

**Minutes of the 12 March 2018**  
**Regular Meeting of the Yancey County Board of Commissioners**  
**Held at 6:00 o'clock p.m. in the Yancey County Courtroom**  
**Yancey County Courthouse, Burnsville, North Carolina**

Present at the 12 March 2018 meeting of the Yancey County Board of Commissioners were: Chairman Johnny Riddle, Commissioner Jill Austin, Commissioner Mark Ledford, Commissioner John Stallings, Commissioner Jeff Whitson, County Manager Nathan Bennett, Clerk to the Board Jason Robinson, County Attorney Donny Laws, Planning and Economic Development Director Jamie McMahan, members of the media, and members of the general public.

**Call to Order and Approval of Agenda**

Chairman Riddle called the meeting to order and delivered the invocation. After the invocation, Commissioner Ledford led the Pledge of Allegiance. Chairman Riddle then asked for a motion to approve the agenda. Commissioner Whitson made a motion to approve the agenda. The motion was seconded by Commissioner Austin. The vote to approve was unanimous (Attachment A).

**Public Comment**

The first person to speak was Eron Thiele who introduced himself as the new executive director of the May Coalition. The next person to speak before the Board was Tom Robinson who spoke about the efforts by the Roman Catholic Church behind sanctuary cities.

**Consent Agenda**

The Board next moved to the consent agenda portion of the agenda. On the consent agenda for March was approval of the February 12<sup>th</sup> regular meeting minutes. In addition, there was the appointment of the members of the Board of Equalization and Review (BoER) for the 2018 year (Attachment B). March's consent agenda also included the settlement of 2017 taxes by the Yancey County Tax Collector (Attachment C). Also this month on the consent agenda was a refund request that was denied and an approval of a late application for agricultural, horticultural, forestry present use value assessment from the Yancey County Tax Office (Attachment D). Finally this month is the February tax collection report which is for informational purposes only (Attachment E). Upon hearing the consent agenda items, Commissioner Whitson made a motion to approve the consent agenda. The motion was seconded by Commissioner Austin and the vote to approve was unanimous.

**Partners Aligned Toward Health (PATH)**

The Board next heard from Schell McCall, Executive Director of PATH. Ms. McCall stated that PATH was continuing with their 20<sup>th</sup> anniversary of existence. She also informed the Board about activities that PATH has undertaken over the past year, including working on the renovation of Ray Cort Park. Ms. McCall also stated that she was asking for two free pool days for June, July, and August at both the Burnsville Pool and the Patience Park Pool. Upon hearing from Ms. McCall, Commissioner Austin made a motion to grant the two free pool days per month for June, July, and August at the Burnsville Pool and the Patience Park Pool. The motion was seconded by Commissioner Stallings and the vote to approve was unanimous.

**Opioid Crisis**

The Board next heard from County Attorney Donny Laws concerning what other counties are doing about the opioid epidemic. Mr. Laws stated that the Board had in their packet a resolution calling the opioid epidemic a "public nuisance" and there is also an opportunity to join other counties in the litigation against opioid distributors. Mr. Laws then introduced Mr. Lynwood Evans with the law firm of Ward Smith. Mr. Evans reviewed the history of opioids and when they became the problem that they are today. He reviewed why that counties have been filing suit against the opioid and stated that the goal was to bring resources back into the communities and let local boards and commissions decide how to allocate those resources. According to Mr. Evans this is a contingency based arrangement so that if no funds are secured for the counties the attorneys will not receive a fee. Discussion followed concerning the litigation with Commissioner Stallings finally asking how the county attorney felt about this. Mr. Laws responded that you always want a seat at the table and that it was a win/win for the County. Upon hearing from Mr. Laws, Commissioner Stallings made a motion to approve the resolution to declare the Opioid Epidemic a public nuisance. The motion was seconded by Commissioner Whitson and the vote to approve was unanimous (Attachment F). Commissioner Austin then made a motion to enter into a representation agreement for the litigation. The motion was seconded by Commissioner Stallings and the vote to approve was unanimous (Attachment G).

**County Manager Report**

The Board next heard from County Manager Nathan Bennett. Mr. Bennett stated that the mowing and landscaping contract provided for a one year extension and he stated that he would like to exercise that option. In addition Mr. Bennett stated that the sidewalks on the outside of the town limits need to be mowed and that those sidewalks were not included last year. Mr. Bennett stated this could add an additional \$1300 per mowing at the maximum. Upon conclusion of discussion, Commissioner Whitson made a motion to execute the option on the contract for one year and to direct the county manager and county attorney to draft an addendum to include sidewalks outside the town limits. The motion was seconded by Commissioner Austin and the vote to approve was unanimous (Attachment H and I). Mr. Bennett next moved to the audit contract and informed the Board that the audit contract is done annually and this year has an agreed upon rate increase to \$51,000 (an increase of \$2,000). Upon hearing from Mr. Bennett, Commissioner Ledford made a motion to approve the audit contract and it was seconded by Commissioner Stallings. The vote to approve was unanimous (Attachment J). Mr. Bennett next informed the Board of two dates. One was March 19<sup>th</sup> from 4-6 pm is an input session concerning Ray-Cort Park and the second date was May 19<sup>th</sup> for Community Day at Cane River Park. Mr. Jamie McMahan, Director of Planning and Economic Development gave the Board an update on the new elementary school.

**County Attorney Business**

County Attorney Donny Laws stated that he did not have anything that required the Board's attention at this time.

**Commissioner Business**

Chairman Riddle stated that he had been asked by the Mountain Community Health Partnership (MCHP) to submit a letter of support for them and asked the Board if they would be in favor of it. Upon hearing from Chairman Riddle, Commissioner Stallings made a motion to submit a letter of support. The motion was seconded by Commissioner Whitson and the vote to approve was unanimous (Attachment K).

**Adjournment**

Having no further business Commissioner Ledford made a motion to adjourn and it was seconded by Commissioner Austin. The vote to adjourn was unanimous.

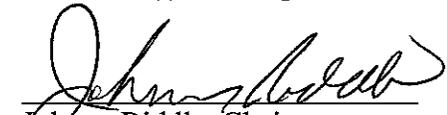
Approved and authenticated on this the \_\_\_\_\_ 9<sup>th</sup> \_\_\_\_\_ day of April 2018.

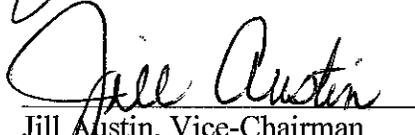
Attest:

  
J. Jason Robinson  
Clerk to the Board

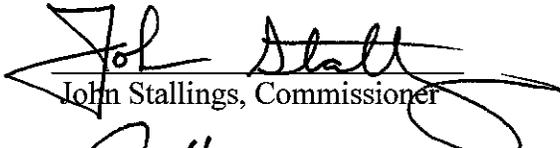
(county seal)



  
Johnny Riddle, Chairman

  
Jill Austin, Vice-Chairman

  
Mark Ledford, Commissioner

  
John Stallings, Commissioner

  
Jeff Whitson, Commissioner



**AGENDA**  
**YANCEY COUNTY BOARD OF COMMISSIONERS**  
**REGULAR BUSINESS MEETING**  
**March 12, 2018**  
**6:00 P.M.**

- I. Call to Order – Chairman Johnny Riddle
- II. Invocation and Pledge of Allegiance to the Flag
- III. Approval of the Agenda
- IV. Public Comment
- V. Consent Agenda
  - a. Approval of the Minutes – February 12<sup>th</sup> regular minutes
  - b. APPOINTMENT – Board of Equalization and Review (BoER) members
  - c. Tax Collector Settlement of Taxes
  - d. Yancey County Tax Office – Refund Request and Late Agriculture, Horticulture, and Forestry Present Use Assessment application
  - e. February Tax Collection Report – Informational
- VI. Partners Aligned Toward Health (PATH) – Update and Request – Schell McCall, Executive Director
  - a. Annual Update
  - b. Request for summer pool days
- VII. Office of the County Attorney – Opioid Crisis – Donny Laws, County Attorney
  - a. Overview
  - b. RESOLUTION – Declaration of Opioid Public Nuisance
  - c. Representation Agreement
- VIII. County Manager Report -- Nathan Bennett, County Manager
  - a. Landscaping and Mowing Renewal/Amendment
  - b. Audit Contract
  - c. General Update
- IX. County Attorney Report – Donny Laws, County Attorney
- X. County Commissioners Report
- XI. Adjourn

# Attachment B

## Board of Equalization and Review---2018

Johnny Riddle

Jill Austin

Mark Ledford

John Stallings

Jeff Whitson

Byrl Ballew

Jim Deaton

Margaret Pierce

Nathan Bennett

Jerri Storie

Bill Wheeler

Jamie McMahan

Jason Robinson

# Memorandum

**To:** Yancey County Board of Commissioners  
**From:** Fonda Thomas, Tax Collector  
**Date:** February 05, 2018  
**Re:** 2017-2018 Report of Unpaid Taxes That Are Liens on Real Property

---

As required by G.S. 105-369, I present the Report of Unpaid Taxes That Are Liens on Real Property of Taxes for Fiscal 2017-2018

<u>Billed</u>	<u>Net Collected</u>	<u>% Collected</u>	<u>% Uncollected</u>
\$12,612,333.61	\$11,342,935.13	89.94%	10.06%

*Attachment D*



**YANCEY COUNTY TAX OFFICE**

110 Town Square, Room 2 \* Burnsville, North Carolina 28714

Phone: (828) 682-2198 \* Fax (828) 682-4817

Email: [danny.mcintosh@yanceycountync.gov](mailto:danny.mcintosh@yanceycountync.gov)

Regular Meeting of the Board of Commissioners March 12 2018

Refund request:

ROBINSON, EARLINE OF 220 COOL BREEZE DR, BURNSVILLE NC 28714

PIN: 075900967576000 Taxpayers request for refund is attached. She has filed a request for refund, notice of appeal for 2018 and an application for property tax relief through the elderly/disabled program. We are working with her to navigate the appeal process and she has been approved for tax relief beginning this year.

Assessor's opinion: Refund is not indicated as the taxpayer failed to challenge the tax value before all appeal time limits had expired and thereby missed all opportunities to appeal previous years taxes.



## YANCEY COUNTY TAX OFFICE

110 Town Square, Room 2 \* Burnsville, North Carolina 28714

Phone: (828) 682-2198 \* Fax (828) 682-4817

Email: [danny.mcintosh@yanceycountync.gov](mailto:danny.mcintosh@yanceycountync.gov)

Regular Meeting of the Board of Commissioners March 12 2018

Requests to approve late Agriculture, Horticulture, and Forestry Present Use Value Assessment application for:

KEVIN B AND SHERRY L KIELY

650 BLACK CROW RD

PIN: 978900543637000 et., al. Property owners came to the tax office during the summer of 2017 and received information in regards to applying for the present use value assessment. Before they could contract for the sound management plan they were called to the state of Florida to provide care and assistance to Mr. Kiely's father. Upon their return they immediately executed a contract for the sound management plan and delivered it and the application to the tax office on February 28. Requested action: Approve the late application.

# Posting Report

02-01-2018 to 02-28-2018

03-01-2018  
9:04 AM

## I. Tax Collections + Releases

Year	General Fund	Burnsville	West Yancey	Egypt/Ramseytown	Clearmont	Double Island	Newdale	South Toe	Pensacola	TOTAL
2010	\$10.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.44	\$0.00	\$0.00	\$12.24
2011	\$10.80	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.44	\$0.00	\$0.00	\$12.24
2012	\$9.81	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.31	\$0.00	\$0.00	\$11.12
2013	\$519.78	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.19	\$0.00	\$0.00	\$520.97
2014	\$9.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$1.08	\$0.00	\$0.00	\$10.08
2015	\$755.28	\$0.00	\$41.51	\$0.00	\$0.00	\$0.00	\$14.50	\$50.98	\$0.00	\$862.27
2016	\$4,422.54	\$83.28	\$78.50	\$7.10	\$0.00	\$0.00	\$90.34	\$97.01	\$1.26	\$4,780.03
2017	\$196,793.34	\$2,711.70	\$2,117.71	\$1,351.85	\$1,597.75	\$346.89	\$2,446.01	\$3,189.86	\$847.28	\$211,402.39
<b>TOTAL</b>	<b>\$202,531.35</b>	<b>\$2,794.98</b>	<b>\$2,237.72</b>	<b>\$1,358.95</b>	<b>\$1,597.75</b>	<b>\$346.89</b>	<b>\$2,557.31</b>	<b>\$3,337.85</b>	<b>\$848.54</b>	<b>\$217,611.34</b>

## II. Releases

	Current Year	Prior Year	TOTAL
General Fund	\$185.88	\$0.00	\$185.88
Burnsville	\$0.00	\$0.00	\$0.00
West Yancey	\$0.00	\$0.00	\$0.00
Egypt/Ramseytown	\$0.00	\$0.00	\$0.00
Clearmont	\$0.00	\$0.00	\$0.00
Double Island	\$0.00	\$0.00	\$0.00
Newdale	\$0.00	\$0.00	\$0.00
South Toe	\$19.79	\$0.00	\$19.79

Attachment E

Pensacola

\$0.00

\$0.00

\$0.00

TOTAL

\$205.67

\$0.00

\$205.67

**III. Net Tax Collections**

Year	General Fund	Burnsville	West Yancey	Egypt/Ramseytown	Clearmont	Double Island	Newdale	South Toe	Pensacola	TOTAL
TOTAL	\$202,345.47	\$2,794.98	\$2,237.72	\$1,358.95	\$1,597.75	\$346.89	\$2,557.31	\$3,318.06	\$848.54	\$217,405.67

# Transaction Type Report

02-01-2018 to 02-28-2018

Year	General	Fire	Penalty	Waste	Additional Fees	Principal	Interest	Advertising Cost	Legal Cost	Total
2010	\$10.80	\$1.44	\$0.00	\$0.00	\$0.00	\$12.24	\$7.89	\$0.00	\$0.00	\$20.13
2011	\$10.80	\$1.44	\$0.00	\$0.00	\$0.00	\$12.24	\$6.81	\$0.00	\$0.00	\$19.05
2012	\$9.81	\$1.31	\$0.00	\$0.00	\$0.00	\$11.12	\$5.10	\$0.00	\$0.00	\$16.22
2013	\$519.78	\$1.19	\$0.00	\$0.00	\$0.00	\$520.97	\$14.17	\$0.00	\$0.00	\$535.14
2014	\$9.00	\$1.08	\$1.01	\$0.00	\$0.00	\$11.09	\$3.18	\$0.00	\$0.00	\$14.27
2015	\$755.28	\$106.99	\$13.54	\$0.00	\$0.00	\$875.81	\$239.68	\$4.00	\$0.00	\$1,119.49
2016	\$4,422.54	\$357.49	\$17.34	\$0.00	\$0.00	\$4,797.37	\$648.96	\$60.00	\$1,887.64	\$7,393.97
2017	\$195,019.32	\$14,474.19	\$286.70	\$0.00	\$0.00	\$209,780.21	\$9,236.78	\$0.00	\$0.00	\$218,076.99
<b>TOTAL</b>	<b>\$200,757.33</b>	<b>\$14,945.13</b>	<b>\$318.59</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$216,021.05</b>	<b>\$9,222.57</b>	<b>\$64.00</b>	<b>\$1,887.64</b>	<b>\$227,195.26</b>

# Adjustment / Release Report

02-01-2018 to 02-28-2018

Year	General	Penalty	Waste	Additional Fees	Principal	Interest	Advertising Cost	Legal Cost	Fire	Amount Due	County Net
2011	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-20.00	\$0.00	\$-20.00	\$-20.00
2012	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-15.76	\$0.00	\$-15.76	\$-15.76
2015	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-285.60	\$0.00	\$-285.60	\$-285.60
2016	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$-864.06	\$0.00	\$-864.06	\$-864.06
2017	\$185.88	\$1.71	\$0.00	\$0.00	\$187.59	\$101.34	\$0.00	\$0.00	\$19.79	\$308.72	\$288.93
<b>TOTAL</b>	\$185.88	\$1.71	\$0.00	\$0.00	\$187.59	\$101.34	\$0.00	\$-1,185.42	\$19.79	\$-876.70	\$-896.49

# Collections Receipts Report

02-01-2018 to 02-28-2018

Total general tax	\$202,345.47
Total fire tax	\$15,060.20
Total penalty	\$318.59
Total Waste Fees	\$0.00
Total Additional Fees	\$0.00
Total principal	\$217,724.26
Total interest	\$9,269.41
Total cost of advertising	\$64.00
Total legal	\$1,887.64
Total check overpayments	\$0.00
Total Prepaid Payments	\$1,561.65
Total Prepaid Applied	\$0.00
Total misc	\$12,782.70
Grand total receipts	\$230,506.96

# District Payment Report

02-01-2018 to 02-28-2018

Year	District Code	District Name	Amount
2010	008	CRABTREE FIRE DISTRICT	\$1.44
2011	008	CRABTREE FIRE DISTRICT	\$1.44
2012	008	CRABTREE FIRE DISTRICT	\$1.31
2013	001	BURNSVILLE FIRE DISTRICT	\$0.00
2013	008	CRABTREE FIRE DISTRICT	\$1.19
2014	008	CRABTREE FIRE DISTRICT	\$1.08
2015	002	CANE RIVER FIRE DISTRICT	\$41.51
2015	008	CRABTREE FIRE DISTRICT	\$14.50
2015	009	SOUTH TOE FIRE DISTRICT	\$50.98
2016	001	BURNSVILLE FIRE DISTRICT	\$83.28
2016	002	CANE RIVER FIRE DISTRICT	\$45.38
2016	003	EGYPT FIRE DISTRICT	\$7.10
2016	006	JACKS CREEK FIRE DISTRICT	\$0.00
2016	008	CRABTREE FIRE DISTRICT	\$90.34
2016	009	SOUTH TOE FIRE DISTRICT	\$97.01
2016	010	PENSACOLA FIRE DISTRICT	\$1.26
2016	011	PRICES CREEK FIRE DISTRICT	\$33.12
2017	001	BURNSVILLE FIRE DISTRICT	\$2,711.70
2017	002	CANE RIVER FIRE DISTRICT	\$999.99
2017	003	EGYPT FIRE DISTRICT	\$590.95
2017	004	RAMSEY TOWN FIRE DISTRICT	\$760.90
2017	005	GREEN MOUNTAIN FIRE DISTRICT	\$101.41
2017	006	JACKS CREEK FIRE DISTRICT	\$1,496.34
2017	007	BRUSH CREEK FIRE DISTRICT	\$346.89
2017	008	CRABTREE FIRE DISTRICT	\$2,418.41
2017	009	SOUTH TOE FIRE DISTRICT	\$3,170.07
2017	010	PENSACOLA FIRE DISTRICT	\$847.28
2017	011	PRICES CREEK FIRE DISTRICT	\$1,030.25
<b>TOTAL</b>			<b>\$14,945.13</b>

# Detailed District Payment Report

02-01-2018 to 02-28-2018

Year	District Code	District Name	Taxpayer Name	Address	Amount
TOTAL					\$0.00

# Outstanding Balances Report

As of 02-28-2018

Year	Amount	County	District	Interest	Advertising	Penalties	Waste	Additional Fees
2007	\$13,482.44	\$6,004.97	\$551.63	\$6,472.70	\$77.00	\$376.14	\$0.00	\$0.00
2008	\$16,262.05	\$7,884.52	\$735.31	\$7,380.08	\$96.00	\$166.14	\$0.00	\$0.00
2009	\$15,117.41	\$8,096.54	\$663.98	\$6,248.89	\$108.00	\$0.00	\$0.00	\$0.00
2010	\$20,726.97	\$11,179.89	\$1,174.90	\$8,216.18	\$156.00	\$0.00	\$0.00	\$0.00
2011	\$29,880.92	\$15,318.75	\$1,582.94	\$10,179.90	\$164.00	\$17.85	\$0.00	\$0.00
2012	\$40,110.28	\$18,821.60	\$2,146.10	\$11,929.39	\$208.00	\$285.09	\$0.00	\$0.00
2013	\$31,279.03	\$20,573.58	\$1,895.55	\$8,455.90	\$354.00	\$0.00	\$0.00	\$0.00
2014	\$54,385.96	\$32,129.14	\$3,004.18	\$11,173.60	\$292.00	\$524.20	\$0.00	\$0.00
2015	\$92,344.69	\$57,508.73	\$4,865.76	\$13,503.32	\$548.37	\$347.13	\$0.00	\$0.00
2016	\$182,561.22	\$130,819.52	\$9,531.70	\$17,103.85	\$1,361.00	\$551.62	\$4.00	\$0.00
2017	\$1,225,768.82	\$1,104,692.63	\$87,573.56	\$31,317.28	\$0.00	\$2,185.35	\$0.00	\$0.00
<b>Total</b>	<b>\$1,721,919.79</b>	<b>\$1,413,029.87</b>	<b>\$113,725.61</b>	<b>\$131,981.09</b>	<b>\$3,364.37</b>	<b>\$4,453.52</b>	<b>\$4.00</b>	<b>\$0.00</b>

**Yancey County Tax Office**  
 County/District Collection Percentage Report  
 As of: 02-28-2018

Run Date: 03-01-2018

2017  
 County

Net Levy \$ 12,613,787.18

Collections \$ 11,509,150.84

Collections % 91.25

**Districts**

Name	Net Levy \$	Collections \$	Collections %
001 - BURNSVILLE FIRE DISTRICT	190,205.77	177,358.93	93.25
002 - CANE RIVER FIRE DISTRICT	72,019.64	67,418.62	93.62
003 - EGYPT FIRE DISTRICT	74,652.14	69,079.22	92.54
004 - RAMSEY TOWN FIRE DISTRICT	26,605.11	23,555.55	88.54
005 - GREEN MOUNTAIN FIRE DISTRICT	29,168.53	25,395.54	87.07
006 - JACKS CREEK FIRE DISTRICT	65,000.11	59,018.43	90.80
007 - BRUSH CREEK FIRE DISTRICT	39,674.22	36,047.41	90.86
008 - CRABTREE FIRE DISTRICT	146,715.82	132,026.92	89.99
009 - SOUTH TOE FIRE DISTRICT	193,366.03	177,365.02	91.73
010 - PENSACOLA FIRE DISTRICT	105,230.94	98,939.34	94.03
011 - PRICES CREEK FIRE DISTRICT	153,258.98	142,124.54	92.74

**District Totals**

Net Levy \$ 1,095,897.29

Collections \$ 1,008,329.52

Collections % 92.01

**YANCEY COUNTY TAX ADMINISTRATION**

End of Month Breakout

Outstanding Balances through 02/28/2018

Description	2017	2016	2015	2014	2013	2012	2011	2010	2009	2008	2007	Total
<b>Balances</b>												
County Vehicle Tax	\$12,724.62	\$6,568.54	\$3,228.77	\$1,143.77	\$27,535.96	\$29,316.97						\$80,518.63
TOWN OF BURNSVILLE Vehicle Tax	\$398.55	\$36.00	\$12.70		\$2,128.03	\$2,759.16						\$5,334.44
BURNSVILLE FIRE DISTRICT Vehicle Tax	\$353.26	\$128.82	\$39.05	\$7.53	\$550.23	\$693.88						\$1,772.77
CANE RIVER FIRE DISTRICT Vehicle Tax	\$98.83	\$12.08	\$6.36	\$3.69	\$179.07	\$234.47						\$534.50
EGYPT FIRE DISTRICT Vehicle Tax	\$57.47	\$0.40	\$0.97	\$0.46	\$105.02	\$78.47						\$242.79
RAMSEY TOWN FIRE DISTRICT Vehicle Tax	\$0.87	\$3.94	\$4.53	\$0.53	\$124.30	\$98.58						\$232.75
GREEN MOUNTAIN FIRE DISTRICT Vehicle Tax	\$83.51	\$7.81	\$8.77	\$6.67	\$87.13	\$114.13						\$308.02
JACKS CREEK FIRE DISTRICT Vehicle Tax	\$40.80	\$57.94	\$57.35	\$7.31	\$352.73	\$336.19						\$852.32
BRUSH CREEK FIRE DISTRICT Vehicle Tax	\$30.55		\$1.93	\$0.36	\$116.70	\$124.37						\$273.91
CRABTREE FIRE DISTRICT Vehicle Tax	\$146.40	\$50.31	\$67.16	\$70.81	\$770.54	\$880.45						\$1,985.67
SOUTH TOE FIRE DISTRICT Vehicle Tax	\$163.63	\$41.95	\$67.10	\$5.29	\$432.68	\$387.42						\$1,098.07

PENSACOLA FIRE DISTRICT Vehicle Tax					\$393.74
\$66.33	\$77.70	\$49.05	\$1.11	\$89.07	\$110.48
PRICES CREEK FIRE DISTRICT Vehicle Tax					\$772.38
\$120.61	\$185.01	\$47.42	\$19.40	\$198.47	\$201.47
County Vehicle Interest					\$25,521.01
\$169.54	\$736.14	\$616.30	\$325.17	\$10,471.79	\$13,202.07
TOWN OF BURNSVILLE Vehicle Interest					\$2,059.60
\$0.24	\$4.50	\$2.48		\$813.80	\$1,238.58
BURNSVILLE FIRE DISTRICT Vehicle Interest					\$549.45
\$5.56	\$13.61	\$6.31	\$1.57	\$210.09	\$312.31
CANE RIVER FIRE DISTRICT Vehicle Interest					\$171.07
\$0.23	\$1.04	\$0.57	\$0.69	\$67.02	\$101.52
EGYPT FIRE DISTRICT Vehicle Interest					\$74.26
\$0.01	\$0.01	\$0.02	\$0.01	\$39.16	\$35.05
RAMSEYTOWN FIRE DISTRICT Vehicle Interest					\$91.52
\$0.02	\$0.30	\$0.75	\$0.01	\$47.07	\$43.37
GREEN MOUNTAIN FIRE DISTRICT Vehicle Interest					\$86.93
\$0.25	\$1.00	\$1.70	\$1.89	\$32.50	\$49.59
JACKS CREEK FIRE DISTRICT Vehicle Interest					\$311.27
\$2.15	\$6.69	\$10.56	\$2.00	\$134.74	\$155.13
BRUSH CREEK FIRE DISTRICT Vehicle Interest					\$98.88
\$0.04		\$0.03		\$44.22	\$54.59
CRABTREE FIRE DISTRICT Vehicle Interest					\$731.50
\$1.86	\$5.85	\$10.94	\$19.80	\$294.18	\$398.87
SOUTH TOE FIRE DISTRICT Vehicle Interest					\$358.42
\$4.01	\$3.46	\$12.93	\$0.79	\$162.88	\$174.35
PENSACOLA FIRE DISTRICT Vehicle Interest					\$99.65
\$0.62	\$8.11	\$8.93	\$0.38	\$33.11	\$46.50
PRICES CREEK FIRE DISTRICT Vehicle Interest					\$203.21
\$1.75	\$21.99	\$8.75	\$5.15	\$76.49	\$89.08
DMV Vehicle Interest					\$2,539.02
\$132.47	\$218.68	\$107.63	\$38.00	\$983.51	\$1,058.73

Totals \$14,604.18 \$8,191.88 \$4,379.06 \$1,662.39 \$46,080.49 \$52,297.78 \$127,215.78

County Vehicle Tax 2017

\$19,671.33

35.31%

Billed to Date

% Collected

03/01/2018

YANCEY COUNTY TAX ADMINISTRATION

End of Month Breakout

View Posted Payments in Date Range 02/01/2018 to 02/28/2018 for Vehicle

Description	Amount
Vehicle Payments	
County Vehicle Tax Payments 2017	\$603.49
County Vehicle Tax Payments 2016	\$10.92
County Vehicle Tax Payments 2015	\$37.65
County Vehicle Tax Payments 2014	
County Vehicle Tax Payments 2013	\$5.55
County Vehicle Tax Payments 2012	\$44.01
County Vehicle Tax Payments 2011	
County Vehicle Tax Payments 2010	
County Vehicle Tax Payments 2009	
County Vehicle Tax Payments 2008	
County Vehicle Tax Payments 2007	
County Vehicle Interest	\$32.59
County Vehicle Total Payments	\$734.21
Burnsville VFD Vehicle Tax	\$0.65
South Toe VFD Vehicle Tax	\$16.69
Newdale VFD Vehicle Tax	\$2.73
West Yancey VFD Vehicle Tax	\$21.65
Egypt/Ramseytown VFD Vehicle Tax	\$8.79
Clearmont VFD Vehicle Tax	\$9.32
Double Island VFD Vehicle Tax	
Pensacola VFD Vehicle Tax	
VFD Vehicle Interest	\$3.57
VFD Vehicle Total Payments	\$63.40
Town of Burnsville Vehicle Tax	
Town of Burnsville Vehicle Interest	
Town of Burnsville Vehicle Total Payment	
State Vehicle Interest	\$4.94
Vehicle Total Payments	\$802.55

03/01/2018



**Board of Commissioners**

Johnny Riddle, Chair  
Jill Austin, Vice-Chair  
Mark Ledford  
John Stallings  
Jeff Whitson

Nathan R. Bennett  
County Manager

Donny J. Laws  
County Attorney

J. Jason Robinson  
Clerk to the Board

110 Town Square  
Courthouse Room 11  
Burnsville, NC 28714  
828-682-3971  
828-682-4301 Fax

***RESOLUTION***

***RESOLUTION REGARDING THE OPIOID CRISIS***

**WHEREAS**, Yancey County Board of Commissioners has the authority to adopt resolutions with respect to county affairs of Yancey County, North Carolina, pursuant to N.C. Gen. Stat. Ann. § 153A-121;

**WHEREAS**, the Yancey County Board of Commissioners has the authority to take action to protect the public health, safety, and welfare of the residents and citizens of Yancey County;

**WHEREAS**, there exists a serious public health and safety crisis involving opioid abuse, addiction, morbidity, and mortality in Yancey County;

**WHEREAS**, the diversion of legally produced controlled substances into the illicit market causes or contributes to the serious public health and safety crisis involving opioid abuse, addiction, morbidity, and mortality in Yancey County;

**WHEREAS**, the opioid crisis unreasonably interferes with rights common to the general public of Yancey County; involves a significant interference with the public health, safety, peace, comfort, and convenience of citizens and residents of Yancey County; includes the delivery of controlled substances in violation of State and Federal law and regulations; and therefore constitutes a public nuisance;

**WHEREAS**, the opioid crisis is having an extended and far reaching impact of the general public, health, and safety, of residents and citizens of Yancey County and must be abated;

**WHEREAS**, the violation of any laws of the State of North Carolina, or of the United States of America controlling the distribution of a controlled substance is inimical, harmful, and adverse to the public welfare of the residents and citizens of Yancey County constitutes a public nuisance;

**WHEREAS**, the Yancey County Board of Commissioners has the authority to abate, or cause to be abated, any public nuisance including those acts that unreasonably interfere with rights common to the general public of Yancey County and/or involve a significant interference with the public health, safety, peace, comfort, and convenience of citizens and residents of Yancey County;

**WHEREAS**, Yancey County has expended, is expending, and will continue to expend in the future County funds to respond to the serious public health and safety crisis involving opioid abuse, addiction, morbidity, and mortality within Yancey County; and

**WHEREAS**, the Yancey County Board of Commissioners have received information that indicates that the manufacturers and wholesale distributors of controlled substances have distributed in Yancey County, North Carolina, and surrounding areas, and may have violated Federal and/or State laws and regulations

that were enacted to prevent the diversion of legally produced controlled substances into the illicit market.

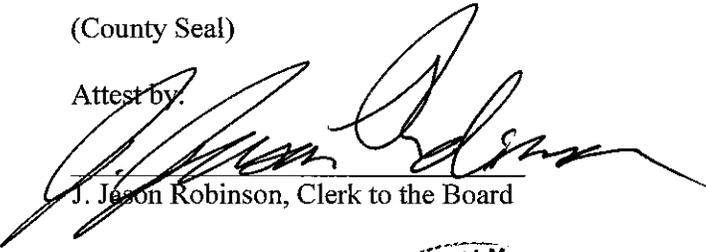
**NOW, THEREFORE, BE IT RESOLVED** by the Yancey County Board of Commissioners, assembled on this day at which a quorum is present, that based upon the above the Yancey County Board of Commissioners are declaring the opioid crisis a public nuisance which must be abated for the benefit of Yancey County and its residents and citizens, and hereby authorizes the Chair or County Manager, County Attorney, or their designee, to take all action necessary to abate this public nuisance, including retaining legal counsel to pursue remedies against the parties who have caused or contributed to the public nuisance created by the opioid crisis.

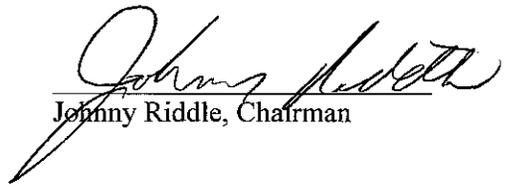
**BE IT FURTHER RESOLVED** that all resolutions that are inconsistent with this resolution are rescinded.

**ADOPTED** this 12<sup>th</sup> day of March 2018 by the Yancey County Board of County Commissioners

(County Seal)

Attest by:

  
J. Jason Robinson, Clerk to the Board

  
Johnny Riddle, Chairman



**AUTHORITY TO REPRESENT**

RE: Yancey County, North Carolina civil suit against those legally responsible for the wrongful distribution of prescription opiates and damages caused thereby.

YANCEY COUNTY, NORTH CAROLINA (hereinafter "CLIENT") hereby retains the law firm MCHUGH FULLER LAW GROUP, PLLC, pursuant to the North Carolina Rules of Professional Responsibility, on a contingent fee basis, to pursue all civil remedies against those in the chain of distribution of prescription opiates responsible for the opioid epidemic which is plaguing Yancey County, North Carolina, including, but not limited to, filing a claim for public nuisance to abate the damages caused thereby. **Michael Jay Fuller, Jr., Esq.** of the law firm MCHUGH FULLER LAW GROUP, PLLC shall serve as LEAD COUNSEL. CLIENT authorizes lead counsel to employ and/or associate additional counsel, with consent of CLIENT, to assist LEAD COUNSEL in the just prosecution of the case. CLIENT consents to the participation of the following firms:

GREENE, KETCHUM, FARRELL, BAILEY & TWEEL, LLP  
419 11th Street  
Huntington, West Virginia

LEVIN, PAPANTONIO, THOMAS, MITCHELL, RAFFERTY & PROCTOR, PA  
316 South Baylen Street  
Pensacola, Florida

BARON & BUDD, PC  
3102 Oak Lawn Avenue #1100  
Dallas, Texas

HILL PETERSON CARPER BEE & DEITZLER PLLC  
500 Tracy Way  
Charleston, West Virginia

MCHUGH FULLER LAW GROUP  
97 Elias Whiddon Rd  
Hattiesburg, Mississippi

POWELL & MAJESTRO, PLLC  
405 Capitol Street, Suite P-1200  
Charleston, West Virginia

SEAGLE LAW  
P.O. Box 15307  
Asheville, North Carolina

WARD SMITH, P.A.  
82 Patton Avenue, Suite 300  
Asheville, North Carolina

In consideration, CLIENT agrees to pay twenty-five percent (25%) of the total recovery (gross) in favor of the CLIENT as an attorney fee whether the claim is resolved by compromise, settlement, or trial and verdict (and appeal). The gross recovery shall be calculated on the amount obtained before the deduction of costs and expenses. CLIENT grants Attorneys an interest in a fee based on the gross recovery. If a court awards attorneys' fees, Attorneys shall

receive the "greater of" the gross recovery-based contingent fee or the attorneys' fees awarded. **There is no fee if there is no recovery.**

MCHUGH FULLER LAW GROUP, PLLC and the other law firms, hereinafter referred to as the "Attorneys," agree to advance all litigation expenses necessary to prosecute these claims. All such litigation expenses, including the reasonable internal costs of electronically stored information (ESI) and electronic discovery generally or the direct costs incurred from any outside contractor for those services, will be deducted from any recovery after the contingent fee is calculated. **There is no reimbursement of litigation expenses if there is no recovery.**

The CLIENT acknowledges this fee is reasonable given the time and labor required, the novelty and difficulty of the questions involved, and the skill requisite to perform the legal service properly, the likelihood this employment will preclude other employment by the Attorneys, the fee customarily charged in the locality for similar legal services, the anticipated (contingent) litigation expenses and the anticipated results obtained, the experience, reputation, and ability of the lawyer or lawyers performing the services and the fact that the fee is contingent upon a successful recovery.

This litigation is intended to address a significant problem in the community. The litigation focuses on the manufacturers and wholesale distributors and their role in the diversion of millions of prescription opiates into the illicit market which has resulted in opioid addiction, abuse, morbidity and mortality. There is no easy solution and no precedent for such an action against this sector of the industry. Many of the facts of the case are locked behind closed doors. The billion dollar industry denies liability. The litigation will be very expensive and the litigation expenses will be advanced by the Attorneys with reimbursement contingent upon a successful recovery. The outcome is uncertain, like all civil litigation, with compensation contingent upon a successful recovery. Consequently, there must be a clear understanding between the CLIENT and the Attorneys regarding the definition of a "successful recovery."

The Attorneys intend to present a damage model designed to abate the public health and safety crisis. This damage model may take the form of money damages or equitable remedies (e.g., abatement fund). The purpose of the lawsuit is to seek reimbursement of the costs incurred in the past fighting the opioid epidemic and/or to recover the funds necessary to abate the health and safety crisis caused by the unlawful conduct of the manufacturers and wholesale distributors. The CLIENT agrees to compensate the Attorneys, contingent upon prevailing, by paying 25% of any settlement/resolution/judgment, in favor of the CLIENT, whether it takes the form of monetary damages or equitable relief. For instance, if the remedy is in the form of monetary damages, CLIENT agrees to pay 25% of the gross amount to Attorneys as compensation and then reimburse the reasonable litigation expenses. If the remedy is in the form of equitable relief (e.g., abatement fund), CLIENT agrees to pay 25% of the gross value of the equitable relief to the Attorneys as compensation and then reimburse the reasonable litigation expenses. To be clear, Attorneys shall not be paid nor receive reimbursement from public funds. However, any judgment arising from successful prosecution of the case, or any consideration arising from a settlement of the matter, whether monetary or equitable, shall not be considered public funds for purposes of calculating the contingent fee. Under no circumstances shall the CLIENT be obligated to pay any Attorneys fee or any litigation expenses except from moneys expended by defendant(s) pursuant to the resolution of the CLIENT's claims. If the defendant(s) expend their own resources to abate the public health and safety crisis in exchange for a release of liability, then the Attorneys will be paid the designated contingent fee from the resources expended by the defendant(s). CLIENT acknowledges this is a necessary condition required by the Attorneys to dedicate their time and invest their resources on a contingent basis to this enormous project. If the defendant(s) negotiate a release of liability, then the Attorneys should be compensated based upon the consideration offered to induce the dismissal of the lawsuit.

The division of fees, expenses and labor between the Attorneys will be decided by private agreement between the law firms and subject to approval by the CLIENT. Any division of fees will be governed by the North Carolina Rules of Professional Conduct including: (1) the division of fees is in proportion to the services performed by each lawyer or each lawyer assumes joint responsibility for the representation and agrees to be available for

consultation with the CLIENT; (2) the CLIENT agrees to the arrangement, including the share each lawyer will receive, and the agreement is confirmed in this writing; and (3) the total fee is *reasonable*.

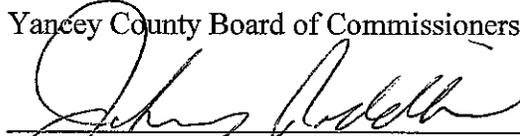
LEAD COUNSEL shall appoint a contact person to keep the CLIENT reasonably informed about the status of the matter in a manner deemed appropriate by the CLIENT. The CLIENT at all times shall retain the authority to decide the disposition of the case and maintain absolute control of the litigation.

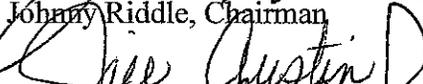
Upon conclusion of this matter, LEAD COUNSEL shall provide the CLIENT with a written statement stating the outcome of the matter and, if there is a recovery, showing the remittance to the client and the method of its determination. The closing statement shall specify the manner in which the compensation was determined under the agreement, any costs and expenses deducted by the lawyer from the judgment or settlement involved, and, if applicable, the actual division of the lawyers' fees with a lawyer not in the same firm, as required in Rule 1.05 (e)(3) of the North Carolina Rules of Professional Conduct. The closing statement shall be signed by the CLIENT and each attorney among whom the fee is being divided.

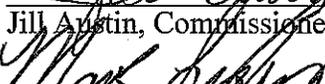
Nothing in this Agreement and nothing in the Attorneys' statement to the CLIENT may be construed as a promise or guarantee about the outcome of this matter. The Attorneys make no such promises or guarantees. Attorneys' comments about the outcome of this matter are expressions of opinion only and the Attorneys make no guarantee as to the outcome of any litigation, settlement or trial proceedings.

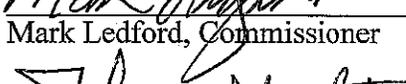
SIGNED, this 12<sup>th</sup> day of March, 2018.

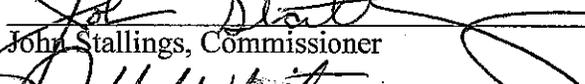
Yancey County Board of Commissioners

  
\_\_\_\_\_  
Johnny Riddle, Chairman

  
\_\_\_\_\_  
Jill Austin, Commissioner

  
\_\_\_\_\_  
Mark Ledford, Commissioner

  
\_\_\_\_\_  
John Stallings, Commissioner

  
\_\_\_\_\_  
Jeff Watson, Commissioner

  
\_\_\_\_\_  
Jeff Watson, Commissioner

Accepted:

MCHUGH FULLER LAW GROUP, PLLC  
97 Elias Whiddon Rd  
Hattiesburg, MS 39402  
(601) 261-2220



By \_\_\_\_\_  
Michael J. Fuller, Jr., Esq.  
*Lead Counsel*

\_\_\_\_\_  
Date

# Attachment H

STATE OF NORTH CAROLINA

AGREEMENT FOR SERVICES

COUNTY OF YANCEY

15 April, 2018

THIS AGREEMENT is made and entered into on this the day and year first above written, by and between, YANCEY COUNTY, a Body Politic and Corporate of the State of North Carolina, hereinafter "County"; and HARDING'S LANDSCAPE & MAINTENANCE, INC., a North Carolina Corporation and JERRY RENFRO, INC., a North Carolina Corporation, hereinafter referred to collectively as "Contractor"; thus

## WITNESSETH

THAT WHEREAS the County has heretofore advertised for proposals for mowing and landscape services wherein bids were requested for certain services described therein, to be provided to the County for mowing and landscaping and has heretofore entered into a Contract dated 6 April 2017 with Contractor; and

WHEREAS said Contract contained provisions for renewal for 2 additional 1 year periods; and

WHEREAS the County has exercised its option to renew the Contract with modifications as set forth hereinafter, acceptable to both the County and the Contractor.

WHEREAS the County authorized its County Manager to negotiate with and to enter into a contract with the Contractor, and this Agreement is memorialized as a recitation of the terms and provisions of said contract.

IT IS THEREFORE AGREED by the County and the Contractor as follows:

- 1) Term: The term of this agreement shall be for one-year commencing on April 15, 2018 and ending April 14, 2019. The County has the option of extending the term of this agreement on its same terms and provisions for one additional one-year extension, provided that the County gives to the Contractor written notice of its election to extend each term within thirty (30) days of the termination of the prior one-year term then expired.
- 2) Scope of Services: This contract is for mowing services, including ancillary services including, without limitation, weed-eating, blowing, and cleanup such that the Contractor shall maintain lawn areas on the properties set forth herein below on an as-needed basis, using appropriate labor, equipment and materials required to maintain a grass height during the mowing season of no less than two and one-half inches, and

no more than four inches. The County anticipates the mowing season to be April 15<sup>th</sup> through October 31<sup>st</sup>, however, in the event that mowing is needed to maintain the standard set forth herein, the Contractor shall perform services to maintain that standard outside of the designated mowing season; provided that no site shall be mowed more than once during any consecutive seven-day period. The County and the Contractor anticipate that there will be times and occasions when it will not be necessary to mow a particular site or sites more often than one time per each consecutive seven-day period. The County reserves the right to curtail the mowing during extended drought conditions.

3)

Lawns bordering foundations, structures, fences, trees, utility poles etc. shall be string-trimmed to match the mowed lawn areas. Sidewalks, curbs, and other paved areas shall be edged as necessary and at least monthly to maintain a neat and landscaped appearance.

The application of approved weed control products is permitted in landscaped beds, walks, concrete expansion joints, parking lots, and other areas as pre-approved by the County. Prior to mowing, grounds shall be policed for trash and debris and any debris not picked up but mowed shall be immediately cleared.

After mowing, edging, and trimming all walks, stoops, driveways and other pavements, those areas shall be blown or swept to remove all grass clippings and other debris. Contractor shall rake and remove all clumped grass clippings and necessary to maintain a clean appearance and to maintain healthy grass growth. Driving the mower over sidewalks does not constitute blowing or sweeping.

- 4) Properties Subject to this Agreement: All of those areas listed on the attached Exhibit "A", incorporated herein by reference as if set forth fully herein.
- 5) Quality and Assurances: The Contractor shall perform all work in a timely, orderly and efficient manner, satisfactory to the County. To ensure quality and thoroughness of work the Contractor shall provide a signed and dated activity sheet with each invoice detailing the work completed on each property. When dealing with members of the public the Contractor shall ensure that all of its employees interact in a friendly and considerate manner.
- 6) Compensation: The cost for the Contractor to mow each particular site is particularly set forth and enumerated on Schedule "A" attached hereto and incorporated herein by reference as if set forth fully herein. The anticipated mowing season as set forth hereinabove (April 15<sup>th</sup> through October 31<sup>st</sup>) consists of thirty weeks (consecutive seven-day periods as referenced in this Agreement). If each site is mowed as anticipated as set forth in Schedule "A", the total compensation under this Contract is \$63,910.00. The Contractor and the County particularly understand that it is likely that each site will not require maintenance during each week and further understand

that some or all of the sites may require mowing outside of the mowing season. Therefore, the Contractor shall submit an itemized invoice on the last day of each month, particularly detailing which sites were mowed during that month, together with the invoice price for that site as set forth on Schedule "A" attached hereto. The invoice shall be paid within seven days of receipt of the same and the check shall be made payable to Jerry Renfro, Inc. It is further understood and agreed that no mowing shall occur outside of the mowing season as defined hereinabove without the express written request of the County.

- 7) Insurance Coverage: The Contractor shall maintain general liability insurance in an amount of no less than \$1,000,000 per each occurrence and shall provide proof of said coverage, which said coverage shall name the County as an additional insured on the policy and provide a copy of said certificate or endorsement to the County at least five business days prior to the commencement of the services under this agreement and maintain said policy in full force and effect as stated herein during the effect term or terms of this agreement. Such policy shall not permit termination or modification without at least thirty (30) days prior written notice to the County.
  
- 8) Indemnification: Contractor agrees to indemnify, save harmless, and defend the County, its agents, servants and employees, and each of them, against and hold it and them harmless from, any and all claims, actions, causes of action, demands, rights, damages, costs, loss of service expense, compensation, court costs, and attorney's fees which the undersigned now has/have or which may hereafter accrue, directly or indirectly, for or on account of any and all known and unknown, foreseen and unforeseen, bodily and personal injuries to any person, or death at any time resulting from such injury, or any damage to any property and the consequences thereof, which may arise or which may be alleged to have arisen out of or in connection with the work covered by this agreement.
  
- 9) Damage to Public or Private Property: The Contractor shall assume full responsibility for the actions of its employees or agents and shall repair or replace any damaged item or area of the County properties caused by the actions of its employees or agents unless said damage occurred under circumstances beyond their reasonable control as determined solely by the County. Any damage to public or private property caused by the Contractor's operations shall be resolved with the property owner within ten (10) days after damage occurs, and shall be resolved to the satisfaction of the County. The Contractor shall inform the County of any damage caused by the Contractor's operation on the day such damage occurs. Should the damage not be rectified within the time frame agreed upon or to the satisfaction of the County, the County reserves the right to repair or replace that which was damaged and assess the Contractor such cost as may be reasonable and related to damaged caused by the Contractor, and deduct those costs from any payment due to the Contractor.

- 10) Assignment: It is mutually understood and agreed that the Contractor shall not assign, transfer convey, sublet or otherwise dispose of this contract or his right, title or interest herein, or his power to execute such contract, to any other person, firm or corporation, without the previous written consent of an authorized representative of the County; but in no case shall consent relieve the Contractor from his obligations or change the terms of this agreement.
- 11) Default: This agreement may be canceled or annulled by the County, in whole or in part by written notice of default to the Contractor upon nonperformance or violation of any of its terms. The County reserves the right to terminate the service at any time during the term of this contract upon thirty (30) days written notice to the Contractor for any reason whatever. Failure of the Contractor to deliver services within the time stipulated, unless extended in writing by the County, shall constitute material default of the terms of this agreement on the part of the Contractor.
- 12) Entire Agreement: This document constitutes the entire agreement between the parties in regard to this matter and each party acknowledges that there are no other agreements or understandings between the two of them except as are stated expressly by the terms hereof.
- 13) Severance: The parties to this agreement agree to and with each other that should any term or provision of this agreement be determined by a court of competent jurisdiction to be null and void and/or unenforceable for any reason whatever, such provision shall be deemed severable from the remaining terms of this agreement, which shall continue to remain in full force and effect.
- 14) Situs: The situs of this agreement is Yancey County, North Carolina, and any and all actions for enforcement of the terms hereof shall be brought in the courts of Yancey County, North Carolina, which venue the parties hereby agree shall be the proper venue for any action relating to enforcement or interpretation of the terms of this agreement.
- 15) Non-Appropriation Clause: The County agrees that it is its intent to make all payments required under this agreement. In the event that, through no action initiated by the signers of this agreement, the governing body of the County does not appropriate funds for the continuation of this agreement for any fiscal year after the first fiscal year and has no funds to do so from any other source, this agreement may be terminated. The County shall give the Contractor written notice of such non-appropriation of funds thirty (30) days before the beginning of the fiscal year for which the governing board does not appropriate funds. The County shall be responsible for the cost of all invoices received and fees for services incurred through the cancellation date of the agreement.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands in execution of the foregoing agreement and all of the terms therein expressed, on this the day and year first above written.

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

\_\_\_\_\_  
Yancey County Finance Officer  
Date: \_\_\_\_\_

YANCEY COUNTY,

By: Nathan R. Bennett  
Name: Nathan R. Bennett  
Title: County Manager

HARDING LANDSCAPE &  
MAINTENANCE, INC.

By: Jeff Harding  
Name: Jeff Harding  
Title: Owner

JERRY RENFRO, INC.

By: Jerry Renfro  
Name: Jerry Renfro  
Title: President

# Attachment I

## Exhibit A

### MOWING AREAS

1. Courthouse/Emergency Operations Center/Sheriff's Annex/ATM Lot located at 110 Town Square and immediate vicinity;
2. Lincoln Park Baseball Fields/Little Hands Learning Center/Maintenance & IT Building located on Lincoln Park Road and Oak Crest Drive vicinity (including banks surrounding athletic fields and facilities);
3. Ray-Cort Park/YCTA Building/Recreation Picnic Shelter located at 115 Mitchell Branch Road and vicinity;
4. Cane River Middle School Baseball Field located on Cane River School Road, to include the field and areas adjacent to the baseball field including the spectator area to top of the banks, around the basketball court, around the outside of the outfield fence and parking lot;
5. Yancey County Health Department/Yancey Senior Center located at Medical Campus Drive to include the banks along the north boundary with the apartment complex;
6. Yancey County Public Library/Old Burnsville Gym/Kid Mountain Park located on School Circle;
7. Mountain Heritage Center/Cultural Resources Commission Building located at 113 Green Mountain Drive;
8. Yancey County Cooperative Extension Service/Election Services building located on East US Highway 19-B Bypass;
9. Old Health Department/Senior Center building located at the corner of Swiss Avenue and West Main Street;
10. Yancey County Department of Social Services/RHA Health Building located on Pensacola Road and Blue Ridge Lane vicinity;
11. Pensacola Convenience Center located on NC Highway 197 South;
12. East Yancey Convenience Center located on Burnsville School Road;
13. Green Mountain Convenience Center located on NC Highway 197 North;
14. Riverside Convenience Center located on US Highway 19-B;
15. South Toe Convenience Center located on Hickory Springs Road;
16. Yancey-Mitchell Sanitary Landfill, to include scale house, transfer station, MSW Cap, and Law Enforcement Firing Range
17. West Burnsville- mowing from city limits to end of side walk at Mt. Heritage High School
18. East Burnsville- mowing from city limits to end of side walks at East Yancey Middle School

Date	Estimate #
3/15/2017	116

Name / Address
Yancey County

Description	Qty	Cost	Project
			Total
<b>QUOTE AS STATED PER COUNTY MANAGER</b>			
COURT HOUSE Every 7 days as stated	30	100.00	3,000.00
LINCOLN PARK Every 7 days as stated	30	165.00	4,950.00
RAY COURT PARK Every 7 days as stated	30	175.00	5,250.00
CANE RIVER MIDDLE SCHOOL BASEBALL FIELD Every 7 days as stated	30	165.00	4,950.00
YANCEY COUNTY HEALTH DEPARTMENT / SENIOR CENTER Every 7 days as stated	30	295.00	8,850.00
YANCEY COUNTY PUBLIC LIBRARY Every 7 days as stated	30	100.00	3,000.00
MTN HERITAGE CENTER Nothing to mow, only needs spraying 3 times per year - cost to spray only		360.00	360.00
YANCEY COUNTY COOPERATIVE EXTENSION SERVICE Every 7 days as stated	30	25.00	750.00
OLD HEALTH DEPARTMENT Every 7 days as stated	30	25.00	750.00
YANCEY COUNTY DSS Every 7 days as stated	30	65.00	1,950.00
PENSACOLA CONVENIENCE CENTER Every 7 days as stated	30	30.00	900.00
EAST YANCEY CONVENIENCE CENTER Every 7 days as stated	30	30.00	900.00
GREEN MOUNTAIN CONVENIENCE CENTER Every 7 days as stated	30	30.00	900.00
<b>Total</b>			

Customer Signature

Harding's Landscape & Maintenance

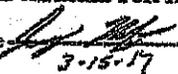
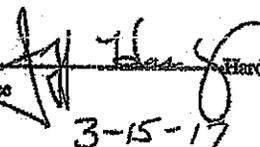
Schedule "A"

Spruce Pine, NC 28777

**Estimate**

Date	Estimate #
3/15/2017	116

Name / Address
Yancey County

			Project
Description	Qty	Cost	Total
RIVERSIDE CONVENIENCE CENTER Every 7 days as stated	30	30.00	900.00
SOUTH TOE CONVENIENCE CENTER Every 7 days as stated	30	<del>20.00</del> 1.5.00	<del>900.00</del> 1950.00
YANCEY - MITCHELL SANITARY LANDFILL MSW CAP - Bush Hog 1 time per month as stated	7	400.00	2,800.00
EVERYTHING ELSE - Every 7 days as stated	30	100.00	3,000.00
<p>EVERY SITE WILL BE CUT EVERY 7 DAYS WITH EXCEPTION OF MSW CAP AT THE LANDFILL. THAT SITE WILL BE DONE 7 TIMES PER YEAR. IN CASE OF DRY CONDITIONS, THE AREAS STATED IN THE ESTIMATE WILL BE DONE ON A AS NEEDED BASIS. THE CUSTOMER WILL ONLY BE CHARGED FOR THE CUTS COMPLETED.</p>			
<p>Signature:  JRI 3-15-17</p>			
<p>Signature:  Harding's Landscape &amp; Maintenance 3-15-17</p>			
		6.75%	0.00
		<b>Sub-Total</b>	<b>45,160.00</b>
			<del>44,260.00</del>

Customer Signature \_\_\_\_\_

Jerry Renfro, Inc.

PO Box 392  
Little Switzerland, NC 28749

# Schedule "A"

Estimate

Date	Project No.
3/8/2018	4501

Name/Address

Yancey County

Project

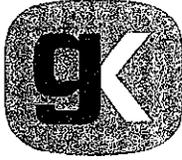
Description	Qty	Rate
West Burnsville— mowing from city limits to end of sidewalks @ Mtn. Heritage High School on 2 week schedule	15 x 500 = 7500	<del>500.00</del>
East Burnsville — mowing from city limits to end of sidewalks @ East Yancey Middle School on a 2 week schedule	15 x 750 = 11,250	<del>750.00</del>
In addition, the price at South Toe Recycling Center is changing to price shown in rate column for each mowing		65.00
		18,750
		45,140
<b>Total</b>		<b>63,910</b>

*[Signature]*  
 Hardings Landscape & MAINTENANCE  
 NCLE License # 2125  
*[Signature]*  
 Jerry Renfro Inc.

Page 3 of 3

Total

Phone #
070 705 1011



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

Jeffrey A. Gould  
Charles E. Killian  
Herold C. Cole  
G. Edward Towson, II  
Harvey W. Jenkins  
Shan P. Norris

February 21, 2018

To the Board of Commissioners  
Yancey County  
110 Town Square  
Burnsville, NC 28714

We are pleased to confirm our understanding of the services we are to provide Yancey County for the year ended June 30, 2018. We will audit the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements, of Yancey County as of and for the year ended June 30, 2018. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Yancey 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 Yancey 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

We have also been engaged to report on supplementary information other than RSI that accompanies Yancey 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

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

#### **Other Services**

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

#### **Management Responsibilities**

Management is responsible for (1) establishing and maintaining effective internal controls, including internal controls over federal 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 Yancey 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.

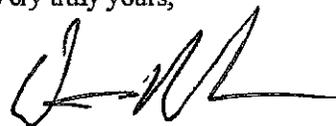
The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the federal or state oversight agency. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit 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 2018 and to issue our reports no later than October 31, 2018. 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 \$51,900 for the financial statement audit and compliance audit on up to 1 major program. An additional fee of up to \$2,950 will apply for each additional major Federal program or \$2,250 for each additional major 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 Yancey 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 Yancey County.

Signature: *Johann Riddell*  
Title: *Chairman, Yancey County Commissioners*  
Date: *2/12/18*

# 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) 884-1560

OFFICES  
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, McLean & Co., P.A.

## CONTRACT TO AUDIT ACCOUNTS

Of Yancey County  
Primary Government Unit

N/A  
Discretely Presented Component Unit (DPCU) if applicable

On this 21st day of February, 2018,

Auditor: Gould Killian CPA Group, P.A. Auditor Mailing Address: 100 Coxe Avenue

Asheville, NC 28801 Hereinafter referred to as The Auditor

and Board of Commissioners (Governing Board(s)) of Yancey County  
 (Primary Government)

and N/A; hereinafter referred to as the Governmental Unit(s), agree as follows:  
 (Discretely Presented Component Unit)

1. The Auditor shall audit all statements and disclosures required by accounting principles generally accepted in the United States of America (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2017, and ending June 30, 2018. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with auditing standards generally accepted in the United States of America. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards*, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board). **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 Office of the State Auditor (OSA) and in accordance with the instructions and timeline provided by OSA.
3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's Auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. If during the process of conducting the audit the Auditor determines that it will not be possible to render an unqualified opinion on the financial statements of the unit, the Auditor shall contact the SLGFD staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

Contract to Audit Accounts (cont.) Yancey County

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

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

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

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on: October 31st. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoices shall be sent via upload through the current portal address: <https://nctreasurerslsgfd.leapfile.net>. Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date shall be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Government shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (Note: Fees listed on Fees page.) This does not include fees for any Pre-Issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item #12).
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall submit to the SLGFD either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to the SLGFD simultaneously with the

Contract to Audit Accounts (cont.) Yancey County

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

Governmental Unit's audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the fiscal year end.
12. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit shall not be billed for the pre-issuance review. The pre-issuance review shall be performed **prior** to the completed audit being submitted to the SLGFD. The pre-issuance review report shall accompany the audit report upon submission to the SLGFD.
13. The Auditor shall electronically submit the report of audit to the SLGFD as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. **Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit report Reissuance form.** These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If the SLGFD determines that corrections need to be made to the Governmental Unit's financial statements, those corrections shall be provided within three days of notification unless another deadline is agreed to by the SLGFD.

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

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

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
15. If an approved contract needs to be amended for any reason, the change shall be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload the amended contract is <https://nctreasurerslgfd.leapfile.net>. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

Contract to Audit Accounts (cont.) Yancey County

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

16. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit shall be attached to the contract, and by reference here becomes part of the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses shall not be accepted by the SLGFD.
17. Special provisions should be limited. Please list any special provisions in an attachment.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the parent government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
19. The contract shall be executed, pre-audited, physically signed by all parties including Governmental Unit and the Auditor and then submitted in PDF format to the Secretary of the LGC. The current portal address to upload the contractual documents is <https://nctreasurerslgfd.leapfile.net>. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of November 2017. These instructions are subject to change. Please check the NC Treasurer's web site at <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx> for the most recent instructions.
20. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **E-Verify.** Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

***SIGNATURE PAGES FOLLOW FEES PAGE***

Contract to Audit Accounts (cont.)

# Yancey County

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

## FEES – PRIMARY GOVERNMENT

AUDIT: \$ Fixed: \$46,900 (incl 1 major program); Variable: \$2,250-\$2,950/per add'l major prgm

WRITING FINANCIAL STATEMENTS: \$ 5,000 (Total Fixed \$51,900)

ALL OTHER NON-ATTEST SERVICES: \$ N/A

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

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

The 75% cap for interim invoice approval for this audit contract is \$ 38,925

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

## FEES – DPCU (IF APPLICABLE)

AUDIT: \$ \_\_\_\_\_

WRITING FINANCIAL STATEMENTS: \$ \_\_\_\_\_

ALL OTHER NON-ATTEST 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.

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

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

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

Contract to Audit Accounts (cont.) Yancey County

Primary Government Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

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

**Audit Firm Signature:**

Gould Killian CPA Group, P.A.

Name of Audit Firm

By Daniel R. Mullinix

Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

Date 2/21/2018

dmullinix@gk-cpa.com

Email Address of Audit Firm

**Governmental Unit Signatures:**

Yancey County

Name of Primary Government

By Johney Riddick, Chairman

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date 3/12/18

By \_\_\_\_\_

Chair of Audit Committee - Type or print name

\*\*

Signature of Audit Committee Chairperson

Date

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

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

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

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

By Brandi Burleson, Finance Officer

Primary Government Unit Finance Officer:

Type or print name

Brandi Burleson

Primary Government Finance Officer Signature

Date 2/27/2018

(Pre-audit Certificate must be dated.)

brandi.burleson@yanceycountync.gov

Email Address of Finance Officer

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

3/12/18

*Attachment K*

**Board of Commissioners**

Johnny Riddle, Chair  
Jill Austin, Vice-Chair  
Mark Ledford  
John Stallings  
Jeff Whitson



Nathan R. Bennett  
County Manager

Donny J. Laws  
County Attorney

J. Jason Robinson  
Clerk to the Board

110 Town Square  
Courthouse, Room 11  
Burnsville, NC 28714  
828-682-3971  
828-682-4301 Fax

February 9, 2018

To Whom It May Concern:

On behalf of The Yancey County Commissioners, I would like to offer this letter in support of Mountain Community Health Partnership (MCHP) for an NC Office of Rural Health Community Health Grant.

We struggle every day with issues of insufficient resources to address the most pressing health needs in our community. MCHP has demonstrated a commitment to expanding their efforts to serve those needs in our county. Their proposal seeks to bridge the gap between MCHP and many of our community organizations who serve some of our most needy residents.

We support MCHP's efforts to:

- Collaborate with other local organizations to address issues beyond providing just primary care services. We believe that adding community health workers to their staff will further this mission and are excited to see this program come to fruition.
- To open a clinic in Burnsville that will serve many of our neediest families.
- To expand mental health and substance abuse prevention and treatment

We believe in MCHP's commitment to expanding healthcare beyond the clinic walls and their ability to successfully act on this proposal. Please feel free to contact me for further information.

Respectfully,

JOHNNY RIDDLE,  
Chairman  
Yancey County Board of Commissioners