign must be of the size, color and style as the Landlord shall approve.**



## **Section 8. Indemnification and Insurance**

- 8.1 The Tenant shall Indemnify and hold harmless and assume the defense of the Landlord, its agents, employees and officials, including the Manager of the Property from any and all claims, liabilities, judgments, costs, damages and expenses of any nature whatsoever, including the cost of defending such claims, which may accrue against, be charged to, recovered from or sought to be recovered from the Landlord, its agents, employees and officials, including the Manager of the Property by reason of or on account of any personal injury, sickness, or death of any person or damage to property arising from the Tenant's use and occupancy of the Premises and the operation of its business on the Property.**

**In order to affect the same. The Tenant agrees to purchase and keep in full force and effect at all times during the term of this Lease, commercial general liability insurance with limits of at least one million dollars (\$1,000,000.00) per occurrence for injuries to or death of persons, and at least one hundred thousand (\$100,000.00) per occurrence for damage to property. Such insurance shall name the Landlord, its agents, employees and Officials and the Manager of the Property as additional Insureds under the policy.**

**The Tenant shall be responsible for any damages if, its employees, agents, representatives or invitees may cause to the Premises or to any personal or other property belonging to the Landlord that may be on such Premises. Any insurance purchased by the Landlord covering the Premises or its contents will not provide any coverage for any property belonging to the Tenant. If the Tenant wishes such coverage for its property. It will be solely responsible for purchasing the same. Tenant hereby acknowledges that the property is located in the 100-year flood plain. Tenant is solely responsible for obtaining any flood insurance for its property.**

**All insurance policies required under this Lease shall provide that the Landlord shall be given thirty (30) days advance notice prior to the reduction of, or cancellation of, such insurance policies. A copy of the insurance policies or certificates showing the same to be in full force and effect shall be delivered to the Landlord before the Tenant's occupancy of the Premises.**

**Any deductibles or self-insured retentions applicable to required coverage shall be paid by the Tenant, and the Landlord shall not be required to participate therewith. The insurance required hereunder shall be primary and any insurance or self-insurance maintained by the Landlord shall be excess of the Tenant's insurance and shall not contribute therewith. Failure of the Tenant to comply with any reporting provisions of the insurance policies required hereunder shall not affect coverage provided to the Landlord. All rights and subrogation against the Landlord shall be waived. All coverages for subcontractors of the Tenant, if any shall be subject to all of the requirements stated herein.**

**The failure of the Tenant to maintain and pay all insurance premiums when due and payable shall be grounds for the immediate termination of this Lease by the Landlord, and contrary provisions contained herein notwithstanding.**

- 8.2** The Tenant hereby releases the Landlord, its agents, employees and officials, and the Manager of the Property from any liability or responsibility to the tenant or any other person, claiming through it by way of subrogation or otherwise, for any loss or damage to the Tenant's property or the property of any of its agents, employees, representatives or invitees which is brought on to the Premises, regardless of how such loss or damage may occur, even if such damage or loss may have been caused by flood or other casualty or by the negligence of the Landlord, its agents, employees or officials, or the Manager of the Property. It is expressly agreed and understood that the Tenant, its agents, employees, representatives or invitees, in bringing property in and onto the Premises do so at their own risk. It is further agreed and understood that the Landlord, its agents, employees and officials, and the Manager of the Property will not be liable to the Tenant for any business losses or damages to the property of the Tenant its employees, representatives, agents or invitees, occasioned by the acts or omissions of other businesses or person which may occupy the Property.
- 8.3** At any reasonable time the Landlord may enter the Premises to inspect and or make repairs necessary under the terms of this Lease. At any time within forty-five (45) days before the termination of this Lease, the Landlord may enter the Premises at reasonable hours to exhibit same to prospective Tenants. The Landlord reserves the right to inspect the Premises at all reasonable times in order to ensure that the Tenant is complying with the provisions of this Lease. The Landlord will provide the Tenant with keys giving access to the Premises in accordance with the attached "Key Agreement," a copy of which is attached hereto as Exhibit "C".

#### **Section 9. Subletting, Transferring, Assigning/Cancellation or Modification**

- 9.1** The Tenant agrees not to sublet, assign, transfer, or mortgage this Lease or sublet the Premises in whole or in part without the prior written consent of the Landlord.
- 9.2** In the event that the Tenant desires to change the size or location of the Premises leased under this Lease through either expansion of the existing Premises (where feasible) or relocation to another section of the Property, this Lease may be modified by the Tenant providing notice to the Landlord at lease forty-five (45) days prior to the date of modification, provided that a modified lease is successfully negotiated between the Landlord and the Tenant for the new premises.
- 9.3** Reserved.
- 9.4** The occurrence of any of the following conditions shall constitute an "Event of Default" under this Lease and shall entitle the Landlord at its option to terminate the Lease in which event the Tenant shall vacate the Premises within ten (10) days of the date of notice to vacate:
- 9.4(a)** The Tenant fails to pay within ten (10) days of the date due, any rent, service fees, or Other monies provided for in this Lease;
- 9.4(b)** The Premises are vacated even though the Tenant continues to pay stipulated monthly rent;

- 9.4(c) Any petition or other action is filed by or against the Tenant under any section or chapter of the Federal Bankruptcy Act;
- 9.4(d) The Tenant becomes insolvent or transfers property in fraud of creditors;
- 9.4(e) The Tenant fails to comply with any provision or covenant of this Lease, any Agreement attached hereto and/or any of the rules and regulations which may be Established by the Landlord from time to time;
- 9.4(f) The tenant is responsible for and fails to remove or satisfy any mechanic's lien or other claim or lien assessed or charged against or otherwise encumbering the Premises or Property within thirty (30) days after such lien or claim arises, or
- 9.4(g) To the extent applicable, the failure by the Tenant to abide by the terms of that certain Letter of Commitment between the Tenant and the Landlord attached hereto as Exhibit "B".

Should the Tenant fail to vacate the Premises upon notice of termination, the Landlord shall have the right to reenter the Premises and remove the Tenant and its effects without being liable for any damaged thereto. The failure by the Landlord to call for termination of the Lease at any time shall not constitute a waiver of the Landlord's right to do so at a subsequent time. Upon the occurrence of an Event of Default, in addition to termination, the Landlord shall also be entitled to recover from the Tenant all unpaid rent through the end of the term without exercising any attempt to mitigate such lost unpaid rent as well as any other sums for which the Tenant is liable under the terms of this Lease, including attorney's fee. The foregoing rights shall be in addition to, and not in lieu of, any other rights and remedies which the Landlord may be entitled to by law.

- 9.5 This Lease is binding on the respective heirs, successors, representatives and assigns of the parties hereto.

#### **10. Damage or Destruction of Premises**

- 10.1 If the Premises shall be damaged or destroyed in whole or in part, by fire, Acts of God, war or casualty or any other means so as to make the same unusable, the Landlord shall have the option of repairing the Premises or of canceling this Lease in its entirety as of the date of the damage or destruction of the Premises. There shall be no obligation whatsoever on the Landlord to repair or rebuild the Premises in case of damage or destruction.

If the Landlord elects to repair or rebuild the damaged Premises, during the period that the Premises are untenable to the Tenant, the rent shall be abated until the Premises are restored to a good tenantable condition. If the Premises are unusable in part, the rent shall be prorated until the Premises can be restored to a good and tenantable condition provided that;

- 10.1(a) If any delay in repair or restoration is caused by the Tenant failing to adjust its own insurance or remove its damaged goods, equipment or other property within a reasonable time, the rent shall not abate during the period of such delay, or

**10.1(b) If any damage to the Premises is caused by the negligent or willful acts or omissions of the Tenant its agents or employees, there shall be no rent abatement.**

**11. Subordination**

**11.1 The Tenant agrees that this Lease and its interest therein shall be secondary to any mortgage, deed of trust, or any other instrument of financing or refinancing now or hereafter placed on the Premises or on the land underlying the Premises and/or the Property. The Tenant agrees to execute and deliver to the Landlord any and all documents that may be required to show that the Tenant's rights hereunder are secondary.**

**12. Rules and Regulations**

**12.1 The landlord shall have the right from time to time to promulgate and enforce rules and regulations with respect to the use and operation of the Premises, Property and common areas and to amend such rules and regulations from time to time. The Tenant shall faithfully observe and comply with these rules and regulations.**

**12.2 The Tenant recognizes the rights of the other tenants in the facility and will not disrupt, impede or otherwise interfere with the rights of other tenants in and to the facility by noise, objectionable use disregard for safety and cleanliness or any other action or behavior which might be objectionable, in Landlord's sole discretion, to other Tenants.**

**12.3 The Tenant shall not use any trademark, service mark, logo or trade name of the Landlord, nor shall the Tenant represent itself as having any business affiliation with the Landlord.**

**13. Construction of Lease**

**13.1 The Laws of the State of North Carolina shall govern the validity interpretation, performance and enforcement of this Lease.**

**13.2 The titles and headings of this Lease are used only for convenience and are not to be construed as part of this Lease.**

**13.3 This Lease and its attachments, including the Key Agreement, shall be considered to contain the entire agreement between the Parties hereto pertaining to the Premises and all negotiations and all agreements acceptable to both parties included herein.**

**13.4 Wherever this Lease requires notice to be served on the Tenant or the Landlord, notice shall be sufficient if by actual delivery or if mailed by first class mail with postage fully prepaid to the following addresses and persons:**

**To Landlord:  
Watauga County  
c/o Joseph Furman  
331 Queen Street, Suite A  
Boone, NC 28607**

**To Tenant:  
High Country Workforce Development Board  
c/o Keith Deveraux  
468 New Market Blvd.  
Boone, NC 28607**

**14. Non-discrimination**

**14.1 The Tenant covenants and agrees that in its use, operation and occupancy of the Premises no person on the grounds of race, sex, color or national origin, shall be excluded from participating in, denied the benefits of, or otherwise be subjected to discrimination in the operation of the Tenant’s business and use of the Premises.**

**14.2 The Tenant shall comply with al requirements, as may be applicable of the E-verify program for all its employee, contractors, and subcontractors. Tenant shall provide verification of compliance to Landlord as may be requested or required by Landlord from time to time.**

**IN WITNESS WHEREOF, the parties hereto have executed this Lease on date first above written.**

**Landlord            Watauga County**

**By: \_\_\_\_\_ Date: \_\_\_\_\_  
John Welch, Chairman  
Watauga County Board of Commissioners**

**Attest:**

\_\_\_\_\_  
**Anita Fogle, Clerk to the Board**

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

\_\_\_\_\_  
**Misty Watson  
Watauga County Finance Officer**

**Date: \_\_\_\_\_**

**Tenant                            High Country Workforce Development Board**

**By: \_\_\_\_\_ Date: \_\_\_\_\_  
Keith X. Deveraux, Director**

**High Country Council of Governments**

**By: \_\_\_\_\_ Date: \_\_\_\_\_  
Julie Wiggins, Executive Director**

## **AGENDA ITEM 8:**

### **MISCELLANEOUS ADMINISTRATIVE MATTERS**

#### ***C. Proposed Lease with Appalachian State University for Use of Human Services Parking Lot on Home Game Days***

#### **MANAGER'S COMMENTS:**

Appalachian State University is requesting to lease the Human Services lot for football game day parking. Proposed terms of the agreement include:

- ASU pays the County \$5,000 to use the Human Service parking lot for home games (six are scheduled in the upcoming season.)
- ASU is responsible for security, portable toilets, and clean-up
- Term is for one-year.
- Access to Thursday game day parking will be restricted until after 5:30 PM.

Board action is required to approve the lease with ASU for the Human Services lot for football game day parking.

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**AGENDA ITEM 8:**

**MISCELLANEOUS ADMINISTRATIVE MATTERS**

*D. Boards and Commissions*

**MANAGER’S COMMENTS:**

*Boone Rural Fire Protection Service District Board*

Each Commissioner nominates a representative to the Boone Rural Fire Protection Service District Board whose terms run concurrent with the term of the appointing Commissioner. Boone Rural Fire Service District Board members must own property and reside within that Fire Service District.



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## **AGENDA ITEM 8:**

### **MISCELLANEOUS ADMINISTRATIVE MATTERS**

#### ***E. Announcements***

#### **MANAGER’S COMMENTS:**

Special Announcements & Recognitions will be given Tuesday, April 30, at 12:00 P.M. at the Watauga County Swim Complex. This is the last day the pool will be open and citizens are welcome to come enjoy fellowship and refreshments all day.

As part of the Carolina Panthers Silver Season celebration, the team will recognize May 1 as “Keep Pounding Day” creating a new annual tradition for a day of community service. The team will execute 25 service projects in communities across North and South Carolina in a symbolic tribute to the Panthers 25th season. As a part of this service, new raised gardens will be built for the Senior Center. The project is scheduled to begin at 10:00 A.M. at the Project on Aging.

*Join us for our*  
***Final Splash***

*On Tuesday, April 30th, the doors and waters of our swim complex will be open for one last hurrah. Come by on closing day for a dip in the pool, or just to say, “till we see you again.”*



*Fellowship & refreshments are free all day!*

***Special Announcements & Recognition***  
***Tuesday, April 30, 2019 at 12 noon-***

***Watauga County Swim Complex, 231 Complex Drive, Boone, NC***

**828.264.9511**



**AGENDA ITEM 9:**

**PUBLIC COMMENT**

**AGENDA ITEM 10:**

**BREAK**

**AGENDA ITEM 11:**

**CLOSED SESSION**

Attorney/Client Matters – G. S. 143-318.11(a)(3)