SCOTLAND COUNTY BOARD OF COMMISSIONERS
Monday, June 1, 2015
A.B. Gibson Center, 322 South Main Street, Laurinburg, NC

AGENDA

6:30 p.m. **Water Districts Board meeting**

7:00 p.m. Call to Order — Chairman Guy McCook
Invocation
Pledge of Allegiance

Approval of Agenda

Public Forum ***(please state name and address and observe a three-minute time limit)***

Item 1. Community report: Scotland County Reentry Council

Item 2. Review: Animal Control Ordinance amendments

Item 3. Liaison Committee update

Item 4. Consent Agenda:

a) Approve minutes of the May 4, 2015, regular meeting and May 20, 2015, May 22, 2015 and May 26, 2015 reconvened meetings.

b) Approve one year contract for audit services conducted by Gustaf C. Lundin & Company, LLP, for the period beginning July 1, 2014 and ending June 30, 2015.

c) Approve Home and Community Care Block Grant for Older Adults for FY 2015-2016 in the amount of $365,629, which requires a 10 percent County match in the amount of $36,563.

d) Approve Health Department additional fees for Child Health Care services.

e) Budget amendments

1) Health: Approve receipt of funds in the amount of $2,415 for Environmental Health Temporary Food and Lodging, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.

2) SCEDC: Authorize the Finance Officer to transfer $350,000 from Fund Balance to the Scotland County Economic Development Corporation for an interest in a potential industrial site.

3) Drug Fund: Approve receipt of federal asset forfeiture funds in the amount of $10,164, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.

4) EMS: Approve receipt of Department of Public Safety funds in the amount of $1,104.04, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.

Item 5. Appointments to Boards and Committees

Item 6. FY 2015-2016 proposal for availability fees

Item 7. Update from the County Manager
Comments from the Chairman and Commissioners

Item 8. Introduction of the FY 2015-2016 budget plan

Item 9. Closed Session in accordance with N.C. General Statute §143-318.11(a)(4) to discuss matters relating to the location or expansion of business in the area served by this body

Recess to 7 p.m. Monday, June 15, Emergency Operations Center Meeting Room

Procedural Bulletin -- Public Forum Effective Date: February 18, 2000

It is the intent of the Scotland County Board of Commissioners to allow a Public Forum at each of its regular meetings for citizens to address the Board regarding issues or questions of benefit and/or interest to the general public in a positive fashion. It is the Board's further intent that matters shared during this forum not be harmful, discriminatory, or embarrassing to any citizen or employee of Scotland County, but that any concerns brought forward be expressed in general terms that provide the Board appropriate data to research the issue and respond to the speaker at a later time.

It is strongly suggested that personnel concerns go first through the Office of the County Manager (507 West Covington Street, Laurinburg NC 28352) or directly to County Commissioners, preferably in writing, in order for staff and/or Commissioners to attempt to address those concerns privately and with the necessary available resources.

To assure the Board of Commissioners' positive intent for the Public Forum is upheld, the following "ground rules" have been set by the Board of Commissioners:

1) Each speaker shall register his/her name and mailing address in order to assure accurate minutes and/or ability to respond.
2) There will be a time limit of no more than *three* minutes per speaker.
3) Only one speaker will be recognized at any given time. Others must wait their turn.
4) Any applause shall be held until the end of the Public Forum.
5) Discussion of County personnel issues is limited to only those issues where satisfactory resolution has been pursued, but not achieved, through the chain of command ending with the County Manager.
6) Derogatory references to specific County staff, by name, are prohibited.

It should be understood that the Board allows the Public Forum in the interest of sharing information, which serves the common good.

Scotland County Board of Commissioners

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 1
X Information
_____ Action Item
_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Community report: Scotland County Reentry Council
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	Reentry Council Administrator Christopher Mitchell Reentry Council Chair Robert Macy
PURPOSE:	Provide an update on the activities of the past year and information on upcoming events.
ATTACHMENTS:	N/A
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Receive information

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. _2__
__X__ Information
_____ Action Item
_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Review: Animal Control Ordinance amendments
DEPARTMENT:	Health Department
PUBLIC HEARING:	No
CONTACT PERSON:	Health Board Chairman Bob Davis Interim Health Director Wayne Raynor
PURPOSE:	Provide Commissioners with amendments to the Animal Control Ordinance for review, discussion, questions and possible action at the July 6 regular meeting.
ATTACHMENTS:	Animal Control Ordinance with amendments in red.
BACKGROUND:	The Animal Control Ordinance was last update August 1, 2011.
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Review and discuss ordinance

SCOTLAND COUNTY ANIMAL CONTROL ORDINANCE

DECLARING OWNER RESPONSIBILITY FOR THE MANAGEMENT OF ANIMALS, DOMESTIC ANIMALS, EXOTIC ANIMALS, DANGEROUS DOGS, AND DANGEROUS ANIMALS

Adopted by the Board of County Commissioners August 1, 2011

INDEX

Definitions		i, ii, iii, iv, v
Section 1	Animal Control Program	1
Section 2	Enforcement	1
Section 3	General Duties of Animal Control Program	1
Section 4	Rabies Control Officer	2
Section 5	Rabies Vaccination Required	2
Section 6	Restraint	2
Section 7	Records to be Kept by Animal Control Program	2
Section 8	Running At Large; Owners Cited	3
Section 9	Keeping of Animals; Mistreatment, Abandonment Prohibited, Care; Restraining of Dogs; Exercise Area for Dogs; Keeping of Stray Animals	3
Section 10	Confinement and Control of Exotic Animals	5
Section 11	Confinement and Control of Dangerous Animals and Dangerous Dogs	6
Section 12	Confiscation of Animals	8
Section 13	Required Notification to Animal Control Program by Owners and Keepers of Exotic or Dangerous Animals or Dangerous Dogs	9
Section 14	Dogs or Animals Used for Sentry or Guard Dogs	9
Section 15	Barking Dogs	9
Section 16	Teasing and Molesting	9
Section 17	Confinement of Female Dogs & Cats in Estrus (Heat)	10
Section 18	Report & Confinement of Animals Biting Persons or Showing Symptoms of Rabies	10
Section 19	Boarding Kennels	10
Section 20	Foster & Rescue Homes	11
Section 21	Annual Registration	11
Section 22	Record Keeping and Licensing	11
	Requirement of Records	11
	Boarding Kennels	11
	Records Made Available to the Director	12
Section 23	Facilities and Operating Standards for Animal Shelters, Pet Shops, Dealers	12
	General	12
	Indoor Facilities	12
	Outdoor Facilities	13
	Primary Enclosures	13
	Feeding	14
	Watering	14

INDEX
(continued)

	Sanitation	14
	Employees	16
	Classification and Separation	16
	Veterinary Care	16
Section 24	Firearms	17
Section 25	Euthanasia, Chemical Immobilization, Pepper Spray & Bite Stick	17
Section 26	Damages, Destruction and/or Theft of County Animal Control Property	17
Section 27	Appeal Procedure	18
Section 28	Interference with Enforcement of Ordinance	18
Section 29	Exemptions	19
Section 30	Imposition of Penalties for Violations of Ordinance	19
Section 31	Notice of Repeal	20
Section 32	Severability	20
Section 33	Effective Date	21
Signatures		21

DEFINITIONS

For the purpose of these rules, the following words and phrases are defined and shall be construed as set forth below, unless it is apparent from the context that a different meaning is intended.

Abandon – Intentionally, knowingly, recklessly or negligently leaving an animal at a location for more than twenty-four (24) consecutive hours without providing for the animal's continued care.

Adequate Feed – The provision at suitable intervals, not to exceed 24 hours, of a quantity of wholesome foodstuff suitable for the species and age, sufficient to maintain a reasonable level of nutrition in each animal. Such foodstuff shall be served in a sanitized receptacle, dish, or container.

Adequate Shelter – An enclosure sufficient to provide shelter from extremes of weather and a means to remain cool, dry and comfortable. Adequate shelter should consist of at least three (3) solid sides, a roof and a floor, be ventilated and have sufficient room for dogs, cats and other small animals to move about freely and lie down comfortably.

Adequate Water-The provision of, or ready access to, a supply of clean, fresh water provided in a sanitary manner 24 hours a day.

Animal – Any vertebrate nonhuman species of animal, wild or domestic, male or female, including, but not limited to, dogs, cats, livestock and other mammals, birds, reptiles, amphibians and fish.

Animal Control Officer – Person(s) charged by the county with enforcing all sections of this Ordinance and applicable state laws.

Animal Shelter – Any holding or other facility designated by the county manager, or designee for the detention of animals.

Appropriate Authority – The Animal Control Department, Police or Sheriff's Department, Emergency Medical Staff, or Health Department

At Large – Any animal found off of the owner's property and not under restraint, or any animal previously determined to be dangerous or potentially dangerous that is not under restraint when off the property of its owner, or is not confined to a secure enclosure while on the property of its owner, with the exception of hunting dogs in the act of hunting, training or actively related to the sport of hunting. On the owner's or person in charge of the dog(s), land, land leased or land permitted to be used by the owner or person in charge of dog(s).

Bite – The act of an animal seizing flesh with its teeth or jaws, so as to tear, pierce or injure the flesh.

Boarding Kennel – A facility or establishment which regularly offers to the public the service of boarding dogs and/or cats for a fee. (Such a facility may, in addition to providing food, shelter and water, offer grooming or other services for dogs and/or cats.)

Cats – Domestic felines.

Dangerous Animal – Any animal whose behavior creates a reasonable risk of injury to a human or animal or damage to personal or real property. This behavior includes, but is not limited to, an animal's biting or attacking or attempting to bite or attack a human or another animal. However, as provided, by definition, shall not apply to any animal that has been subject to provocation, nor shall it apply to any animal responding to a trespass, as trespass is defined in these definitions, upon the animal owner's premises, if the victim is the trespasser.

Dangerous Dog – Any dog which assaults, bites, attacks or inflicts serious injury on a human being without provocation on public or private property and/or which has killed or injured a pet or domestic animal with provocation while off the owner's property. Exceptions: No dog is dangerous pursuant to this definition if at the time the threat, injury or damage was sustained, the person attacked was committing a willful trespass, tormenting, abusing or assaulting the dog, or has in the past teased, tormented, abused or assaulted the dog or was committing or attempting to commit a crime. Nor, shall a dog be considered dangerous pursuant to this definition if it has attacked or injured a pet or domesticated animal in defense of an attack by another animal or if it is protecting or defending its young.

Dealer/Breeder – Any person who sells, exchanges, or donates, offers to sell, exchange, or donate animals to *another dealer or person*, provided, however, that an individual who breeds and raises more than the offspring of five female canine or feline females per year, or five (5) or more unaltered dogs or cats over four (4) months old with a total of 10 dogs or cats four (4) months or older.

Dog – Domestic canines.

Domestic Animal – Those species of animals that normally and customarily share human habitat in the county and are normally dependent upon humans for food and shelter in Scotland County, such as, but not limited to cats, dogs, cattle, horses, swine, fowl, sheep and goats.

Domesticated Livestock – Livestock raised for the production of meat, milk, eggs, or fiber, used for draft, or equestrian purpose, including, but not limited to cattle sheep, goats, horses, mules, rabbits, and poultry.

Dry Lot (Feed Lot) – A confined fenced space where animals are kept, but does not support their nutritional requirements. Dry lot (feed lot) should be well drained to avoid standing water and should have some available space that is not covered in mud during reasonable weather patterns.

Electronic Enclosure – Underground electrical wire which, when used in connection with a pet collar or other device, keeps cats or dogs confined within the limits of the wire on private property.

Exotic or Wild Animal – Any animal which is not usually and customarily kept as a pet or domestic animal. A hybrid of any such animal, regardless of genetic percentages, shall be deemed exotic or wild. Examples of exotic or wild animal include, but are not limited to, any animal for which a federal or state permit or license is required, and such animals as lions, tigers, wild cats, wolves, bears, apes, monkeys and raccoons. Also included in this definition are dangerous reptiles such as alligators and poisonous reptiles.

Foster or Rescue Homes – Private citizens or homes who take in animals in order to provide care and development of animals for the purpose of keeping said animals out of shelters and/or for rehabilitation purposes.

Husbandry Practices – The practice of breeding animals for the purpose of profit.

Impoundment – Possession or seizure of an animal by the Animal Control Officer for placement in an animal control shelter.

Inoculation – The administration of rabies vaccine by a licensed veterinarian or by a certified rabies vaccinator.

In estrus – A female animal in what is commonly called "heat".

Molest – Annoy, disturb or persecute with hostile intent or injurious effect.

Natural Shelter – Any naturally occurring part of the landscape that provides protection from the elements. Trees, bush thickets, ditch banks, etc., could all be considered natural shelter. The two main weather elements of these natural barriers providing relief are from sunshade (summer) and wind breaks (winter).

Nighttime – The time each day from sunset until sunrise.

Neutered Male – Any male animal which has been operated upon to prevent reproduction.

Owner – Any person, group of persons, or any entity owning, keeping, harboring, possessing or acting as keeper or custodian of an animal 72 hours or more, unless the animal is boarded for a fee at a duly licensed facility. In the event that the owner or keeper of an animal is a minor, the parent or guardian of such minor shall be held liable for non-compliance with the provision of this Ordinance.

Owner's Property – Any real property owned or leased by the owner of the animal, but does not include any public right-of-way or a common area of a condominium, cluster home, apartment complex, or townhouse development, nor does it include the common area of a subdivision of another housing project. A motor vehicle is not part of the owner's property unless it is physically located on the area described in a need of conveyance or the area described in a lease. A motor vehicle that is physically located in or on any common areas as described above, or on any other public areas shall be treated as being off of the owner's property.

Pasture – A fenced area that has vegetative cover of edible forage on at least 50% of the area for a minimum of six (6) month of the year.

Person – Includes any individual or any legal entity, including non-profit corporations.

Poisonous reptile – Any reptile, such as a snake or lizard, that has the capability of injecting humans or animals with venom which may cause death or physical injury.

Pet – A domesticated animal kept for pleasure rather than utility.

Pet Shop – A person or establishment that *acquires for the purposes of resale* animals bred by others whether as owner, agent, or on consignment, and that sells, trades or offers to seller trade such animals *to the general public* at retail or wholesale.

Penalty Fees – Fees enacted to curtail the breaking of the rules of this Ordinance under Civil Penalty.

Provocation – Circumstances which do not include any actions on the part of an individual that pertain to reasonable efforts of self-defense. In addition, provocation must be clearly established.

Restraint – Any animal is under restraint within the meaning of this Ordinance if it is controlled by means of a chain or leash; cage, bridle, or similar physical restraint sufficient to allow animal to be controlled; on or within a vehicle being driven or parked and from which it cannot remove itself; within a secure enclosure, or within the dwelling house of the owner or keeper.

Sanitary- All shelters and the area surrounding the shelter are to be kept clean at all times. Unacceptable conditions include but not limited to the accumulation of feces, urine, debris, plant overgrowth, and/or pest infestation within and/or around the area confining the animal.

Secure Enclosure – An enclosure from which an animal cannot escape by means of digging under or jumping over the enclosure, or otherwise becoming free unless freed by the owner. Neither a motor vehicle nor an electronic enclosure shall constitute a secure enclosure. The enclosure may also be a fence or structure of adequate height to form or cause a humane enclosure suitable to prevent the entry of young children.

Spayed Female – Any female animal which has been operated upon to prevent reproduction.

Stray – Any dog or cat that appears stray, homeless or unwanted, and any dog that is not displaying a valid rabies tag.

Tether - A rope, chain, cable, or any such device by which an animal is fastened or tied so that it can range only within a set radius.

Trespass – Precludes when the victim has wrongfully invaded the property of the owner. The reason the individual is on the property and any other relevant circumstances shall be considered in order to determine whether or not a trespass has occurred.

Weekdays – Monday through Friday, inclusive, excluding local, state and national legal holidays.

SCOTLAND COUNTY ANIMAL CONTROL ORDINANCE

SECTION 1 ANIMAL CONTROL PROGRAM

A. The Animal Control Program of the Scotland County Health Department, hereinafter referred to as the Animal Control Program, is composed of the Health Director, and such employees as shall be determined by the Scotland County Board of Health and approved by the Scotland County Board of Commissioners.

SECTION 2 ENFORCEMENT

A. The Health Director shall designate employees or agents enforcing this Ordinance as Animal Control Officer(s) (ACO). In the performance of said duties, ACO shall have all the powers, authority and immunity granted under this Ordinance and by the general laws of this state to enforce the provisions of this chapter, and the General Statutes of North Carolina as they relate to the care, treatment, control or impounding of animals.

B. Except as may be otherwise provided by statutes, local laws or ordinances, no officer, agent or employee of the county charged with the duty of enforcing the provisions of this chapter or other applicable laws shall be personally liable for any damage that may accrue to persons or property as a result of any act required or permitted in the discharge of such duties unless he acts with actual malice.

C. The Animal Control Program shall apply in those areas over which municipal animal control programs are not applicable.

SECTION 3 GENERAL DUTIES OF ANIMAL CONTROL PROGRAM

The Animal Control Program shall be charged with the responsibility of:

A. Enforcing, in this county, all state and county laws, ordinances and resolutions relating to the care, custody, and control of animals.

B. Assisting in the enforcement of the laws of the state with regard to animals and especially with regard to vaccination of animals against rabies and the confinement or leashing of dangerous animals, dangerous dogs and exotic animals.

C. Assisting with the investigation of cruelty or animal abuse with regard to animals.

D. Making such canvasses of the county, including the homes in the county, as it deems necessary for the purpose of ascertaining that all animals are vaccinated against rabies as required by local ordinance or state statute.

SECTION 4 RABIES CONTROL OFFICER

The Animal Control Officer is hereby designated as the Rabies Control Officer for Scotland County and shall have such powers, duties, and responsibilities as are provided by the provisions of the North Carolina General Statues, However, such powers, duties, and responsibilities as the Rabies Control Officer shall not conflict with or supersede the powers, duties, and responsibilities of the Director of the Scotland County Health Department or rabies inspectors appointed under the provisions of the North Carolina General Statues.

SECTION 5 RABIES VACCINATION REQUIRED

A. No person shall own, keep, or harbor any dog or cat over the age of four (4) months within the county limits unless it has a current vaccination against rabies (hydrophobia).

B. A rabies vaccination shall be deemed current if a dog or cat over four (4) months old has received at least one rabies vaccination and the next rabies vaccination shall be given within twelve (12) months and shall be valid for three (3) years thereafter.

C. Upon complying with the provisions of this section, there shall be issued to the owner of the dog inoculated a numbered metallic tag, stamped with the number and the year for which issued, and indicating the dog has been inoculated against rabies. The metallic tags shall be affixed to the dog's or cat's collar.

D. It shall be unlawful for any person to use for any dog or cat a rabies inoculation tag issued for a dog or cat other than the one using the tag.

SECTION 6 RESTRAINT

The owner shall keep his dog under restraint at all times and shall not permit the dog to be at large. Restraint is defined in the Definitions Section of this Ordinance.

SECTION 7 RECORDS TO BE KEPT BY ANIMAL CONTROL PROGRAM

It shall be the duty of the Animal Control Program to keep, or cause to be kept, accurate and detailed records of:

A. Bite cases, violations and complaints, and investigation of same.

B. Reports, investigations, actions and appeals of all matters herein.

C. All other records necessary to properly exercise the duties established by this Ordinance or state law.

SECTION 8 RUNNING AT LARGE; OWNERS CITED

Any dog that is not confined as provided in these rules, and not under the actual physical control or restraint of its owner, leaseholder, or keeper, shall be presumed to be "running at large". Any Animal Control Officer may impound such animal at the animal shelter. It shall be a violation of these rules for any dog running at large off its owner's or keeper's property. A first offense shall subject such owner or keeper to a criminal penalty up to $250.00. A second and subsequent offenses, shall subject such owner or keeper to a criminal penalty up to $500.00.

SECTION 9 KEEPING OF ANIMALS; MISTREATMENT, ABANDONMENT, CARE, CONFINEMENT, RESTRAINT, ENCLOSURE, STRAY ANIMALS

A. All dogs, cats, domesticated livestock, and other animals kept as pets shall be housed, fed, protected from the weather, and kept in a sanitary manner as not to create a nuisance.

B. No person shall willfully or negligently:

1. Torture, cruelly beat, injure, maim, mutilate or without good cause destroy or kill any animal belonging to himself or to another;

2. Deprive any animal of food, drink, or adequate shelter;

3. Administer any poison or noxious drug or substance to any animal.

4. Expose any drug or substance with the intent that the same shall be taken by an animal, whether such animal be the property of that owner or another person;

5. Cause any other person to do any of the above acts.

6. Violation of any provision of this Ordinance shall be a misdemeanor and any person convicted of such violation shall be punishable as provided in G. S. 14.4. Each day's violation of this section is a separate offence. Payment of a fine imposed in criminal proceeds pursuant to this subsection does not relieve a person of this liability for taxes, civil penalties or fees imposed under this Ordinance.

C. If an animal is found by any Animal Control Officer to be in one of the above-described conditions, the officer may issue a notice of violation to the offender warning him that if the animal's condition is not corrected, a citation will be issued. If the Animal Control Officer determines that a confined animal's life is in immediate danger or has been abandoned, the Animal Control Officer shall seize such animal if such seizure is not prohibited by applicable law. The Animal Control Officer shall leave a notice for the owner advising why the animal has been seized, where the animal has been taken, and shall issue a notice of violation to the owner. Upon issuance of a citation, the penalty for a violation of this section shall be up to $250.00 or the first violation or for a violation more than 12 months after a previous violation. For subsequent violations within 12

months of a previous violation, the penalty shall be up to $500.00 for second and subsequent violations.

D. No dog, cat, or other small animal shall be confined within or on a motor vehicle under such conditions as may endanger the health or well-being of the animal, including, but not limited to, dangerous temperature, lack of food or water.

E. No person shall abandon or cause to be abandoned any dog, cat, or any other type of animal.

F. Owners and keepers of dogs, cats, and other animals shall provide food, shelter, and medical attention to such animals, including, but not limited to the following:

1. Sufficient wholesome food that is nutritious for the species;

2. Fresh drinking water;

3. Medical attention to relieve such animals from suffering;

4. Provide shade from the sun; and

5. Shelter to allow the animal to remain dry and protected from the elements. Such shelter shall be fully enclosed on three (3) sides, roofed, and have a solid floor. The shelter shall be small enough to retain the animal's body heat and large enough to allow the animal to stand and turn comfortably. The enclosure shall be structurally sound and in good repair.

G. In addition to the foregoing provisions of this section, it shall be unlawful and constitute a public nuisance for any person to willfully or maliciously overdrive, overload, torture, destroy or kill, or cruelly beat or injure, maim or mutilate, any animal in subjugation or captivity, whether wild or tame, and whether belonging to himself or to another; deprive any such animal of necessary food, drink or shelter; cause, procure or permit any such animal to be so overdriven, overloaded, tortured, destroyed or killed, or cruelly beaten or injured, maimed or mutilated, or deprived of necessary food, drink or shelter; or willfully initiate, instigate, engage in, or in any way further act of cruelty to any animal, or any act tending to produce such cruelty. Any law enforcement officer or Animal Control Officer finding an animal so maltreated or abused shall impound the animal, and the charges shall be assessed against the violator as a cost of abatement.

H. No person shall willfully or negligently:

1. Tether any dog on the dog owner's property, or on the property of the dog owner's landlord no longer than one (1) hour per day;

2. Tether a dog directly around the neck without the use of a properly fitting collar or harness worn by the dog;

3. Tether a dog in such a manner that it exceeds more than one-tenth of the dog's body weight;

4. Tether a dog so that it may become tangled or twisted;

5. Tether a dog using padlocks;

6. Tether a dog in a manner that limits the movement of the dog to no less than 10 feet from the anchor point;

7. Tether a dog in a manner that restricts access to necessary food, water, and shelter.

8. Tether no more than two (2) dogs at any given time.

I. No person shall permit a dog owned by such person or under the custody of such person to be off that person's property or leased premises unless such dog is restrained by a leash. Such leash shall be used to control the dog and to prevent the dog from running at large.

J. Any dog confined within an outside enclosure must have an adequate space for exercise. Provided further, that where dogs are kept or housed on property without a fenced yard and such dogs are kept in an enclosure or run, such enclosure or run shall provide adequate space for exercise. Such an enclosure shall be constructed of chain link or similar type materials with all four sides enclosed. The enclosure shall be sufficient height to prevent the dog from escaping from such enclosure. The top of such enclosure shall be sufficiently covered to provide the dog with adequate shade and protection from the elements.

Outside enclosures for dogs shall meet the following specifications: each dog less than 25 pounds must have a kennel of at least eight (8) feet x eight (8) feet in size (or equivalent square footage), and each dog 25 pounds or greater must have a kennel of 10 feet x 10 feet in size (or equivalent square footage). Animal control officers reserve the right to determine if a space is considered suitable for the number and size of dogs in an outdoor enclosure.

K. Domesticated Livestock Shelter - Each domesticated livestock shall have reasonable access to shelter appropriate for its state of health. Domesticated livestock in a normal state of health, as determined by the Health Director or his/her designee, may be maintained in a pasture environment with fresh drinking water, natural shelter and shade from the sun. For domesticated livestock in a debilitated state of health, access to a man-made shelter is required. These shelters are to be maintained so as to minimize the opportunity for injury, and to aid in the recovery of domesticated livestock. For domesticated livestock, in good health, they may be maintained in a dry lot, with access to fresh drinking water and adequate shelter appropriate for the species of the animal.

L. It shall be unlawful for any person in the county to knowingly and intentionally harbor, feed, keep in possession by confinement, or otherwise, any stray animal which does not belong to him/her, unless he/she has, within 24 hours from the time such animal came into possession, notified animal services of his/her intentions to surrender the stray animal to animal services. It shall be unlawful for any person to refuse surrender of any stray animal.

SECTION 10 CONFINEMENT AND CONTROL OF EXOTIC ANIMALS

A. It shall be unlawful for any owner or keeper to keep any exotic animal within the county unless it is confined within a humane secure enclosure as required by the Health Director unless: it is securely muzzled and under restraint by a competent person who, by means of a leash, chain or rope, has such animal firmly under control at all times, and it is being transported to receive veterinary care, to be sold or to be destroyed.

B. Any exotic animal which is not properly secured or restrained as required by this section or which has injured or endangered any person or property may be confiscated by an ACO and harbored at the owner or keeper's expense.

SECTION 11 CONFINEMENT AND CONTROL OF DANGEROUS ANIMALS AND DANGEROUS DOGS

A. It is unlawful for any owner or keeper to maintain or harbor any unconfined or uncontrolled dangerous dog or animal which bites, inflicts injury, assaults, or otherwise attacks a human being without provocation on public or private property or injures or kills a pet or domesticated animal while off the owner's property and the ACO determines after investigation that the report is supported by the evidence. Should a dog or animal shall be deemed dangerous:

1. The owner will be notified in writing to confine the dog or animal in a humane secure enclosure and the owner or keeper shall display a sign on his premises warning that there is a dangerous dog or animal on the premises. Said sign shall be plainly visible and capable of being read from the public highway or street.

2. An ACO is empowered to confiscate the dog or animal and harbor it at the owner's expense pending the owner's construction of a humane secure enclosure or a determination of whether or not the animal shall be destroyed.

3. Dogs or animals trained or being trained in mode of attack are subject to the provisions of (1) and (2) of this section.

B. The Health Director or his/her designee has the authority, pursuant to North Carolina General Statutes Section 130A-200, to declare certain animals to be vicious and a menace to public health and to require their confinement. Nothing herein is intended to limit this authority or the resultant powers granted the Health Director upon such finding be made.

C. In furtherance of the authority granted the Health Director in N.C.G.S. Section 130A - 200, the Health Director shall have the authority to declare as dangerous, after review of information submitted by the appropriate authority:

1. Any dog which unprovoked has done bodily harm to a person or public or private property.

2. Any dog which unprovoked has killed a domestic animal while off the owner's property.

3. Any dog observed by appropriate authority which unprovoked, chases or approaches a person upon the street, sidewalk, public or private property in a menacing fashion or attitude of attack.

4. Any dog owned primarily to guard public or private property or any trained guard dog, with the exception of those owned by public law enforcement agencies (provided that any formally trained guard dog formerly owned by a law enforcement agency and sold or given to adoption shall be classified as dangerous).

Designations under Sections C1 through C-4 herein will be made by the County Animal Control Officer under the approval and authority of the Health Director.

Appeals from the designation made under Sections C-1 through C-4 herein as well as the results of determination hearing under Section 27.

D. The Health Director may order the owner to do one or more of the following things upon the completion of his/her determination:

1. The dog involved in an unprovoked attack causing fatal or severe injury to a person shall be humanely euthanized.

2. The dog involved in non-fatal or non-severe bites shall be impounded for 10 days for rabies observation in accordance with Rabies Control Law.

3. As to other dogs determined dangerous by definition or by hearing outlined above, the owner shall observe the following:

a) Meet all requirements for keeping any dog such as licensing, registration and rabies inoculation.

b) Keep dog permanently collared with specialized collar showing the words "DANGEROUS DOG". Collars must be purchased, along with signage which states "DANGEROUS DOG" and shall be sold as a unit.

c) Animal Control Officer will ensure periodically that signage and dog collar are prominently displayed.

d) Notify the animal control department of any change in status of the dangerous dog within 24 hours of hearing that it is loose or unconfined or has attacked another person or domestic animal, or has died.

e) While on the owner's property a dangerous dog must be securely confined indoors or in a securely enclosed and locked pen or kennel suitable to prevent the entry of young children and designed to prevent the animal from escaping. The pen or kennel may not share common fencing with an area or perimeter fence. The kennel or pen must have secure sides at least six feet in height; a secure top attached to all sides; the sides must be either buried two feet into the ground, sunken into a concrete pad, or securely attached to a wire bottom. The gate to the kennel must be locked. The enclosure must also provide protection from the elements for the dog and have a ground area of at least five (5) by 20 feet.

f) A dangerous dog may be off the owner's premises if it is muzzled to prevent it from biting and restrained by a substantial chain or leash not exceeding three (3) feet in length and under the control of a responsible adult. The muzzle must be made in a manner that will not cause injury to the dog or interfere with its vision or respiration.

g) The owner must allow officers of the animal control department to make whatever inquiries are deemed necessary to assure compliance with these provisions including inspection of the owner's premises where the dangerous dog is confined.

h) If the owner of the dog designated dangerous is unwilling or unable to comply with the above regulations for keeping such an animal then he/she must have the animal humanely euthanized by the animal control department or a licensed veterinarian after a 14 day holding period. All costs shall be borne by the owner. Any dog that has been designated as dangerous under this Ordinance may not be offered for sale or adoption.

i) The owner of a dangerous dog and if the owner is a minor, the parent or guardian shall be responsible for compliance with the specifications of this Ordinance for care, confinement, and restraint of the animal and shall also be liable for all injuries and property damage sustained by any person or domestic animal caused by an unprovoked attack by the dog. This includes all medical and health care costs.

SECTION 12 CONFISCATION OF ANIMALS

Any animal not kept in accordance with the requirement of this chapter, may be confiscated by the animal control officer and harbored at the owner's expense until the owner or keeper complies with the requirements of this chapter or all appeals are exhausted. In the event an owner or keeper appeals an action or determination of the Animal Control Program, any animal may be harbored by the Animal Control Program at the owner's expense, pending the outcome of the appeal process, if the owner or keeper fails or refuses to provide restraint as required by the Animal Control Program.

Any animal confiscated by Scotland County Animal Control shall be harbored, at the discretion of the Health Director and at the owner's or keeper's expense. Failure of the owner or keeper to pay the boarding costs or fees may result in the confiscated animal becoming the property of Scotland County Animal Control on the 15th day of non-payment. The disposition of the animal is up to Scotland County Animal Control.

SECTION 13 REQUIRED NOTIFICATION TO ANIMAL CONTROL PROGRAM BY OWNERS AND KEEPERS OF EXOTIC OR DANGEROUS ANIMALS OR DANGEROUS DOGS

The owner or keeper of an exotic or dangerous animal shall inform the Animal Control Program, as soon as practicable, but not later than 24 hours, after the occurrence of any of the following:

A. An assault, attack or biting upon any human being committed by such animal.

B. An attack of biting upon any domesticated animal or pet while said animal is off the owner's or keeper's property.

C. The destruction of or damage to property of another by such animal.

D. The roaming or escape of any animal required to be restrained or confined to a secure enclosure.

SECTION 14 DOGS OR ANIMALS USED FOR SENTRY OR GUARD DUTY

Any business owning, maintaining or harboring a dog or other animal for sentry or guard purposes must register said dog or animal with the Animal Control Program.

A sign warning that there is a guard or sentry dog or animal on the premises shall be displayed. Said sign shall be plainly visible and capable of being read from the public highway or street.

The provisions of this Section do not apply to animals being used by law enforcement agencies in the furtherance of their official duties.

SECTION 15 BARKING DOGS

It shall be unlawful for any dog owner to keep or have a dog that habitually or repeatedly barks in such a manner or to such an extent that it is a public nuisance.

SECTION 16 TEASING AND MOLESTING

It shall be unlawful for any person to tease, bait or in any way molest any animal.

SECTION 17 CONFINMENT OF FEMALE DOGS & CATS IN ESTRUS (HEAT)

Every female dog, while in estrus, shall be confined in a building or secure enclosure in such a manner that she will not be in contact with another dog, as the case may be, nor create a nuisance by attracting other animals, provided, this section shall not be construed to prohibit the intentional breeding of animals within an enclosed area on the premises of the owner of an animal being bred.

SECTION 18 REPORT AND CONFINEMENT OF ANIMALS BITING PERSONS OR SHOWING SYMPTOMS OF RABIES

A. Every dog or cat which has bitten any person or which shows symptoms of rabies shall be confined immediately and shall promptly be reported within 24 hours to the Animal Control Department, and there upon shall be securely quarantined, at the direction of the Animal Control Department, for a period of 10 days, and shall not be released from such quarantine except by written permission from the Animal Control Department.

B. Dogs and cats quarantined under this section shall be confined in a veterinary hospital, boarding kennel, or the county animal shelter, at the expense of the owner; provided, however, that if an Animal Control Officer determines that the owner of an animal which must be quarantined has adequate confinement facilities upon his own premises, the Animal Control Officer may authorize the animal be confined on the owner's premises provided the owner has a secure building with locks or a fenced-in area on his premises and the fenced-in area has no entrances or exits that are not locked, and the animal is currently vaccinated against rabies and has a license tag as required in this Ordinance. If the animal is confined on the owner's premises, an animal warden shall revisit the premises for inspection purposes at approximately the middle of the confinement period and again at the end of the confinement period. If the 10 day period expires on a holiday or weekend day the period shall be extended to the next regular workday.

SECTION 19 BOARDING KENNELS/DEALERS/BREEDERS

Under current law, boarding kennels that board, or train dogs (hunting dogs are exempt from the Act) is defined as those that regularly offer to the public the service of keeping or housing of animals for a fee. Kennels that do not offer boarding or training of hunting dogs to the general public on a regular basis, and for a fee, are exempt from the Act.

If a kennel boards and trains hunting dogs, it is exempt from regulation. Consequently, if the kennel regularly offers only boarding to the general public for a fee, it would be regulated (assuming it houses or contains five (5) or more dogs).

Boarding kennels operated by veterinarians would be exempt from the Article if the kennel is operated under the same federal taxpayer identification number as the hospital.

SECTION 20 FOSTER & RESCUE HOMES

Foster and Rescue Homes are exempt if they have 15 or fewer animals at any one time. If a home exceeds 15 animals over four (4) months old, then it would be subject to the same standards and rules that are applicable to a shelter. Animals born on the premises are not included in the total (i.e., a foster or rescue home has five (5) dogs, one of which is pregnant, and which subsequently has a litter of 12 puppies. The home would not be considered a shelter under those circumstances.) Although the foster or rescue home may have more than 10 animals, it is not required to meet the containment regulations applicable to a shelter. The home must keep various records; however, as the animals are "in commerce," (i.e., they are held for third parties or intended to be transferred to another entity.)

SECTION 21 ANNUAL REGISTRATION

All Boarding Kennels, Pet Shops, Foster & Rescue Homes and persons operating as dealers or breeders in Scotland County will be required to register annually for inspection by the Animal Control Officer. The cost of the inspection shall be no less than $50.00 per year.

SECTION 22 RECORD KEEPING AND LICENSING

Requirements of Records

Operators of all animal shelters, pet shops and dealers shall maintain records of all dogs and cats showing the following:

(1) Origin of animals (including names and addresses of consignors) and date animals were received;

(2) Description of animals including names and addresses of consignors) and date animals were received;

(3) Disposition of animals including name and address or person to whom animal is sold, traded or adopted; if euthanized, record will show date and type of euthanasia;

(4) Record of veterinary care including treatments and immunization;

(5) Maintain records on file for a period of one calendar year.

Boarding Kennels

Operators of boarding kennels shall maintain records of all dogs and cats showing the following:

(1) Name and address of owner or person responsible for animal, the date of entry and signature and address of individual to whom animal is released;

(2) Description of animal including breed, sex, age and color markings;

(3) Record of veterinary care including treatment and immunization(s);

(4) Records on file must be maintained for a period of one calendar year.

Records Made Available to the Director

All operators of animal shelters, pet shops, boarding kennels, foster and rescue homes, and persons operating as dealers will complete an annual registration and pay a permit fee and make all records available to the Animal Control Officer, Environmental Health Supervisor, Health Director or his/her authorized representative upon request.

SECTION 23 FACILITIES AND OPERATING STANDARDS FOR ANIMAL SHELTERS, PET SHOPS, DEALERS

General

A. Housing facilities for dogs and cats shall be structurally sound and maintained in good repair to protect the animals from injury, contain the animals and restrict the entrance of other animals and people.

B. Reliable and adequate electric power, if required, to comply with other provisions of these sections and adequate potable water shall be available.

C. Supplies of food and bedding shall be stored in facilities which adequately protect such supplies against infestation or contamination of vermin. Refrigeration shall be provided for supplies of perishable food.

D. Provision shall be made for the removal and disposal of animal and food waste, bedding and debris, to assure facility will be maintained in a clean and sanitary manner.

E. Facilities such as washroom, basin or sink shall be provided to maintain cleanliness among animal caretakers and animal food and water receptacles.

Indoor Facilities

A. Indoor housing facilities for dogs and cats shall be sufficiently heated when necessary to protect the dogs and cats from cold and provide for their health and comfort. The temperature shall not be allowed to fall below 50 degrees Fahrenheit for dogs and cats not acclimated to lower temperatures.

B. Indoor housing facilities for dogs and cats shall be adequately ventilated to provide for the health and comfort of the animals at all times. Such facilities shall be provided with fresh air either by means of windows, doors, vents or air conditioning and shall be ventilated so as to minimize drafts, odors and moisture condensation. Ventilation shall be provided when the temperature is 85 degrees Fahrenheit or higher.

C. Indoor housing facilities for dogs and cats shall have ample light by natural or artificial means or both, of good quality and well distributed. Such light shall provide uniformly distributed illumination of sufficient light intensity to permit routine inspection and cleaning during the entire working period. Primary enclosures shall be so placed as to protect dogs and cats from excessive illumination

D. Interior building surfaces of indoor facilities shall be constructed and maintained so that they are substantially moisture free, so that it may be readily sanitized.

E. A suitable method shall be provided to rapidly eliminate excess water from indoor housing facility. If closed drain systems are used, they shall be equipped with traps and installed to prevent odors and back-up of sewage.

Outdoor Facilities

A. When sunlight is likely to cause overheating and discomfort, sufficient shade shall be provided to allow all dogs and cats kept outdoors to protect themselves from the direct rays of the sun.

B. Dogs and cats kept outdoors shall be provided with access to shelter to allow them to remain dry and comfortable during inclement weather.

C. A suitable method shall be provided to rapidly eliminate excess water.

Primary Enclosures

A. Primary enclosures for dogs and cats shall be structurally sound and maintained in good repair and in a manner to prevent injury to animals and keep other animals out. Primary enclosures shall be constructed so as to provide sufficient space to allow each dog or cat to turn about freely and to easily stand, sit, lie in a comfortable, normal position.

B. In addition to Paragraph (A), each dog shall be provided a minimum square footage of floor space equal to the mathematical square of the sum of the length of the dog in inches, as measured from the tip of its nose to the base of its tail, plus six inches. The calculation shall be expressed in square feet. Not more than 12 adult dogs shall be housed in the same primary enclosure.

*(Length of dog in inches + 6) x (Length of dog in inches + 6) ÷ 144 = required floor space in square feet

* N. C. Animal Welfare Act – G. S.-19A - 24

C. In addition to Paragraph (A), each cat housed in any primary enclosure shall be provided a minimum of four square feet of floor space*. Not more than 12 adult cats shall be housed in the same primary enclosure.

* N. C. Animal Welfare Act – G. S. 19A – 24

D. In all enclosures having a solid floor, a receptacle containing sufficient clean litter shall be provided for excreta. Each primary enclosure shall be provided with a solid resting surface or surfaces adequate to comfortably hold all occupants of the primary enclosures at the same time. Such resting surface of surfaces shall be elevated in primary enclosures housing two or more cats.

Feeding

A. Dogs and cats shall be fed at least once each day except as otherwise might be required to provide adequate veterinary care. The food shall be free from contamination, wholesome, and of sufficient quantity and nutritive value to meet the normal daily requirements for the condition and size of the dog or cat. Puppies and kittens less than six (6) months of age shall be fed at least twice in each 24 hour period. An eight (8) hour interval between feedings is required if only two feedings are offered in a 24 hour period.

B. Food receptacles shall be accessible to all dogs or cats and shall be located so as to minimize contamination by excreta. Feeding pans shall be durable and shall be kept clean and sanitized. Disposable food receptacles may be used but must be discarded after each feeding. Self feeders may be used for the feeding of dry food and they shall be sanitized regularly to prevent molding, deterioration or caking of feed.

Watering

If fresh drinking water is not accessible to the dogs and cats at all times, fresh water shall be offered to such animals at least twice daily for periods of not less than one hour, except as might otherwise be required to provide adequate veterinary care. Watering receptacles shall be kept clean and sanitized.

Sanitation

A. Excreta shall be removed from primary enclosures as often as necessary to prevent contamination of the dogs or cats contained therein and to reduce disease hazards and odors. When a hosing or flushing method is used for cleaning a primary enclosure commonly known as a cage, any dog or cat contained therein shall be removed from such enclosure during the cleaning process, and adequate measures shall be taken to protect the animals in other such enclosures from being contaminated with water and other wastes.

B. Sanitation of primary enclosures shall be as follows:

(1) Prior to the introduction of dogs and cats into empty primary enclosures previously occupied, such enclosures shall be sanitized in the manner provided in (3) of this Paragraph.

(2) Primary enclosures for dogs and cats shall be sanitized often enough to prevent an accumulation of debris or excreta, or a disease hazard, provided, however, that such enclosures shall be sanitized at least once every two (2) weeks in the manner provided in (3) of this Paragraph.

(3) Cages, rooms and hard surfaced pens or runs shall be sanitized by:

(a) washing them with hot water (180 degrees Fahrenheit.) and soap or detergent as in a mechanical cage washer; or

(b) washing soiled surfaces with a detergent solution followed by or in conjunction with a safe and effective disinfectant, or

(c) cleaning all soiled surfaces with live steam.

C. Premises (buildings and grounds) shall be kept clean and in good repair in order to protect the animals from injury to facilitate the prescribed husbandry practices set forth in these Rules. Premises shall remain free of accumulations of trash.

D. An effective program for the control of insects, ectoparasites, and avian and mammalian pests shall be established and maintained.

E. No dog or cat shall be in a window display except during business hours and then only in compliance with standards set forth in 2 NCAC 52J.0200.

F. In addition, the North Carolina On- Site Wastewater Section, Department of Environmental Health and Natural Resources has determined, based on wastewater characteristics, that the industrial process wastewater generated by certain facilities is comparable to the wastewater generated by facilities which are considered to generate sewage, including restaurants, mean markets and beauty shops. These include dog kennels and/or veterinary clinics without x-ray facilities. (Article 11, Chapter 130A NCGS 15A NCAC 18A, 1900 et seq.)

Employees

A sufficient number of employees shall be utilized to maintain the prescribed level of husbandry practices set forth. Such practices shall be under the supervision of an animal caretaker who has a background in animal husbandry or care.

Classification and Separation

Animals housed in the same primary enclosure shall be maintained in compatible groups, with the following additional restrictions:

A. Females in season (estrus) shall not be housed in the same primary enclosure with males, except for breeding purposes.

B. Any dog or cat exhibiting a vicious disposition shall be housed individually in a primary enclosure.

C. Puppies or kittens less than six (6) months of age shall not be housed in the same primary enclosure with adult dogs or cats other than their mother, except when permanently maintained in breeding colonies.

D. Dogs shall not be housed in the same primary enclosure with cats, nor shall dogs or cats be housed in the same primary enclosure with any other species of animals.

E. Dogs or cats under quarantine or treatment for a communicable disease shall be separated from other dogs or cats and other susceptible species of animals in such a manner as to minimize dissemination.

Veterinary Care

A. Programs of disease control and prevention, euthanasia, and adequate veterinary care shall be established and maintained under the supervision and assistance of a licensed veterinarian.

B. Each dog and cat shall be observed daily by the animal caretaker in charge, or by someone under his direct supervision. Sick or diseased, injured, lame, or blind dogs or cats shall be provide with veterinary care or humanely disposed of unless such action is inconsistent with the research purposes for which such animal or humanely disposed of unless such action is inconsistent with the research purposes for which such animal was obtained and is being held, provided, however, that the provision shall not effect compliance with any state or local law requiring the holding, for a specified period, of animals suspected of being diseased. Obviously sick, diseased, or deformed animals will not be offered for sale or adoption.

SECTION 24 FIREARMS

A. Animal Control Officer(s) is authorized to carry such firearms as may be deemed necessary to perform the duties required by the provisions of this Ordinance and policies established by the Director of the Scotland County Health Department.

B. Animal Control Officer(s) shall exercise due caution and prudence in the use and discharge of firearms within the county limits by Animal Control Officers to capture or destroy an animal only after all other reasonable means have been exhausted. Animal Control Officer(s) shall not discharge firearms in the direction of dwellings, people, livestock, highways, street, or thoroughfares.

C. Each Animal Control Officer assigned to the Scotland County Health Department shall complete a firearms qualifications course as soon as practical after appointment and annually thereafter. The senior animal control officer assigned to the Animal Control department shall be responsible for maintaining liaison with the Scotland County Sheriff's Department in arranging for this training. A passing score of 70 shall be required for each Animal Control Officer. A copy of evidence of satisfactory completion of this course shall be placed in each Animal Control Officer's personnel file. Cost of the course including tuition, supplies, travel and lodging will be paid by the county.

SECTION 25 EUTHANASIA, CHEMICAL IMMOBILZATION, PEPPER SPRAY AND BITE STICK

A. Animal Control Officer(s) is authorized to carry items used for Euthanasia, chemical immobilization, pepper spray and bite stick.

B. Animal Control Officer(s) will attain the proper certification required to administer these forms of restraint and will take updated training as required.

C. Animal Control Officer(s) shall exercise due caution and prudence in the use of the items and only be used within the county limits. These items may be used by the Animal Control Officer(s) to capture or destroy an animal only after all other reasonable means have been exhausted.

SECTION 26 DAMAGE, DESTRUCTION, AND/OR THEFT OF COUNTY ANIMAL CONTROL PROPERTY

A. It shall be unlawful for any person to damage, destroy, or pilfer property belonging to the Scotland County Animal Control Department. Violators will be given notice in writing of the cost of replacement or repair of the damaged, destroyed, or stolen property. Violators shall reimburse Scotland County for the cost of replacement or repair of the damaged, destroyed or stolen property. A person may appeal the notice by procedure given in Section 26 C. After the period of 30 days without a petition of appeal, other action may follow by Scotland County Animal Control.

B. The County Animal Control Officer may upon the request of a responsible adult, place and set an animal trap upon property located within the county which is owned or controlled by the individuals making the request, if the trap is available and is deemed to be an appropriate measure by the Animal Control Officer(s). The persons requesting the animal trip will be required to sign a written agreement authorizing the Animal Control Department personnel to enter the property at all reasonable hours for the purpose of placing and setting the trap; retrieving trapped animals from the trap; and removing the trap from the property. The person requesting the animal trip will be responsible for damage to or loss of the trap. No animal trap will be placed upon property located within the county without the written consent of the owner or person in control of the property.

C. A citizen may petition the Scotland County Health Department for a hearing to determine the circumstances regarding the exemption of payment for the loss or damage of animal traps. The Board of Health may determine the extent of non-intentional loss, destruction or damage to traps, including any lack of negligence. The Board may relieve the citizen of any financial responsibility. The burden of proof however, will be upon the citizen to show that the loss was not the result of negligence or intentional loss, damage or destruction. Any person assessed a monetary obligation regarding the loss of a trap must provide the required monetary restitution within 30 days of the written demand by the Scotland County Animal Control Department.

D. The county Animal Control Officer(s) shall not place or set traps for normally feral animals.

SECTION 27 APPEAL PROCEDURE

Any person appealing reference Potentially Dangerous or Dangerous Dog must file a written objection within three (3) days to the Health Director. The Health Director shall schedule a hearing within 10 days of the filing of the objections. Any appeal from the Health Director shall be filed in writing within three (3) days to an Appellate Board. The Appellate Board shall schedule a hearing within 10 days of the filing of the objection. Any appeal of the final decision of the Appellate board shall be taken to the Superior Court by filing notice of the appeal and a petition for review within 10 days of the final decision of the Appellate Board as given in NCGS 67-4.1 (C).

SECTION 28 INTERFERENCE WITH ENFORCEMENT OF ORDINANCE

It shall be unlawful for any person to interfere with, hinder or molest the Animal Control Program agents or officers or veterinarians in the performance of any duty authorized by this chapter, or to seek to release an animal in the custody of such agents, except as otherwise specifically provided.

SECTION 29 EXEMPTIONS

This chapter shall not apply to the lawful taking of animals under the jurisdiction and regulation of the Wildlife Resources Commission, lawful activities of agencies conducting or sponsoring biomedical research or training, law activities for sport, the production of livestock or poultry, or the lawful destruction any animal for the purpose of protecting livestock, poultry or humans.

SECTION 30 IMPOSITION OF PENALTIES FOR VIOLATIONS OF ORDINANCE

A. Except as otherwise provided, any person who violates any provision of this Ordinance, shall be fined criminal penalty up to $100.00. If the violation is continued, each day's violation shall constitute a separate offense. Payment of said penalties shall be made within 10 days.

B. If any exotic animal shall attack, assault, wound, bite or otherwise injure or kill a human being, the owner or keeper shall pay up to a $500.00 fine, and after a 10 day waiting period, exclusive of Sundays and holidays, said exotic animal shall be destroyed by the Animal Control Program.

C. If any exotic animal shall kill or wound or assist in killing or wounding any domestic animal or pet, or damage property, the owner or keeper of said exotic or dangerous animal shall pay up to a $500.00 fine, and after a 10 day waiting period, exclusive of Sundays and holidays, said exotic animal may be destroyed by the Animal Control Program.

D. If any dangerous animal or dangerous dog shall, when unprovoked, attack, assault, wound, bite or otherwise injure or kill a human being, the owner or keeper shall pay up to a $500.00 fine and, after 10 day waiting period, exclusive of Sundays and holidays, said dog shall be destroyed by the Animal Control Program.

E. If any dangerous animal or dangerous dog shall, when unprovoked, kill, wound or worry or assist in killing or wounding any domestic animal or pet, the owner or keeper of said dog shall pay up to a $250.00 criminal penalty and the Animal Control Department is empowered to confiscate, and after the expiration of a 10 day waiting period, exclusive of

Sundays and holidays, may destroy said dangerous dog or animal. For each subsequent violation the owner or keeper of said dog or animal shall pay a fine of up to $500.00.

F. Violation of any provision of this Ordinance shall be a misdemeanor and any person convicted of such violation shall be punishable as provided in G. S. 14.4. Each day's violation of this section is a separate offense. Payment of a fine imposed in criminal proceeds pursuant to this subsection does not relieve a person of this liability for taxes of civil penalties or fees imposed under this Ordinance.

SECTION 31 NOTICE OF REPEAL

This act supersedes all previous acts not in accord herewith. It shall become effective upon ratification after being Legally Noticed and considered for adoption.

SECTION 32 SEVERABILITY

If any part of this Ordinance is held void, it shall be deemed severable and the validity thereof shall not affect the remaining parts of this Ordinance.

SECTION 33 EFFECTIVE DATE

This Ordinance was read and passed by the Scotland County Board of Health on _____and recommended to the Scotland County Board of Commissioners for approval.

Amended/read/approved.

The Scotland County Board of Commissioners approved this Ordinance on _____ with the Ordinance taking full effect on _____.

_____	_____
Bob Davis, Chair Date	Guy McCook, Chair Date
Scotland County Board of Health	Scotland County Board of Commissioners
_____	_____
Edward H. Johnston Date	Ann W. Kurtzman Date
County Attorney	Clerk to the Board of Commissioners

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. _3_
__X__ Information
_____ Action Item
_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Liaison Committee update
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	Commissioners Bob Davis, Whit Gibson and Carol McCall
PURPOSE:	Update the Commissioners on the Memorandums of Agreement crafted by the County Attorney and the School Board Attorney
ATTACHMENTS:	Draft minutes from March 17, 2015 Memorandums of Agreement
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Receive report

Liaison Committee Meeting
March 17, 2015

Attendees: Mr. Whit Gibson, Mrs. Carol McCall, Mr. Bob Davis
Mrs. Pat Gates, Rev. B.J. Gibson, Mr. Jamie Sutherland
Ms. Nancy Baker

Welcome and Invocation
Mr. Sutherland welcomed everyone and gave the invocation.

Continued Funding Discussion:
The minutes of the January 20, 2015, and February 10, 2015, meetings were approved as presented.

It was the consensus of those present to request attorneys for the Scotland County Schools and the County Commissioners' attorney, Mr. Nick Sojka and Mr. Ed Johnston, respectively, to draft a document to include language for the concept of moving forward with a 2.25 % reduction bring school funding to $10,583,014 for FY 2016-2017 and $10,344,897 for FY 2017-2018 and there is a belief of effort by both boards during these stressful economic times to have the best education for all children in Scotland County.

Discussion was held regarding the allotment of $300,000 for capital funding past the two years designated by the mediation. It was suggested that the proposal be taken to the County Commissioners' April meeting then report back to SCS. It was also suggested to meet in approximately 18 months as a group between the two boards to review the needs of SCS.

Mr. Sutherland shared the scenario proposals that have been presented at the public input session that have occurred throughout the county stating that to sustain the current number of buildings is not realistic due to the funding that is continuously lost.

Ms. McCall and Mr. W. Gibson stated that if SCS can demonstrate that a payment/mortgage can be made without having a bond referendum and an increase in taxes then it may be possible for the County Commissions to support this endeavor. If SCS cannot demonstrate that, the default comes back to the County.

Based on conversation, the next meeting will be held April 21, 2015, 5:00 p.m. at Covington Street.

Mr. Sojka and Mr. Johnston will be asked to have the draft document completed by April 14 for review before the April 21st meeting.

With no further business, the meeting adjourned at 6:04 p.m.

DRAFT

STATE OF NORTH CAROLINA

COUNTY OF SCOTLAND

DISPUTE RESOLUTION - G.S. 115C-431
2014-M-68

SCOTLAND COUNTY BOARD OF EDUCATION, Petitioner under G.S. 115C-431, and SCOTLAND COUNTY BOARD OF COMMISSIONERS, Respondent under G.S. 115C-431.	)))))))))))	SUPPLEMENTAL BUDGET AGREEMENT BETWEEN THE SCOTLAND COUNTY BOARD OF EDUCATION AND SCOTLAND COUNTY BOARD OF COMMISSIONERS

The Scotland County Board of Education ("Board of Education"), having initiated dispute resolution pursuant to G.S. 115C-431, and all procedural and jurisdictional requirements for the same having been met, and the Board of Education and the Scotland County Board of Commissioners ("Commissioners") having met in the joint meeting of both boards required under G.S. 115C-431(a) on June 26, 2014, and the Board of Education and the Commissioners having reached a Mediated Budget Agreement which was duly approved by both boards, executed, and filed with the Scotland County Clerk of Superior Court on July 29, 2014; and that pursuant to the terms of the said Mediated Budget Agreement the boards have engaged in monthly liaison committee meetings with the purpose of establishing agreed-upon local current expense funding and capital expenditures for fiscal years subsequent to those governed by the Mediated Budget Agreement, which remains in full force and effect, and is neither repealed nor modified by the agreement set forth below, but rather, merely supplemented; and the boards' liaison committees having reached the agreement set forth below, and both boards having duly approved the agreement set forth below, at properly noticed open meetings, with quorums present, and all other procedural formalities and requirements having been observed.

Accordingly, the Board of Education and the Commissioners recite and confirm their Supplemental Budget Agreement as follows, the same being supported by adequate consideration, including without limitation the mutual promises and obligations contained herein:

1. Pursuant to G.S. 115C-431 and § 9.3 of Session Law 2002-66, the Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2016-2017 the amount of $10,583,013.00 in local current expense funding for the Board of Education.

2. Pursuant to G.S. 115C-431 and § 9.3 of Session Law 2002-66, the Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2017-2018 the amount of $10,344,895.00 in local current expense funding for the Board of Education.

3. Pursuant to G.S. 115C-431, the Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2016-2017 for the use and benefit of the Board of Education the amount of $300,000.00 for capital expenditures, exclusive of fines and forfeitures, lottery proceeds, other flow through amounts, and debt service.

4. Pursuant to G.S. 115C-431, the Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2017-2018 for the use and benefit of the Board of Education the amount of $300,000.00 for capital expenditures, exclusive of fines and forfeitures, lottery proceeds, other flow through amounts, and debt service.

5. Both the Board of Education and the Commissioners acknowledge and agree that this Supplemental Budget Agreement shall be enforceable in the General Court of Justice, Superior Court Division, utilizing the Superior Court's powers of contempt, and both the Board of Education and the Commissioners consent and agree that an action to enforce this Supplemental Budget Agreement may be properly filed in the Superior Court of Scotland County, both parties agreeing to accept service of same and to consent to subject matter and in personam jurisdiction of same.

6. The term of this Supplemental Budget Agreement shall run from the date last appearing in the signature blocks below through and including June 30, 2018. During the term of this Supplemental Budget Agreement, the parties hereto agree that neither party shall seek, approve, or endorse any legislative action regarding Chapter 707 of the 1963 Session Laws, as amended by S. L. 1973, Chapter 306, S. L. 2002-66, and S. L. 2004-203, Sections 63 (a) and (b) (collectively, the "School Floor Law").

7. The liaison committees established pursuant to Paragraph 5 of the Mediated Budget Agreement shall be reconstituted at an appropriate time and shall resume monthly liaison committee meetings no later than January, 2017, with the objective of reaching a subsequent Budget Agreement between the parties hereto, to take effect upon the conclusion of the term of this Supplemental Budget Agreement.

8. The Board of Education and the Commissioners, by and through the signatures of their authorized representatives as set forth below, agree and acknowledge that this document reflects their Supplemental Budget Agreement as agreed to by both boards.

SCOTLAND COUNTY BOARD OF COMMISSIONERS

By: _____
Guy McCook, Chairman

Date: _____

SCOTLAND COUNTY BOARD OF EDUCATION

By: _____
Jeff Byrd, Chairman

Date: _____

Pre-Audit Certification: This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act

By: _____
Finance Officer, Scotland County, North Carolina

Date: _____

By: _____
Guy McCook, Chairman, Scotland County Board of Commissioners

Date: _____

Pre-Audit Certification: This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

By: _____
Jay Toland, Finance Officer, Scotland County Board of Education

Date: _____

By: _____
Jeff Byrd, Chairman, Scotland County Board of Education

Date: _____

JOINT AGREEMENT FOR THE FUNDING OF THE SCOTLAND COUNTY SCHOOL SYSTEM
BETWEEN THE SCOTLAND COUNTY
BOARD OF EDUCATION AND
SCOTLAND COUNTY BOARD OF COMMISSIONERS

The Scotland County Board of Education ("Board of Education"), having initiated dispute resolution pursuant to G.S. 115C-431, and all procedural and jurisdictional requirements for the same having been met, and the Board of Education and the Scotland County Board of Commissioners ("Board of County Commissioners") having met in the joint meeting of both boards required under G.S. 115C-431(a) on June 26, 2014, and the Board of Education and the Commissioners having reached a Mediated Budget Agreement which was duly approved by both boards, executed, and filed with the Scotland County Clerk of Superior Court on July 29, 2014; and that pursuant to the terms of the said Mediated Budget Agreement the boards have engaged in monthly liaison committee meetings with the purpose of establishing agreed upon local current expense funding and capital expenditures for fiscal years subsequent to those governed by the Mediated Budget Agreement, which remains in full force and effect, and is neither repealed nor modified by the agreement set forth below, but rather, merely supplemented; and the boards' liaison committees having reached the agreement set forth below, and both boards having duly approved the agreement set forth below, at properly noticed open meetings, with quorums present, and all other procedural formalities and requirements having been observed.

Accordingly, the Board of Education and the Board of County Commissioners recite and confirm their Joint Agreement for the Funding of the Scotland County School System as follows, the same being supported by adequate consideration, including without limitation the mutual promises and obligations contained herein:

1. Pursuant to G.S. 115C-431 and § 9.3 of Session Law 2002-66, the Board of County Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2015-2016 the amount of $10,826,612.00 in local current expense funding for the Board of Education and the amount of $300,000.00 for capital expenditures, exclusive of fines and forfeitures, lottery proceeds, other flow through amounts, and debt service.

2. Pursuant to G.S. 115C-431 and § 9.3 of Session Law 2002-66, in mediation the Board of County Commissioners agreed to appropriate and include in their budget ordinance for Fiscal Year 2016-2017 the amount of $10,583,013.00 in local current expense funding for the Board of Education and the amount of $300,000.00 for capital expenditures, exclusive of fines and forfeitures, lottery proceeds, other flow through amounts, and debt service.

3. Pursuant to G.S. 115C-431 and §9.3 of Session Law 2002-66, the Board of County Commissioners agree to appropriate and include in their budget ordinance for Fiscal Year 2017-2018 the amount of $10,344,895.00 in local current expense funding for the Board of Education and the amount of $300,000.00 for capital expenditures, exclusive of fines and forfeitures, lottery proceeds, other flow through amounts, and debt service.

4. Both the Board of Education and the Board of County Commissioners acknowledge and agree that this Joint Agreement for the Funding of the Scotland County School System shall be enforceable in the General Court of Justice, Superior Court Division, utilizing the Superior Court's powers of contempt, and both the Board of Education and the Commissioners consent and agree that an action to enforce this

Joint Agreement for the Funding of the Scotland County School System may be properly filed in the Superior Court of Scotland County, both parties agreeing to accept service of same and to consent to subject matter and in personam jurisdiction of same.

5. The term of this Joint Agreement for the Funding of the Scotland County School System shall run from the date last appearing in the signature blocks below through and including June 30, 2018.

6. The respective liaison committees shall continue to meet together on a regular basis, at least quarterly, with meetings to commence 90 days from the date of signatures, with the objective of reaching a long term funding policy for the Scotland County School System to take effect upon the conclusion of the term of this Joint Agreement.

7. The Board of Education and the Board of County Commissioners, by and through the signatures of their authorized representatives as set forth below, agree and acknowledge that this document reflects their Joint Agreement for the Funding of the Scotland County School System as agreed to by both boards.

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

By: _____
Beth Hobbs, Finance Officer, Scotland County, North Carolina

Date: _____

By: _____
Guy McCook, Chairman, Scotland County Board of Commissioners

Date: _____

Pre-Audit Certification: This instrument has been pre-audited in the manner required by the School Budget and Fiscal Control Act.

By: _____
Jay Toland, Finance Officer, Scotland County Board of Education

Date: _____

By: _____
Jeff Byrd, Chairman, Scotland County Board of Education

Date: _____

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 4

_____ Information

_____ Action Item

Meeting Date June 1, 2015

X Consent Agenda

SUBJECT: Consent Agenda

a) Approve minutes of the May 4, 2015, regular meeting and May 20, 2015, May 22, 2015 and May 26, 2015 reconvened meetings.

b) Approve one year contract for audit services conducted by Gustaf C. Lundin & Company, LLP, for the period beginning July 1, 2014 and ending June 30, 2015.

c) Approve Home and Community Care Block Grant for Older Adults for FY 2015-2016 in the amount of $365,629, which requires a 10 percent County match in the amount of $36,563.

d) Approve Health Department additional fees for Child Health Care services.

e) Budget amendments

- **a)** Health: Approve receipt of funds in the amount of $2,415 for Environmental Health Temporary Food and Lodging, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.
- **b)** SCEDC: Authorize the Finance Officer to transfer $350,000 from Fund Balance to the Scotland County Economic Development Corporation for an interest in a potential industrial site.
- **c)** Drug Fund: Approve receipt of federal asset forfeiture funds in the amount of $10,164, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.
- **d)** EMS: Approve receipt of Department of Public Safety funds in the amount of $1,104.04, and authorize the Finance Officer to make the necessary arrangements to receive and expend the monies. No County dollars.

DEPARTMENT: Administration/Multiple

RECOMMENDATIONS: Receive recommendations and consider action

Scotland County Board of Commissioners regular meeting
May 4, 2015, Emergency Operations Center, 1403 West Boulevard, Laurinburg, NC

Commissioners in attendance: Chairman Guy McCook, Vice Chair Carol McCall and Commissioner Bob Davis, Betty Blue Gholston, Whit Gibson and Clarence McPhatter. Commissioners not in attendance: Commissioner John Alford *(excused)*. Staff in attendance: County Manager Kevin Patterson, County Attorney Ed Johnston, Finance Officer Beth Hobbs and Clerk to the Board Ann Kurtzman.

At 7 p.m. Chairman McCook called the meeting to order. Commissioner Gibson offered the invocation. The Pledge of Allegiance was recited.

Motion was made by Commissioner Davis and duly seconded by Vice Chair McCall to approve the May 4, 2015 agenda as presented. Vote: Motion unanimously approved.

Public Forum

Ms. Lee Anne Venable, Partners in Ministry, discussed the mission, ministry and service of the agency. Ms. Venable requested the Commissioners consider providing the agency $5,000 to help purchase sports equipment for after school and summer youth programs. Ms. Venable discussed the number of children who would be served and the program schedule.

Reverend Tim Hunt, Fresh Manna Baptist Church, spoke of the church request to purchase Scotland Cemetery. Reverend Hunt said he believes the church would make the cemetery a beautiful place for everyone. He asked the Commissioners for consideration of the request to purchase the cemetery.

Public Hearing continued: Conditional Use Application 481-15 – Shoe Creek Solar, LLC

Chairman McCook reopened the public hearing and asked if anyone wished to present testimony on the application. Mr. Phil Nyborg, having been sworn in, testified on behalf of Shoe Creek Solar. Mr. Nyborg reiterated the principle benefits in the tax base for 30 years of the life of the solar array. He said the solar array emits no pollution. Mr. Nyborg addressed its proximity to the airport and submitted information on federal policy along with specific information on how an array might relate to the airport. Mr. Nyborg said the federal policy encourages off airport arrays to conform to on-airport policy. Mr. Nyborg said Shoe Creek engineers ran a solar glare analysis that states there is no hazard at LMA. It analyzed every runway approach from two miles out and observation for a single point at the airport. No one else provided testimony, and Chairman McCook closed the public hearing.

Motion was made by Commissioner Gibson and duly seconded by Commissioner Gholston to approve conditional use application 481-15 as requested. Vote: In Favor: Chairman McCook, Vice Chair McCall and Commissioners Gholston, Gibson and McPhatter. Vote: Against: Commissioner Davis. Motion approved.

Scotland County Schools redistricting scenarios

School Public Information Officer Meredith Bounds and Chief Financial Officer Jay Toland presented a brief recap on school consolidation and possible closure of some schools. There were nine public input sessions where attendees received information, asked questions and made comments. Ms. Bounds discussed some of the scenarios and summarized the school capacity study. Ms. Bounds said if there was no interest in the buildings set to close they would be demolished so there would be no empty buildings.

She said corner stops will be implemented in the next school year whether the schools consolidate or not. Ms. Bounds discussed most of the frequently asked questions.

Commissioner Gholston asked why the School Board could not just redistrict rather than build new schools. Mr. Toland discussed the expense of renovating older schools compared to building new schools. Mr. Toland said there is a scenario where the School Board would not ask the Commissioners for funds. Commissioner Gibson and Vice Chair McCall suggested the Board of Education consider redistricting as opposed to combining whole schools.

Detention Center inspection and response

Sheriff Ralph Kersey reported on the February inspection of the Detention Center conducted by the State. Sheriff Kersey said listed were the same items that were problems over the last several years. He said the six cells have a problem accessing hot water. Lowest cost for material to make the hot water work is $14,116.66 from McKenzie Supply. Sheriff Kersey said another issue is no two-way voice communication or direct observation within confinement units. He said visual observation would be corrected with the installation of 40 plus digital cameras, some of which would be funded by a $25,000 federal grant of the $40,361 total project price. Sheriff Kersey said he could see no way to implement communication in every cell but installation of the camera system would be a help. Sheriff Kersey said the final item where the shower had broken ceramic tile and the drain did not work would cost $4,055 to fix.

Consent Agenda:

a) Approve minutes of the April 6, 2015, regular meeting and the April 22, 2015 special meeting.

b) Approve EMS Week Proclamation for Scotland County.

c) Budget amendments

1) **<u>Sheriff:</u> Approve receipt of $46,000, and authorize the Finance Officer to receive and expend the monies. No County dollars**
2) **<u>DSS:</u> Approve receipt of additional funding in the amount of $44,847 for Child Daycare, and authorize the Finance Officer to receive and expend the monies. No County dollars**
3) **<u>Health:</u> Approve receipt of State grant in the amount of $2,915.31 for the Diabetes Education Program, and authorize the Finance Officer to receive and expend the monies. No County dollars.**

<u>Motion was made</u> by Vice Chair McCall and <u>duly seconded</u> by Commissioner Gibson to approve the Consent Agenda. <u>Vote:</u> Motion unanimously approved.

Policy Committee

Vice Chair McCall said the Vehicle Use Policy and Acknowledgement Form would apply to all employees with the exception of law enforcement. It was reviewed by the Policy Committee and is similar to policies being used in other counties.

<u>Motion was made</u> by Vice Chair McCall and <u>duly seconded</u> by Commissioner Gibson to approve the Vehicle Use Policy and Acknowledgement Form. <u>Vote:</u> Motion unanimously approved.

Vice Chair McCall said the Policy Committee also reviewed amendments to the benefits for retirees. Vice Chair McCall said there are instances where a former employee retires and wishes to be rehired. The

amendments address their status for health insurance. Health benefits would resume under the same qualifications as before the re-hire.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gibson to approve amendments to the benefits for retirees policy. Vote: Motion unanimously approved.

Appointments to Boards and Committees

The Commissioners tabled an appointment to the Southeastern Economic Development Commission private sector until it was determined if the person who currently serves is interested in reappointment.

FY 2015-2016 proposal for availability fees

County Manager Patterson discussed the primary goals to get back the landfill to a positive net asset and to accumulate enough cash on hand equal to closure and post-closure within 20 years. Mr. Patterson explained a two-tier fee system, which would include $55 for all improved properties that had a structure and an electric meter base that functions. There would be an additional availability fee of $30 per address if there is not a solid waste contract for those who do not live within a municipality. Mr. Patterson explained the $30 would pay the additional charges the hauler would pay at the gate.

Fees would be waived at convenience sites for anybody who lives in the County with a Scotland County driver's license or other form of ID. Government buildings would be exempt from the fees. Those with Homestead Exemption would receive a 50 percent reduction on the total amount. Non-profits would be charged the fee. Mr. Patterson said the fees are not a tax. They pay for handling the waste generated. Mr. Patterson said the County hopes to reach out to local waste companies for customer lists so modifications can be made. Mr. Patterson said the fees would be printed on the property tax bill. The $30 would be removed with proof of contract with a private hauler. The County Manager said the fees would generate about $700,000 annually and $2.9 million for closure and post closure costs for the landfill within 20 years.

The County Manager said he expects the LGC to write up the County for at least a decade even though the County will begin to demonstrate positive cash flow and income and reduce the negative net assets. The LGC will acknowledge the progress.

Chairman McCook asked for a simpler plan with a nod to fairness since the proposed plan seems like extra work for staff to keep up with it. Commissioner McPhatter said the flip side would be more people would come to the Tax Department to get the fee reduced by $30 if they use a private hauler.

Vice Chair McCall and Commissioner Gibson said the Policy Committee would like to implement the fee in the next fiscal year so as not to incur more debt for closure and post closure costs. It is a strategy that can be implemented although burdensome, Vice Chair McCall said. Tax Assessor Mary Helen Norton said many counties do something similar to the plan proposed. Mr. Patterson said it would take some time to program into the tax bills and the simpler the method the easier it will be to program and get the bills out. Mr. Patterson suggested if the structure could be set this month the processing would not be as complicated. He asked the Commissioners to consider action at the budget retreat. Commissioner Davis said Richmond County has a fine structure for littering by nonresidents, and that should be built in the structure.

Update from the County Manager

The Commissioners agreed to meet for budget work sessions at the SBIC 8 a.m. May 20 and May 22. Time is not yet determined for a third budget work session June 1.

Mr. Patterson said he met with Mr. James McDougald and Reverend Hunt to review financials at Fresh Manna Baptist Church from 2011 through the last completed quarter and there are financial concerns any small church might have. Mr. McDougald would be primary manager of the cemetery, which would be run as a distinct unit so the church would not specifically support it. Mr. McDougald is working on marketing plans and strategies on how to operate the cemetery. Mr. Patterson said it would be a significant undertaking, and there would be a risk for anyone owning the facility. Mr. Patterson recommended the Commissioners accept the offer from Fresh Manna Baptist Church to purchase Scotland Cemetery in the amount of $25,000, and that would begin the upset bid process. Mr. Patterson said the County would take title to the property immediately before transferring it back to the church. Mr. Patterson said the $25,000 would cover the taxes but not interest and penalties. It would transfer without property tax liability to the church.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gholston to accept the $25,000 offer from Fresh Manna Baptists Church to purchase Scotland Cemetery subject to compliance regarding the sale of the property to any other entity. Vote: Motion unanimously approved.

Mr. Patterson said the fire tax would be used to purchase one pumper for Stewartsville Fire Department, the purchase of which was reviewed and endorsed by Fire Commission. $250,000 would cover cost of the truck and equipment.

Motion was made by Commissioner Davis and duly seconded by Commissioner Gibson to authorize the purchase of a pumper tanker through the HGACBuy program for $25,000. Vote: Motion unanimously approved.

Motion was made by Commissioner Gibson and duly seconded by Vice Chair McCall to recess to 8 a.m. Wednesday, May 20 at the SBIC. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman

Scotland County Board of Commissioners reconvened meeting/budget work session
May 20, 2015, Small Business Innovation Center, Laurinburg, NC

Commissioners in attendance: Chairman Guy McCook, Vice Chair Carol McCall and Commissioners John Alford, Bob Davis, Betty Blue Gholston and Whit Gibson. Commissioners not in attendance: Commissioner Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, Finance Officer Beth Hobbs, County Attorney Ed Johnston and Clerk to the Board Ann Kurtzman.

At 8 a.m. Chairman McCook reconvened the meeting.

Closed Session

Motion was made by Commissioner Gibson and duly seconded by Vice Chair McCall to go into closed session in accordance with N.C.G.S. 143-318.11(a)(3) to Consult with the Attorney. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Resolution requesting revenue sharing or payment in lieu of taxes on lands purchased by the State for conservancy purposes

County Manager Patterson said 20 percent of County land is in game lands or the Nature Conservancy with no revenue coming back to the County. Mr. Patterson said the tax base dwindles as the Nature Conservancy continues to buy property for the State, which does not share any revenue.

Mr. Patterson said the resolution asks for payment in lieu of taxes when the State purchases land and puts it in game lands. Mr. Patterson said a PILT could be for a number of years. Commissioner Davis suggested the County attempt to reintroduce a local bill in addition to the resolution. Commissioner Davis said Scotland County is not the only county in this boat. Mr. Patterson said the County discussed the issue with Senator Tom McInnis, who recommended the County adopt a resolution.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Alford to approve Resolution requesting revenue sharing or payment in lieu of taxes on lands purchased by the State for conservancy purposes and share the resolution with other counties and the NCACC. Vote: Motion unanimously approved.

Resolution requesting revenue sharing or payment in lieu of taxes
on lands purchased by the State for conservancy purposes

WHEREAS more than 21,000 acres in Scotland County, an estimated 20 percent of all Scotland County acreage, are not subject to property taxes due to ownership by the State, with the largest portion of these lands in wildlife or game lands; and

WHEREAS, the State continues to buy land generally using Sustainable Sandhills or the Nature Conservancy, which forces the tax burden onto a smaller population; and

WHEREAS, it is admirable that the property would be incorporated into the Sandhills Game Land to protect water quality, wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen; and

WHEREAS, Scotland County historically has the highest tax rate in the State and regularly ranks high in unemployment, the acquisition of additional land effectively diminishes the tax base *in perpetuity* and presents Scotland County with continued, exceptional budgetary challenges in providing its current and future citizens with an affordable, desirable community in which to live.

NOW, THEREFORE, BE IT RESOLVED that the Scotland County Board of Commissioners asks the State to consider revenue sharing or a payment in lieu of taxes for new lands purchased, which would provide some relief.

Approved this 20th day of May, 2015.

Presentation of the Scotland County Schools 15-16 local operating budget

Superintendent Ron Hargrave shared events the schools celebrated over the previous year. He provided an update on academic achievements and school recognitions.

Chief Finance Officer Jay Toland said ADM continues to drop. Nearly 800 children have left the school system since 2002. Mr. Toland presented a fund balance analysis, which included two years of reimbursements from the federal government with restricted and unrestricted funds combined. Mr. Toland also presented the fund balance analysis for capital outlay and a personnel recap. Mr. Toland said capital outlay for this year includes some budget amendments.

(Commissioner Alford was excused at 8:55 a.m.)

Mr. Toland provided a current expense 14-15 recap, the majority of which was spent on classroom teachers. Mr. Toland said of the total budget, 22 percent is local, 10 percent is federal and 68 percent is State. He said fines and forfeitures at $146,000, although not final, are way below what was forecast. Mr. Toland said for 2015-2016 there is a projected increases to employee matching benefits and unfunded mandates such as driver's education. He said textbooks are not funded but the school system tries to supply them.

Mr. Toland said while federal funding remains flat at 12.5 percent, the exceptional child (EC) population continues to grow to 17 percent, which means the school system provides about $1 million to support the EC program. Dr. Hargrave said there are more children coming to school with mental health issues, yet the State does not provide funding for that. Dr. Hargrave said he anticipates hiring three clinically certified mental health workers for the school system even though trends indicate three will not be enough.

The operating budget for 2015-2016 includes no cuts to instructional services. Mr. Toland discussed salary increases for teachers and all other school staff now being considered in Raleigh. Mr. Toland said driver's education will be funded 100 percent out of the local budget at $113,000. Mr. Toland discussed what positions the local budget would employ and supplements provided by the local budget. Mr. Toland also discussed where there were funding reductions.

The schools allocated $511,000 from fund balance to balance the budget. There were increases in non-instructional support and a $158,000 increase to instructional support as State funding continues to contract. Mr. Toland said as a result some instructional support has been shifted to local.

Mr. Toland said the capital outlay budget includes $175,000 in fines and forfeitures while the education lottery was reduced to $400,000 based on projections. Mr. Toland said capital was used for a laundry

facility, which would be reflected in a budget amendment at the June meeting. Mr. Toland said the schools used Medicaid overflow funds for the laundry since the facility is EC related.

Juvenile Crime Prevention Council 2015-2016 allocation and appointments

Mr. Patterson said the JCPC application is $152,332 for 2015-2016 with a 10 percent match provided by Scots for Youth. Mr. Patterson said the funds are pass-through.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gholston to approve $152,332 in pass-through funds for Juvenile Prevention Council in 2015-2016. Vote: Motion unanimously approved.

Motion was made by Commissioner Gibson and duly seconded by Vice Chair McCall to appoint Mr. Noran Sanford, Reverend Bill Olsen, Mr. William McDonald and Mr. Jim Rush to the Juvenile Prevention Council. Vote: Motion unanimously approved.

Request to purchase Scotland Cemetery for $25,000 in upset bid process

Mr. Patterson said Fresh Manna Baptist Church offered $25,000 for Scotland Cemetery. No other bids were received on the property as a result of an upset bid process. Mr. Patterson said Scotland Cemetery's $90,000 in perpetual care funds are under State oversight and can be used for ongoing maintenance.

Motion was made by Vice Chair McCall and duly seconded by Commissioner Gibson to accept the request from Fresh Manna Baptist Church to purchase Scotland Cemetery for $25,000. Vote: Motion unanimously approved.

Motion was made by Commissioner Gibson and duly seconded by Commissioners Davis to recess to 8 a.m. Friday, May 22 at the SBIC. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman

Scotland County Board of Commissioners reconvened meeting/budget work session
May 22, 2015, Small Business Innovation Center, Laurinburg, NC

Commissioners in attendance, Chairman Guy McCook, Vice Chair Carol McCall and Commissioners Bob Davis and Betty Blue Gholston. Commissioner Whit Gibson participated via telephone. Commissioners not in attendance: Commissioners John Alford ***(excused)*** and Clarence McPhatter. Staff in attendance: County Manager Kevin Patterson, Finance Officer Beth Hobbs, County Attorney Ed Johnston and Clerk to the Board Ann Kurtzman.

At 8 a.m. Chairman McCook reconvened the meeting.

Closed Session

Motion was made by Vice Chair McCall and duly seconded by Commissioner Davis to go into closed session in accordance with N.C.G.S. 143-318.11(a)(3) to Consult with the Attorney. Vote: Motion unanimously approved.

OPEN SESSION RESUMED

Presentation of the 15-16 landfill budget

County Manager Patterson said there are no operating changes in the landfill budget although some money has been set aside for continued grinding of inert debris and yard waste and $60,000 has been budgeted for capital and vehicles for the coming fiscal year.

Mr. Patterson said revenue projections did not significantly change, and enough revenue is projected to balance the budget for the coming year. Mr. Patterson said by the end of the year there would be a $2 million negative net asset mostly due to unfunded depreciation and closure costs.

Mr. Patterson then discussed the two-tier availability fee proposal for $85 per parcel for property without municipal services and $55 per parcel of property with curbside collection. The two-tier structure would bring in $700,000 a year. People who live in the County with contracted curbside service would receive a $30 fee reduction. It would be incumbent on the resident to disclose a private hauler contract for the $30 reduction. Fees at the convenience centers would be eliminated. Mr. Patterson said within 15 years, with assumptions that everything would remain the same, there would be a net asset that is positive. Mr. Patterson said it would take 20 years to accumulate the $2.9 million for closure/post closure costs for the landfill with a 10 year cushion for the 30 year life at the landfill.

There was discussion about getting a list of customers from private haulers, which would relieve the responsibility of the resident to present proof of service. The Commissioners also expressed concern about the workload it would place on the Tax Department. Mr. Patterson said a straight $70 fee per parcel would have about the same result and would be simplest from an administrative point of view. The fees would be part of the tax bill and are effectively a tax with the collection authority that comes with it.

Governmental units would be exempt from the fee. Those who qualify for Homestead Exemption would receive a 50 percent reduction on the rate.

Chairman McCook said both fee scenarios — the two-tier structure and a single rate — will be reviewed and discussed further at the June 1 meeting.

Presentation of 15-16 budget for Water Districts I and II

Mr. Patterson said the Water Districts budgets remain relatively unchanged but the three water towers are in need of repainting. Deercroft and Gum Swamp are in better shape than the water tower at McEachin, which needs to be taken down to bare metal inside and out and repainted at an estimated cost of $300,000. Repainting Deercroft and Gum Swamp water towers would cost about $80,000 to $90,000 each.

Mr. Patterson said Utility Service Group offers managed service on water towers, which would include repainting all three tanks in the upcoming year and financing it over five years with an annualized cost in the first five years of $120,000. $40,000 a year for the next 10 years would include any repairs to the towers. Mr. Patterson said he would recommend a contract for the maintenance of the three towers. Mr. Patterson suggested that in five years, when work is paid off, the County would be in a strong enough position to try and create a water authority with the City and Laurinburg Maxton Airport.

Mr. Patterson said he would also recommend an increase in the rate structure. Currently the rate is $23.59 a month for first 2,000 gallons, the next 3,000 gallons at $2.75 per 1,000 gallons and after that $4 per 1,000. Mr. Patterson suggested an increase in the rate to $25.59 for the first 2,000 gallons as the base, no change for the next 3,000 gallons and $4.40 per thousand after that. Mr. Patterson said the increase would generate annually an estimated $71,316, which would offset some of the costs for the annual water tower maintenance. Mr. Patterson said he anticipates other significant expenditures although they are not planned such as additional connectivities and the cost of mothballing the water/wastewater treatment plant at Cascades. Mr. Patterson said it would be beneficial to increase the cash available in the Water Districts without support from the General Fund. He suggested $1 million in liquidity although there is not an immediate demand to get there.

Mr. Patterson will present a five-year cash flow projection that include the increases at the June 1 Water Board meeting.

The Commissioners by consensus agreed to consider the minimum in increase.

Motion was made by Commissioner Davis and duly seconded by Vice Chair McCall to recess to 4 p.m. Tuesday, May 26 at the SBIC. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman

Scotland County Board of Commissioners reconvened meeting
May 26, 2015, Small Business Innovation Center, US 401 Bypass North, Laurinburg, NC

Commissioners in attendance: Chairman Guy McCook and Commissioners Bob Davis, Betty Blue Gholston and Whit Gibson. Commissioners not in attendance: Commissioners John Alford ***(excused)*** and Clarence McPhatter. Vice Chair Carol McCall participated via telephone. Staff in attendance: County Manager Kevin Patterson, Finance Officer Beth Hobbs and Clerk to the Board Ann Kurtzman.

At 4 p.m. Chairman McCook reconvened the meeting.

County Manager Patterson said St. Andrews University (SAU) approached the County regarding the purchase of acreage or to go into a partnership in the ownership of 140 acres it currently owns. Mr. Patterson said Laurinburg Maxton Airport (LMA) also was approached but it is only interested in 55 acres within the fence at the airport. The City of Laurinburg elected not to participate.

Mr. Patterson said the Scotland County Economic Development Corporation (SCEDC) would purchase 40 percent of the property for $350,000 based on the $880,000 tax value. Mr. Patterson said St. Andrews is looking to sell the property within the next year but if the sale did not take place within one year, the SCEDC in partnership with SAU would be able to purchase the 55 acres inside the fence for the difference of the $350,000 and the appraised value. Mr. Patterson said the property has not yet been appraised.

The County Manager said there is a tentative agreement with SAU on those terms with the stipulation that if the property sells with the current negotiation, the SCEDC participation would be limited with an additional $30,000 for $380,000 at end of this calendar year.

Mr. Patterson said if there is no further action, the SCEDC would retain the 40 percent interest in the entire tract, and it would have an open-ended option on the 55 acres or it would get its money back, plus $30,000. If the SCEDC exercised its option to purchase the 55 acres, the LMA is interested in the property

Mr. Patterson said the SCEDC would purchase interest in the property because there is no legal authority for a county to buy an undivided interest in a piece of property. Mr. Patterson said the worst case scenario is the SCEDC could divest itself of the property and put it in the hands of somebody else while the best case scenario would be the property is sold by the end of the calendar year, the County would make a profit, jobs would be created and the tax base would be improved.

Motion was made by Commissioner Davis and duly seconded by Commissioner Gibson to authorize the Finance Officer to transfer $350,000 to the Scotland County Economic Development Corporation for an interest in a potential industrial site and to make the necessary budget amendment. Vote: Motion unanimously approved.

Vice Chair McCall said although she could not vote she wanted to go on record in support of the motion.

Motion was made by Commissioner Davis and duly seconded by Commissioner Gibson to recess to 2 p.m. Monday, June 1, at the SBIC. Vote: Motion unanimously approved.

Ann W. Kurtzman
Clerk to the Board

Guy McCook
Chairman

Gustaf C. Lundin & Company, LLP

CERTIFIED PUBLIC ACCOUNTANTS

CREECH BUILDING - 105 EAST RAILROAD STREET

P.O. DRAWER 1768

LAURINBURG, NORTH CAROLINA 28353-1768

TELEPHONE 910-276-1371

FAX 910-276-1995

MEMBERS OF

NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS

AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

WM. TED CURRIE, CPA
CARL L. HEAD, CPA

May 26, 2015

Scotland County
P. O. Box 489
Laurinburg, NC 28353-0489

Enclosed are the contract to audit accounts and the engagement letter for Scotland County, North Carolina for the fiscal year ended June 30, 2015. Please secure the signatures of the chairman and finance officer on the contract and the engagement letter, and enter the date the governing board approved the audit contract and return to us for submitting to the Local Government Commission for approval.

Should you have any questions, please let me know.

Very truly yours,

Carl L. Head, CPA

asr
Enclosures

LGC-205 (Rev. 2015)

CONTRACT TO AUDIT ACCOUNTS

Of SCOTLAND COUNTY, NC

Primary Governmental Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 26TH day of MAY, 2015,

Auditor: GUSTAF C. LUNDIN & COMPANY, LLP Auditor Mailing Address: P. O. BOX 1768

LAURINBURG, NC 28353-1768 Hereinafter referred to as The Auditor

and BOARD OF COMMISSIONERS (Governing Board(s)) of SCOTLAND COUNTY, NC (Primary Government)

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

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (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, 2014, and ending JUNE 30, 2015. 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 will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, 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 generally accepted auditing standards. 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 Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers 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/or workpapers 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 CPA Board).

   County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will 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. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he 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 (See Item 22). **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 State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: OCTOBER 31, 2015. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must 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 relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will 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 must 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 must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent to: lgc.invoice@nctreasurer.com . Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will 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 Governmental Unit 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. **Fees listed on signature pages**.

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements 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 client 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 accounting period.

12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.

13. The Auditor shall electronically submit the report of audit to the LGC 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 must be sent to the Secretary of the LGC. 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 other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

    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 LGC.

    The LGC's process for submitting contracts, audit reports and Invoices is subject to change. Auditors should 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 and/or compensation as may be agreed upon by the Governing Board and the Auditor

15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is http://nctreasurer.slgfd.leapfile.net No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #22 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

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 must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.

19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is http://nctreasurer.slgfd.leapfile.net Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of February, 2015. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.

20. The contract is not valid until it is approved by the LGC Secretary. 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. 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

Contract to Audit Accounts (cont.) SCOTLAND COUNTY, NC

Governmental Unit

N/A

Discretely Presented Component Unit's (DPCU) if applicable

SCOTLAND COUNTY, NC - **FEES**

Year-end bookkeeping assistance – [*For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards*]

Audit (A)Partners $750 Per Day; (B)Senior Accountants $520 Per Day; (C)Clerical Assistants $46/Hr.

Preparation of the annual financial Statements (A)Partners $750 Per Day; (B)Clerical Assistants $46/Hr.

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

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

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

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:

GUSTAF C. LUNDIN & COMPANY, LLP

Name of Audit Firm

By CARL L. HEAD, CPA

Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

Date 5-27-15

gclundin@bellsouth.net

Email Address of Audit Firm

Governmental Unit Signatures:

SCOTLAND COUNTY, NC

Name of Primary Government

By GUY MCCOOK, CHAIRMAN

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

**

Signature of Audit Committee Chairperson

Date N/A

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

SCOTLAND COUNTY, NC

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. Additionally, the following date is the date this audit contract was approved by the governing body.

By ELIZABETH T. HOBBS

Primary Governmental Unit Finance Officer: Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate must be dated.)

bhobbs@scotlandcounty.org

Email Address of Finance Officer

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

Gustaf C. Lundin & Company, LLP

CERTIFIED PUBLIC ACCOUNTANTS
CREECH BUILDING - 105 EAST RAILROAD STREET
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FAX 910-276-1995
MEMBERS OF
NORTH CAROLINA ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS
AMERICAN INSTITUTE OF CERTIFIED PUBLIC ACCOUNTANTS

WM. TED CURRIE, CPA
CARL L. HEAD, CPA

May 26, 2015

To the Board of County Commissioners
of Scotland County, North Carolina and
Scotland County Manager

We are pleased to confirm our understanding of the services we are to provide Scotland County, NC for the year ended June 30, 2015. 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 Scotland County, NC as of and for the year ended June 30, 2015. 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 Scotland County, NC'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 Scotland County, NC's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis.
2) Budgetary Comparison Schedules
3) GASB required supplementary pension, OPEB and infrastructure information.

We have also been engaged to report on supplementary information other than RSI that accompanies Scotland County, NC'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.

Schedule of expenditures of federal and state awards.

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

1) Introductory information and statistical tables.

Our responsibility for other information included in documents containing the government's audited financial statements and auditor's report does not extend beyond the financial information identified in the report.

We have no responsibility for determining whether such other information contained in these documents is properly stated.

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 related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states (1) that 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) that 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 OMB Circular A-133 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 OMB Circular A-133. 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 OMB Circular A-133, and will include tests of accounting records, a determination of major program(s) in accordance with OMB Circular A-133, 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 Scotland County Commissioners and the Scotland County Manager of Scotland County, NC. 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 on the financial statements or the Single Audit compliance opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for the financial statements, schedule of expenditures of federal and state awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements, and for preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in accordance with the requirements of OMB Circular A-133. As part of the audit, we will assist with preparation of your financial statements, schedule of expenditures of federal and state awards, and related notes. 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*. You agree to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal and state awards, related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal and state awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

Management is responsible for (a) establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; (b) following laws and regulations; (c) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (d) ensuring that management is reliable 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 in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

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) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities also include identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants. Management is also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements, or abuse that we report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reported audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for our review on July 31, 2015.

You are responsible for preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with OMB Circular A-133; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

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

Management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. Management is also responsible for identifying for us 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.

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 rather than absolute 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 direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and state awards; federal and state award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards. We will communicate with component auditors about their issues, work performed, materiality and opinions as it relates to those components.

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 OMB Circular A-133, 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 and state 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 OMB Circular A-133.

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 OMB Circular A-133. We will also communicate as needed with the group auditors as it relates to controls of component units.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Scotland County, NC'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*.

OMB Circular A-133 requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of Scotland County, NC's major programs. The purpose of these procedures will be to express an opinion on Scotland County, NC's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to OMB Circular A-133.

Engagement Administration, Fees, and Other

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

At the conclusion of the engagement, we will complete the appropriate sections of the Data Collection Form that summarizes our audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the federal audit clearinghouse. We will coordinate with you the electronic submission and certification. If applicable, we will provide copies of our report for you to include with the reporting package you will submit to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

We will provide copies of our reports to Scotland County, NC and the Local Government Commission of North Carolina; 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 Gustaf C. Lundin & Company, LLP 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 the County oversight agency or its designee, a federal agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Gustaf C. Lundin & Company, LLP 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 Oversight Agency for Audit, or Pass-through Entity. If we are aware that a federal awarding agency, pass-through entity, or auditee is contesting an audit finding, we will contact the party(ies) contesting the audit finding for guidance prior to destroying the audit documentation.

We expect to begin our audit on approximately July 31, 2015 and to issue our reports no later than October 31, 2015. Carl Head, CPA 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 $35,100. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. 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 Scotland County, NC 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,

Gustaf C. Lundin + Company, LLP

GUSTAF C. LUNDIN & COMPANY, LLP

RESPONSE:

This letter correctly sets forth the understanding of Scotland County, NC.

Management signature: _____
Title: _____
Date: _____

Governance signature: _____
Title: _____
Date: _____

Fowler, Holley, Rambo & Stalvey, P.C.
CERTIFIED PUBLIC ACCOUNTANTS
BUSINESS CONSULTANTS

Curtis G. Fowler, CPA, PFS, CFP® · Carlton W. Holley, CPA · C. Wayne Rambo, CPA, CVA · Richard A. Stalvey, CPA

3208 Wildwood Plantation Drive · Post Office Box 1887 · Valdosta, GA 31603-1887 · (229) 244-1559 · (800) 360-3123 · Fax (229) 245-7369

System Review Report

August 7, 2012

To the Partners of
Gustaf C. Lundin & Company, LLP
and the North Carolina Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Gustaf C. Lundin & Company, LLP (the firm) in effect for the year ended March 31, 2012. 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. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

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

In our opinion, the system of quality control for the accounting and auditing practice of Gustaf C. Lundin & Company, LLP in effect for the year ended March 31, 2012, 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*. Gustaf C. Lundin & Company, LLP has received a peer review rating of *pass*.

Fowler, Holley, Rambo & Stalvey, P.C.

Fowler, Holley, Rambo & Stalvey, P.C.

Lumber River Council of Governments
30 CJ Walker Road, COMtech Park
Pembroke, North Carolina 28372-7340
Tel. (910) 618-5533 • Fax (910) 521-7556
E-mail: lrcog@lumberrivercog.org
Website: www.lumberrivercog.org

LRCOG

Dedicated to Regional Excellence

May 28, 2015

Scotland County Board of Commissioners
PO Box 489
Laurinburg NC, 28353

Dear Board of Commissioners,

Attached please find the allocations for the Home & Community Care Block Grant for Scotland County for the upcoming fiscal year 2015-2016.

Scotland County will begin FY 2016 with a very slight increase in Federal and State funding of less than $200 dollars. Scotland County's HCCBG funding will go from $365,437 to $365,629 in FY 16. The funds that have been speculated to have been added back into the HCCBG by the governor are not included here since the budget has not passed. Hopefully those funds will be added after the beginning of the new year.

The current levels of funding come as a recommendation from the Scotland County Aging Advisory Council.

Thank you for your attention to this matter.

Sincerely,

Margaret S. Lennon
Area Agency on Aging Administrator

Member Governments

BLADEN COUNTY
Bladenboro • Clarkton • Dublin
East Arcadia • Elizabethtown
Tar Heel • White Lake

HOKE COUNTY
Raeford

RICHMOND COUNTY
Dobbins Heights • Ellerbe • Hamlet
Hoffman • Norman
Rockingham

SCOTLAND COUNTY
Gibson • Laurinburg • Wagram

ROBESON COUNTY
Fairmont • Lumber Bridge • Lumberton
Marietta • Maxton • McDonald
Orrum • Parkton • Pembroke
Proctorville • Red Springs • Rennert
Rowland • St. Pauls

Equal Opportunity Employer

DOA-735
(revised 3/11)

July 1, 2015 Through June 30, 2016

Home and Community Care Block Grant for Older Adults

Agreement for the Provision of County-Based Aging Services

This Agreement, entered into as of this 1st day of June, 2015, by and between the **County of Scotland** (hereinafter referred to as the "County") and the Lumber River Council of Governments Area Agency on Aging, (hereinafter referred to as the "Area Agency").

Witnesseth That:

WHEREAS, the Area Agency and the County agree to the terms and conditions for provision of aging services in connection with activities financed in part by Older Americans Act grant funds, provided to the Area Agency from the United States Department of Health and Human Services through the North Carolina Division of Aging and Adult Services (DAAS) and state appropriations made available to the Area Agency through the North Carolina Division of Aging and Adult Services, as set forth in a) this document, b) the County Funding Plan, as reviewed by the Area Agency and the Division of Aging and Adult Services, c) the Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Service Providers, d) the Division of Aging and Adult Services Service Standards Manual, Volumes I through IV, and, e) the Division of Aging and Adult Services Community Service Providers Monitoring Guidelines.

NOW THEREFORE, in consideration of these premises, and mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. As provided in the Area Plan, community service providers specified by the County to encourage maximum collocation and coordination of services for older persons are as follows:

Lumber River Council of Governments	Congregate & Home Delivered Meals / Health Promotions
Scotland County Area Transit System	General Transportation/ Medical Transportation
Hospice of Scotland County	In Home Aide – Levels I, & II
Scotland County DSS	Adult Day Care, Adult Day Health, Adult Day Care Transportation
Scotland Place Senior Center	Home Improvements / Health Promotions

1.(a) The Community Service Provider(s), shall be those specified in the County Funding Plan on the Provider Services Summary format(s) (DOA-732) for the period ending June 30, 2016.

2. Availability of Funds. The terms set forth in this Agreement for payment are contingent upon the receipt of Home and Community Care Block Grant funding by the Area Agency.

3. Grant Administration. The grant administrator for the Area Agency shall be **Margaret Lennon**, Area Agency on Aging Administrator. The grant administrator for the County shall be **Kevin Patterson**, County Manager.

   It is understood and agreed that the grant administrator for the County shall represent the County in the performance of this Agreement. The County shall notify the Area Agency in writing if the administrator changes during the grant period. Specific responsibilities of the grant administrator for the County are provided in paragraph seven (7) of this Agreement.

4. Services authorized through the County Funding Plan, as specified on the Provider Services Summary format(s) (DOA-732) are to commence no later than July 1, 2012 and shall be undertaken and pursued in such sequence as to assure their expeditious completion. All services required hereunder shall be completed on or before the end of the Agreement period, June 30, 2013.

5. Assignability and Contracting. The County shall not assign all or any portion of its interest in this Agreement. Any purchase of services with Home and Community Care Block Grant for Older Adults funding shall be carried out in accordance with the procurement and contracting policy of the community services provider or, where applicable, the Area Agency, which does not conflict with procurement and contracting requirements contained in 45 CFR 92.36. Federal funds shall not be awarded to any subreceipients who have been suspended or debarred by the Federal government. In addition, Federal funds may not be used to purchase goods or services costing over $100,000 from a vendor that has been suspended or debarred from Federal grant programs.

6. Compensation and Payments to the County. The County shall be compensated for the work and services actually performed under this Agreement by payments to be made monthly by the Area Agency. Total reimbursement to the community service providers under this Agreement may not exceed the grand total of Block Grant funding, as specified on the Provider Services Summary format (DOA-732).

   (a) Interim Payments to the County

   Upon receipt of a written request from the County, the Division of Aging and Adult Services, through the Area Agency, will provide the County Finance Officer with an interim payment equivalent to seventy percent (70%) of one-twelfth (1/12) of the County's Home and Community Care Block Grant allocation by the 22nd of each month.

(b) Reimbursement of Service Costs

Reimbursement of service costs are carried out as provided in Section 3 of the N.C. Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997.

c) Role of the County Finance Director

The County Finance Director shall be responsible for disbursing Home and Community Care Block Grant Funding to Community Service Providers in accordance with procedures specified in the N.C. Division of Aging and Adult Services Home and Community Care Block Grant Manual for Community Service Providers, revised February 17, 1997.

(d) Payment of Administration on Aging Nutrition Services Incentive Program (NSIP) Subsidy

NSIP subsidy for congregate and home delivered meals will be disbursed by the Division of Aging through the Area Agency to the County on a monthly basis, subject to the availability of funds as specified in Section 3 of the N.C. Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Services Providers, revised February 17, 1997.

If through the US Department of Agriculture Area Agency on Aging Elections Project, the County elects to receive a portion of its USDA entitlement in the form of surplus commodity foods in lieu of cash, the Area Agency will notify the County in writing of its community valuation upon notification from the Division of Aging and Adult Services. The delivery of commodity and bonus foods is subject to availability. The County will not receive cash entitlement in lieu of commodities that are unavailable or undelivered during the Agreement period.

7. Reallocation of Funds and Budget Revisions. Any reallocation of Block Grant funding between counties shall be voluntary on the part of the County and shall be effective only for the period of the Agreement. The reallocation of Block Grant funds between counties will not affect the allocation of future funding to the County. If during the performance period of the Agreement, the Area Agency determines that a portion of the Block Grant will not be expended, the grant administrator for the County shall be notified in writing by the Area Agency and given the opportunity to make funds available for reallocation to other counties in the Planning and Service Area or elsewhere in the state.

The County may authorize community service providers to implement budget revisions which do not cause the County to fall below minimum budgeting requirements for access, in-home,

congregate, and home delivered meals services, as specified in Division of Aging and Adult Services budget instructions issued to the County. If a budget revision will cause the County to fall below minimum budgeting requirements for any of the aforementioned services, as specified in Division of Aging and Adult Services budgeting instructions issued to the County, the grants administrator for the County shall obtain written approval for the revision from the Area Agency prior to implementation by the community service provider, so as to assure that regional minimum budgeting requirements for the aforementioned services will be met.

Unless community services providers have been given the capacity to enter data into the Aging Resources Management System (ARMS), Area Agencies on Aging are responsible for entering amended service data into the Division of Aging Management Information System, as specified in the N.C. Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997.

8. Monitoring. This Agreement will be monitored to assure that services are being provided in compliance with the N.C. Division of Aging and Adult Services Service Standards Manual, dated July 1, 1992, and the N.C. Division of Aging Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997. Further, compliance with updated monitoring requirements, as specified in Office of Management and Budget (OMB) Circular A-133 and NC General Statute 143C-6-22 and 23 shall be carried out. Monitoring shall also include compliance with conflict of interest requirements. Monitoring requirements are discussed in Section 308 of the AAA Policies and Procedures Manual (7/1/03 and revised 10/1/09). Private non-profit service providers will be monitored to ensure compliance with conflict of interest policies, as stated in DoA Administrative Letter No. 03-14.

The monitoring of services provided under this Agreement shall be carried out by the Area Agency on Aging in accordance with its Assessment Plan and/or by the DAAS Program Compliance Representative (PCR). Local Departments of Social Services providing Adult Day Care, Adult Day Health Care, Housing and Home Improvement, and/or In-Home Aide (all levels) through the Home and Community Care Block Grant will receiving monitoring by the State PCR. All other services and grantees are monitored by the Area Agency on Aging serving the counties' PSA.

Counties and community service providers will receive a written report of monitoring findings in accordance with procedures established in Section 308 of the AAA Policies and Procedures Manual (7/1/03 and revised 10/1/09). Any areas of non-compliance will be addressed in a written corrective action plan with the community service provider.

9. Disputes and Appeals. Any dispute concerning a question of fact arising under this Agreement shall be identified to the designated grants administrator for the Area Agency. In accordance with Lead Regional Organization (LRO) policy, a written decision shall be promptly furnished to the designated grants administrator for the County.

The decision of the LRO is final unless within twenty (20) days of receipt of such decision the Chairman of the Board of Commissioners furnishes a written request for appeal to the Director of the North Carolina Division of Aging and Adult Services, with a copy sent to the Area Agency. The request for appeal shall state the exact nature of the complaint. The Division of Aging and Adult Services will inform the Chairman of the Board of Commissioners of its appeal procedures and will inform the Area Agency that an appeal has been filed. Procedures thereafter will be determined by the appeals process of the Division of Aging and Adult Services. The state agency address is as follows:

Director
North Carolina Division of Aging and Adult Services
2101 Mail Service Center
693 Palmer Drive
Raleigh, North Carolina 27699-2101

10. Termination for Cause. If through any cause, the County shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or the County has or shall violate any of the covenants, agreements, representations or stipulations of this Agreement, the Area Agency shall have the right to terminate this Agreement by giving the Chairman of the Board of Commissioners written notice of such termination no fewer than fifteen (15) days prior to the effective date of termination. In such event, all finished documents and other materials collected or produced under this Agreement shall at the option of the Area Agency, become its property. The County shall be entitled to receive just and equitable compensation for any work satisfactorily performed under this Agreement.

11. Audit. The County agrees to have an annual independent audit in accordance with North Carolina General Statutes, North Carolina Local Government Commission requirements, Division of Aging and Adult Services Program Audit Guide for Aging Services and Federal Office of Budget and Management (OMB) Circular A-133.

Community service providers, as specified in paragraph one (1), who are not units of local government or otherwise subject to the audit and other reporting requirements of the Local Government Commission are subject to audit and fiscal reporting requirements, as stated in NC General Statute 143C-6-22 and 23 and OMB Circular A-133, where applicable. Applicable community service providers must send a copy of their year-end financial statements, and any required audit, to the Area Agency on Aging. Home and Community Care Block Grant providers are not required to submit Activities and Accomplishments Reports. For-profit corporations are not subject to the requirements of OMB Circular A-133, but are subject to NC General Statute 143C-6-22 and 23 and Yellow Book audit requirements, where applicable. **Federal funds** may not be used to pay for a **Single or Yellow Book audit** unless it a federal requirement. **State funds** will not be used to pay for a **Single or Yellow Book** audit if the provider receives less than $500,000 in state funds. The Department of Health and Human

Services will provide confirmation of federal and state expenditures at the close of the state fiscal year. Information on audit and fiscal reporting requirements can be found at https://www.ncgrants.gov/NCGrants/PublicReportsRegulations.jsp.

The following provides a summary of reporting requirements under NCGS 143C-6-22 and 23 and OMB Circular A-133 based upon funding received and expended during the service provider's fiscal year.

Annual Expenditures	Report Required to AAA	Allowable Cost for Reporting
• Less than $25,000 in State or Federal funds	Certification form and State Grants Compliance Reporting <$25,000 (item # 11, Activities and Accomplishments does not have to be completed) OR Audited Financial Statements in Compliance with GAO/GAS (i.e. Yellow Book)	N/A
Greater than $25,000 and less that $500,000 in State or Federal Funds	Certification form and Schedule of Grantee Receipts >$25,000 and Schedule of Receipts and Expenditures OR Audited Financial Statements in Compliance with GAO/GAS (i.e. Yellow Book)	N/A
• $500,00+ in State funds and Federal pass through in an amount less than $500,000	Audited Financial Statement in compliance with GAO/GAS (i.e. Yellow Book)	May use State funds, but not Federal Funds
• $500,000+ in State funds and $500,000+ in Federal pass through funds (i.e. at least $1,000,000)	Audited Financial Statement in compliance with OMB Circular A-133 (i.e. Single Audit)	May use State and Federal funds
• Less than $500,000 in State funds and $500,000+ in Federal pass through funds	Audited Financial Statement in compliance with OMB Circular A-133 (i.e. Single Audit)	May use Federal funds, but not State funds.

12. Audit/Assessment Resolutions and Disallowed Cost. It is further understood that the community service providers are responsible to the Area Agency for clarifying any audit exceptions that may arise from any Area Agency assessment, county or community service provider single or financial audit, or audits conducted by the State or Federal Governments. In the event that the Area Agency or the Department of Health and Human Services disallows any expenditure made by the community service provider for any reason, the County shall promptly repay such funds to the Area Agency once any final appeal is exhausted in accordance with paragraph nine (9). The only exceptions are if the Area Agency on Aging is designated as a community service provider through the County Funding Plan or, if as a part of a procurement process, the Area Agency on Aging enters into a contractual agreement for service provision with a provider which is in addition to the required County Funding Plan formats. In these exceptions, the Area Agency is responsible for any disallowed costs. The County or Area Agency on Aging can recoup any required payback from the community service provider in the event that payback is due to a community service provider's failure to meet OMB Circular A-122 requirements, requirements of A-110, requirements of 45CFR, Part 1321, and 45CFR, Part 92, or state eligibility requirements as specified in policy.

13. Indemnity. The County agrees to indemnify and save harmless the Area Agency, its agents, and employees from and against and all loss, cost, damages, expenses, and liability arising out of performance under this Agreement to the extent of errors or omissions of the County.

    The Area Agency agrees to indemnify and save harmless the County, its agents, and employees from and against and all loss, cost, damages, expenses, and liability arising out of performance under this Agreement to the extent of errors or omissions of the Area Agency.

14. Equal Employment Opportunity and Americans With Disabilities Act Compliance. Both the County and community service providers, as identified in paragraph one (1), shall comply with all federal and state laws relating to equal employment opportunity and accommodation for disability.

15. Data to be Furnished to the County. All information which is existing, readily available to the Area Agency without cost and reasonably necessary, as determined by the Area Agency's staff, for the performance of this Agreement by the County shall be furnished to the County and community service providers without charge by the Area Agency. The Area Agency, its agents and employees, shall fully cooperate, with the County in the performance of the County's duties under this Agreement.

16. Rights in Documents, Materials and Data Produced. The County and community service providers agree that at the discretion of the Area Agency, all reports and other data prepared by or for it under the terms of this Agreement shall be delivered to, become and remain, the property of the Area Agency upon termination or completion of the work. Both the Area

Agency and the County shall have the right to use same without restriction or limitation and without compensation to the other. For the purposes of this Agreement, "data" includes writings, sound recordings, or other graphic representations, and works of similar nature. No reports or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the County.

17. Interest of the Board of Commissioners. The Board of Commissioners covenants that neither the Board of Commissioners nor its agents or employees presently has an interest, nor shall acquire an interest, direct or indirect, which conflicts in any manner or degree with the performance of its service hereunder, or which would prevent, or tend to prevent, the satisfactory performance of the service hereunder in an impartial and unbiased manner.

18. Interest of Members of the Area Agency, Lead Regional Organization, and Others. No officer, member or employee of the Area Agency or Lead Regional Organization, and no public official of any local government which is affected in any way by the Project, who exercises any function or responsibilities in the review or approval of the Project or any component part thereof, shall participate in any decisions relating to this Agreement which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested; nor shall any such persons have any interest, direct or indirect, in this Agreement or the proceeds arising therefrom.

19. Officials not to Benefit. No member of or delegate to the Congress of the United States of America, resident Commissioner or employee of the United States Government, shall be entitled to any share or part of this Agreement or any benefits to arise herefrom.

20. Prohibition Against Use of Funds to Influence Legislation. No part of any funds under this Agreement shall be used to pay the salary or expenses of any employee or agent acting on behalf of the County to engage in any activity designed to influence legislation or appropriations pending before Congress.

21. Applicable Law. This Agreement is executed and is to be performed in the State of North Carolina, and all questions of interpretation and construction shall be construed by the laws of such State.

In witness whereof, the Area Agency and the County have executed this Agreement as of the day first written above.

Scotland County

Attest:

_____ By:_____
Chairman, Board of Commissioners

Area Agency

Attest:

_____ By:_____
Area Agency Director Executive Director,
Lead Regional Organization

Provision for payment of the monies to fall due under this Agreement within the current fiscal year have been made by appropriation duly authorized as required by the Local Government Budget and Fiscal Control Act.

BY: _____
FINANCE OFFICER, Lumber River Council Of Governments

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act.

_____
BETH HOBBS
Finance Officer, Scotland County

DOA-731 (Rev. 2/15)

Home and Community Care Block Grant for Older Adults

County Scotland

County Funding Plan

July 1, 2015 through June 30, 2016

County Services Summary

	A				B	C	D	E	F	G	H	I
	Block Grant Funding											
Services	Access	In-Home	Other	Total	Required Local Match	Net Service Cost	USDA Subsidy	Total Funding	Projected HCCBG Units	Projected Reimbursement Rate	Projected HCCBG Clients	Projected Total Units
Home Del. Meals	Helv		66313	\\\\\\\\\\\\	7368	73681	9000	82681	12886	6.4101	67	13000
Congregate Nutrition			43654	\\\\\\\\\\\\	4850	48504	5700	54204	8261	6.5416	33	8500
Gen Transportation	9084			\\\\\\\\\\\\	1009	10093		10093	1338	7.55	40	1338
Medical Transport.	13797			\\\\\\\\\\\\	1533	15330		15330	2030	7.55	45	2030
In Home Aide LV I		13696		\\\\\\\\\\\\	1522	15218		15218	760	20.0049	5	760
In Home Aide LV II		121153		\\\\\\\\\\\\	13461	134614		134614	6727	20.0092	32	6727
Health Promotions		1800		\\\\\\\\\\\\	200	2000		2000	N/A	N/A	135	N/A
Housing & Home Imp		6300		\\\\\\\\\\\\	700	7000		7000	N/A	N/A	10	N/A
Adult Day Care		26036		\\\\\\\\\\\\	2893	28929		28929	875	33.07	5	875
Adult Day Health		23315		\\\\\\\\\\\\	2591	25906		25906	647	40.00	3	647
ADC Transportation	3918			\\\\\\\\\\\\	435	4353		4353	2902	1.50	5	2902
				\\\\\\\\\\\\	0	0		0				
				\\\\\\\\\\\\	0	0		0				
				\\\\\\\\\\\\	0	0		0				
Total	26799	192300	109967	329066	36563	365628	14700	380328	36426	\\\\\\\\\\\\	380	36779

Signature, Chairman, Board of Commissioners Date

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER
Scotland County- DSS
Post Office Box 1647
Laurinburg, NC 28353

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DOA-732 (Rev. 2/15)
County Scotland
July 1, 2015 through June 30, 2016
REVISION # , DATE :

Services	Ser. Delivery (Check One) Direct	Purch.	A Block Grant Funding Access	In-Home	Other	Total	B Required Local Match	C Net* Serv Cost	D NSIP Subsidy	E Total Funding	F Projected HCCBG Units	G Projected Reimburse Rate	H Projected HCCBG Clients	I Projected Total Units
Adult Day Care		X		26036			2893	28929		28929	875	33.07	5	875
Adult Day Health		X		23315			2591	25906		25906	647	40.00	3	647
ADC Transportation		X	3918				435	4353		4353	2902	1.50	5	2902
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
Total			3918	49351	0	53269	5919	59188	0	59188	4424		13	4424

*Adult Day Care & Adult Day Health Care Net Service Cost

	ADC	ADHC
Daily Care	####	40.00
Transportation	1.50	
Administrative		
Net Ser. Cost Total	####	40.00

Certification of required minimum local match availability.
Required local match will be expended simultaneously with Block Grant Funding.

Authorized Signature, Title Date
Community Service Provider

Signature, County Finance Officer Date

Signature, Chairman, Board of Commissioners Date

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER
Interim Healthcare of the Eastern Carolinas, Inc.
4140-A Fayetteville Road
lUmberton NC 28358

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DOA-732 (Rev. 2/15)
County Scotland
July 1, 2015 through June 30, 2016
REVISION # , DATE :

Services	Ser. Delivery (Check One) Direct	Purch.	A Block Grant Funding Access	In-Home	Other	Total	B Required Local Match	C Net* Serv Cost	D NSIP Subsidy	E Total Funding	F Projected HCCBG Units	G Projected Reimburse Rate	H Projected HCCBG Clients	I Projected Total Units
In Home Aide LV I	X			13696			1522	15218		15218	760	20.0049	5	760
In Home Aide LV II	X			121153			13461	134614		134614	6727	20.0092	32	6727
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
Total			0	134849	0	134849	14983	149832	0	149832	7487		37	7487

*Adult Day Care & Adult Day Health Care Net Service Cost

	ADC	ADHC
Daily Care		
Transportation		
Administrative		
Net Ser. Cost Total		

Certification of required minimum local match availability.
Required local match will be expended simultaneously
with Block Grant Funding.

Authorized Signature, Title Date
Community Service Provider

Signature, County Finance Officer Date

Signature, Chairman, Board of Commissioners Date

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER
SCATS
PO Box 1407
Laurinburg NC 28353

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DOA-732 (Rev. 2/15)
County Scotland
July 1, 2015 through June 30, 2016
REVISION # , DATE :

Services	Ser. Delivery (Check One) Direct	Purch.	A Block Grant Funding Access	In-Home	Other	Total	B Required Local Match	C Net* Serv Cost	D NSIP Subsidy	E Total Funding	F Projected HCCBG Units	G Projected Reimburse Rate	H Projected HCCBG Clients	I Projected Total Units
General Transportation	X		9083				1009	10092		10092	1338	7.55	40	1338
Medical Transportation	X		13797				1533	15330		15330	2030	7.55	45	2030
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
Total			22880	0	0	22880	2542	25422	0	25422	3368		85	3368

*Adult Day Care & Adult Day Health Care Net Service Cost

	ADC	ADHC
Daily Care		
Transportation		
Administrative		
Net Ser. Cost Total		

Certification of required minimum local match availability.
Required local match will be expended simultaneously
with Block Grant Funding.

Authorized Signature, Title Date
Community Service Provider

Signature, County Finance Officer Date

Signature, Chairman, Board of Commissioners Date

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER
Lumber River Area Agency on Aging
30 CJ Walker Road
Pembroke NC 28372

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DOA-732 (Rev. 2/15)
County Scotland
July 1, 2015 through June 30, 2016
REVISION # , DATE :

			A				B	C	D	E	F	G	H	I
	Ser. Delivery (Check One)		Block Grant Funding											
Services	Direct	Purch.	Access	In-Home	Other	Total	Required Local Match	Net* Serv Cost	NSIP Subsidy	Total Funding	Projected HCCBG Units	Projected Reimburse. Rate	Projected HCCBG Clients	Projected Total Units
Home Delivered Meals	X				66313		7368	73681	9000	82681	12886	6.4101	67	13000
Congregate Nutrition	X				43654		4850	48504	5700	54204	8261	6.5416	33	8500
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
Total			0	0	109967	109967	12218	122185	14700	136885	21147		100	21500

*Adult Day Care & Adult Day Health Care Net Service Cost

	ADC	ADHC
Daily Care		
Transportation		
Administrative		
Net Ser. Cost Total		

Certification of required minimum local match availability. Required local match will be expended simultaneously with Block Grant Funding.

Authorized Signature, Title — Date
Community Service Provider

Signature, County Finance Officer — Date

Signature, Chairman, Board of Commissioners — Date

NAME AND ADDRESS
COMMUNITY SERVICE PROVIDER
Scotland Place Senior Center
1210 Turnpike Rd / PO Box 1668
Laurinburg NC 28353

Home and Community Care Block Grant for Older Adults

County Funding Plan

Provider Services Summary

DOA-732 (Rev. 2/15)
County Scotland
July 1, 2015 through June 30, 2016
REVISION # , DATE :

			A				B	C	D	E	F	G	H	I
	Ser. Delivery (Check One)		Block Grant Funding											
Services	Direct	Purch.	Access	In-Home	Other	Total	Required Local Match	Net* Serv Cost	NSIP Subsidy	Total Funding	Projected HCCBG Units	Projected Reimburse Rate	Projected HCCBG Clients	Projected Total Units
Health Promotions	x				1800		200	2000		2000			135	
Housing & Home Improveme	x				6300		700	7000		7000			10	
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
							0	0		0				
Total			0	0	8100	8100	900	9000	0	9000	0		145	0

*Adult Day Care & Adult Day Health Care Net Service Cost

	ADC	ADHC
Daily Care		
Transportation		
Administrative		
Net Ser. Cost Total		

Certification of required minimum local match availability. Required local match will be expended simultaneously with Block Grant Funding.

Authorized Signature, Title Date
Community Service Provider

Signature, County Finance Officer Date

Signature, Chairman, Board of Commissioners Date

SCOTLAND COUNTY HEALTH DEPARTMENT

1405 West Boulevard • Post Office Box 69
Laurinburg, North Carolina 28353-0069
Phone (910) 277-2440 Fax (910) 277-2450

SCOTLAND COUNTY HEALTH DEPARTMENT

Wayne Raynor, MPH
Health Director

NCPH
North Carolina Public Health
EveryWhere. EveryDay. EveryBody.

May 20, 2015

To: Kevin Patterson
County Manager

From: Wayne Raynor, MPH
Health Director

Subject: Budget Request

On May 20 2015, the Board of Health approved the receipt of the below mentioned funds. We request that you approve the transfer of these funds to the FY 2014-2015 budget year and authorize the Finance Officer to make the necessary arrangements to expend these funds within the Fiscal Year. No County dollars are involved.

1. $2415.00- Environmental Health Temporary Food and Lodging

The Board of Health also approved the addition of fees for the following Child Health services:

NAME/CPT	CHARGE
99381 <1 year old	**$ 185.00**
99382 (1-4 years old)	**195.00**
99391 <1 year old	**160.00**
99392 (1-4 years old)	**180.00**
D0145 (Oral Evaluation)	**50.00**
D1206 (Topical Application of Flouride Varnish)	**35.00**
92551 Audiometry Screening	**20.00**
92567 Tympanometry	**20.00**
92588 OAE	**95.00**
99175 Vision Screening	**5.00**
96110 Developmental, L	**12.00**
2000F Blood Pressure Check	**N/C**
99420 Autism Screening	**16.00**
99420 PSC	**16.00**
99420 HEADSS	**16.00**
99408 CRAFFT	**31.00**
69210 Ear Lavage	**45.00**

Thank you for your consideration.

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 5
_____ Information
X Action Item
_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Appointments to Boards and Committees
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	Vice Chair Carol McCall
PURPOSE:	Fill vacancies on various boards and committees as necessary.
ATTACHMENTS:	Monthly update Application for Aging Advisory Council
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Make appointments as necessary

County of Scotland

507 West Covington Street
Laurinburg, North Carolina 28352
Telephone: (910) 277-2406
Fax: (910) 277-2411
www.scotlandcounty.org

Kevin Patterson
County Manager

Ann W. Kurtzman
Clerk to the Board

Board of Commissioners
Guy McCook, Chairman
Carol McCall, Vice Chair
John T. Alford
Bob Davis
Betty Blue Gholston
Whit Gibson
Clarence McPhatter II

TO: SCOTLAND COUNTY BOARD OF COMMISSIONERS
FROM: ANN W. KURTZMAN
DATE: MAY 27, 2015
SUBJECT: VACANCIES ON BOARDS AND COMMITTEES

AGING ADVISORY COUNCIL
An application for a three-year term has been received from **Ms. Leatha Garrison.**

SCOTLAND COUNTY PARKS AND RECREATION ADVISORY COUNCIL
There is a vacancy for an unexpired term. The Parks and Recreation Advisory Board requests that **Mr. William Trivette** of Laurel Hill be appointed to the seat with a term that would end in April 2017.

Below is a list of Boards and Committees where vacancies currently are or will become available through September 2015.

AGING ADVISORY COUNCIL
Two seats are open.

JURY COMMISSION
One seat will be available in August.

LAURINBURG/SCOTLAND COUNTY CRIME AND DRUG COMMITTEE
Applications are accepted on a continuous basis for this committee.

LAURINBURG/SCOTLAND COUNTY PLANNING & ZONING BOARD
Three seats available. Appointees must live in the ETJ.

LAURINBURG/SCOTLAND COUNTY ZONING BOARD OF ADJUSTMENT
Two seats will be available in May 2015. Appointees must live in the ETJ.

LRCOG SCOTLAND COUNTY ADULT CARE HOME COMMUNITY ADVISORY COMMITTEE
Two seats available.

LRCOG SCOTLAND COUNTY NURSING HOME COMMUNITY ADVISORY COMMITTEE
One seat is available.

LRCOG WORKFORCE DEVELOPMENT
Terms will expire June 30 for three Board members.

MAXTON/SCOTLAND COUNTY BOARD OF ADJ USTMENT AND APPEALS
One seat is open. Appointee must reside in the Maxton extraterritorial jurisdiction.

SCOTLAND COUNTY HISTORIC PROPERTIES COMMISSION
Three seats become available in July.

SCOTLAND COUNTY MEMORIAL LIBRARY ADVISORY BOARD
One seat is available for an unexpired term. Three additional seats become available in July.

SCOTLAND COUNTY TOURISM DEVELOPMENT AUTHORITY
Three seats become available in July.

SCOTLAND COUNTY ZONING BOARD OF ADJUSTMENT
One seat and one alternate seat is available.

SOUTHEASTERN ECONOMIC DEVELOPMENT COMMISSION
There is one vacancy for a private sector representative.

SOUTHEASTERN FAMILY & COMMUNITY SERVICES
Terms will expire June 30 for two Board members.

WAGRAM/SCOTLAND COUNTY ZONING BOARD OF ADJUSTMENT
Two seats are available. The appointee must reside in the extraterritorial jurisdiction of Wagram.

NOTE: *The above Board and Committee vacancies are advertised on the Scotland County website and the application form also is available on the webs*

Ann Kurtzman

From: notifications@scotlandcounty.org
Sent: Thursday, May 21, 2015 9:33 AM
To: Akurtzman@scotlandcounty.org
Subject: Form Submission Received: Online Application Form

From Url: http://www.scotlandcounty.org/online-application-form.aspx
From IP Address: 68.16.220.250

Name:
Leatha Garrison

Mailing Address:
12081 Oakcroft Trail

Physical Address (if different from mailing address):

Daytime Phone:
910-280-8223

Evening Phone:
910-280-8223

Email:
lbgmum@yahoo.com

I wish to be considered for appointment to the following Board(s)/Commission(s):
Scotland Co. Aging Advisory Council

List any experience/qualifications you have relevant to the above Board/Commission:
I have been in the medical field for the last 30 years and currently employed with Rite Aid and work with Sr. groups as a part of my job. I enjoy the older population encouraging them to lead a full and productive lifestyle. My focus the last 6 years has been with diabetes education.

List current service on other Board(s)/Commission(s):
I currently available.

List past service on other Board(s)/Commission(s):

A form has been submitted, click the link below to view the submission:
http://www.scotlandcounty.org/FormWizard/ViewSubmission.aspx?mid=170&pageid=146&rid=ed2ebbe5-3e89-4e37-99f8-6c035d86c0f4

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 6

_____ Information

__X__ Action Item

_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	FY 2015-2016 proposal for availability fees
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	County Manager Kevin Patterson
PURPOSE:	Present an availability fees proposal for consideration in the FY 2015-2016 budget ordinance
ATTACHMENTS:	Draft availability fees proposal
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Consider action on a proposed availability fee plan

Solid Waste / Availability Fee

GOALS

1. Cover the current operating costs of the solid waste operations
2. Meet expected capital needs of solid waste operations, estimated $150,000 annually
3. Accumulate funds to provide for closure and post closure costs in 20 Years

Fee is on all Improved Parcels

$55 Solid Waste fee on all improved parcels. An improved parcel has a structure and an electrical meter base.

$30 Availability fee added to all improved parcels outside municipal boundaries

Four categories for the calculation of the fee.

1. Improved real property parcel inside municipality
2. Improved real property parcel outside municipality
3. Real Property improved for multi-tenant structure inside municipality
4. Real Property improved for multi-tenant structure outside municipality

Fee structure

- All improved parcels are charged the base solid waste fee of $55 annually
- Improved parcels outside municipality will be charged an additional availability fee of $30 annually
- Improved parcels with multi-tenant building with contracted waste services will be charged $55 per unit annually. This includes apartments, condos, duplexes, trailer parks commercial and industrial properties.
- Improved parcels with multi-tenant building outside municipality will be charged $85 per unit annually. This includes but not limited to apartments, condos, duplexes, trailer parks, retail, commercial and industrial properties.

Exemption. If the taxpayer qualifies for the homestead exemption, the solid waste and availability fee will be reduced by 50% for the property the exemption is applied to. The fee will not be charged to governmental buildings.

Total Expected Revenue $717,053

- Years to positive unrestricted net assets 13 years
- Years to accumulate cash equal to closure/post closure 19 years

Assumptions

- No increase in annualized costs, no inflation
- Convenience site fees eliminated
- Revenue stream will remain stable, number of improved parcels not estimated to change

		Improved Parcels	
		$85 No Collection	**$55 Collection**
		Net assets	Cash position
Unrestricted Net Assets 7/1/14		$ (2,265,445)	$ (600,000)
parcel fee		$ 717,053	$ 717,053
500 parcels w/ collection		(15,000)	(15,000)
Less convenience fees		(90,000)	(90,000)
2014 loss annual		(290,646)	(290,646)
Minimal Capital needs		(150,000)	(150,000)
Potential annual increase		$ 171,407	$ 171,407
Over 10 years	10	1,714,066	1,714,066
Potential Balance		(551,379)	1,114,066.46
Over 15 years	15	2,571,100	2,571,100
Potential Balance		305,655	1,971,100
Over 20 years	20	3,428,133	3,428,133
Potential Balance		1,162,688	2,828,133
Target		$ 1	$ 2,900,000
Years to target		13.22	20.42

What is charged?

Residential

Commercial (including nonprofit)

Retail

Industry

Multitenant is charged by unit

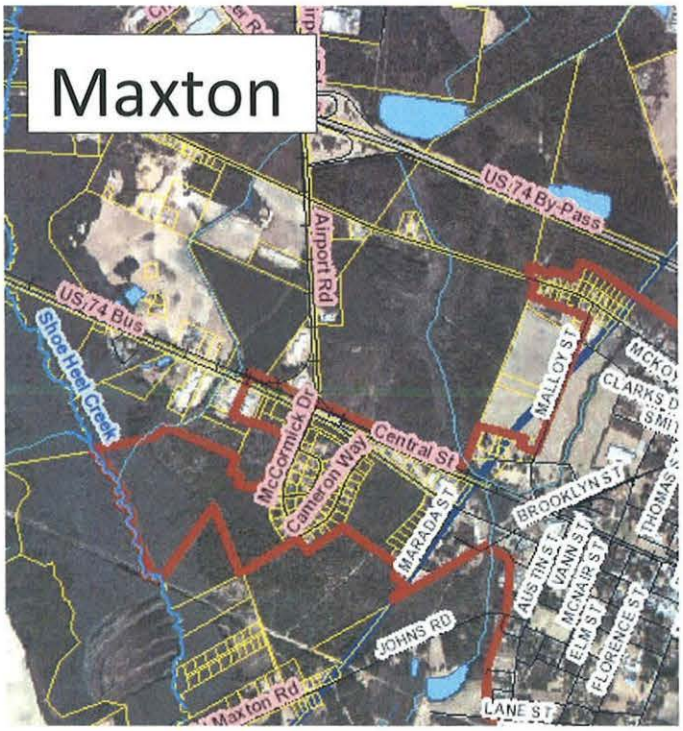
What is Not Charged?

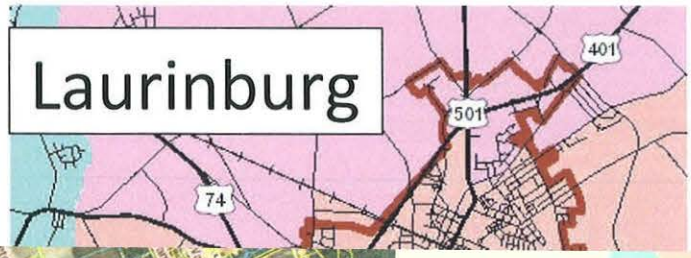
Governmental

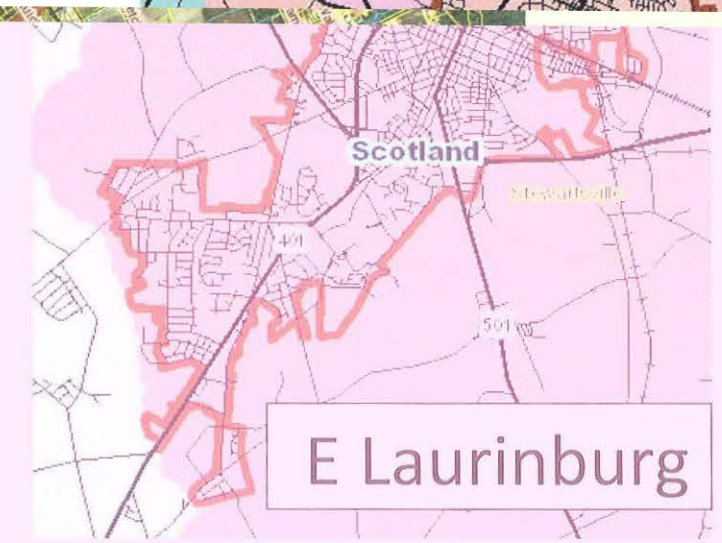
Any Other Exemptions?

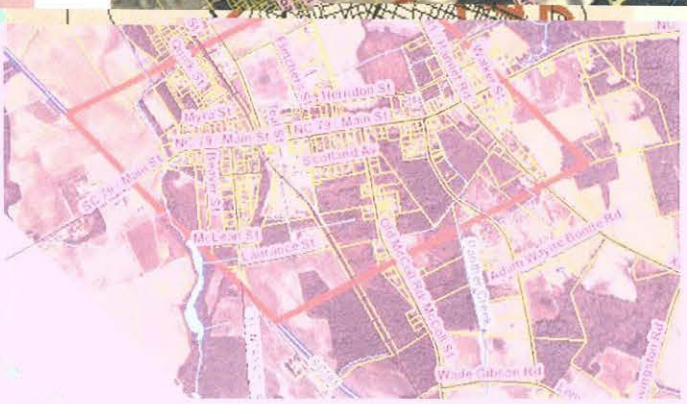
Homestead Exemption of 50%

Where property is charged $55









Where is Charged $85?

Everywhere else

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 7
X Information
____ Action Item
____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Update from the County Manager
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	County Manager Kevin Patterson
PURPOSE:	Provide monthly update on County business and activities.
ATTACHMENTS:	Monthly report Resolutions from Perquimans and Moore counties
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Take action as necessary

County of Scotland

507 West Covington Street
Laurinburg, North Carolina 28352
Telephone: (910) 277-2406
Fax: (910) 277-2411
www.scotlandcounty.org

Kevin Patterson
County Manager

Ann W. Kurzman
Clerk to the Board

Board of Commissioners
Guy McCook, Chairman
Carol McColl, Vice Chair
John T. Alford
Bob Davis
Betty Blue Gholston
Whit Gibson
Clarence McPhatter II

May 28, 2015

To: Board of County Commissioners

From: Kevin Patterson, County Manager

Re: Monthly Report

Auction results: The auction had bids on all 41 properties. The total bid was $282,600. Deeds are being processed for the transfers.

Update

State Budget – the House has passed its budget. The expectation is that the Senate is working on a budget proposal without regard to the House's budget. This will likely mean the conference committee will develop the final budget. This is not expected to be by June 30th.

Update only

Request to set the official public hearing date for the budget for June 15th at 7:00 pm at the Emergency Operation Center.

PERQUIMANS COUNTY
BOARD OF COMMISSIONERS

P.O. BOX 45
HERTFORD, NORTH CAROLINA 27944
TELEPHONE: 1-252-426-7550

MARY P. HUNNICUTT
CLERK TO BOARD
W. FRANK HEATH, III
COUNTY MANAGER

JANICE MCKENZIE COLE
CHAIR
EDWARD R. MUZZULIN
VICE CHAIRMAN
T. KYLE JONES
FONDELLA A. LEIGH
WALLACE E. NELSON
MATTHEW PEELER
W. HACKNEY HIGH, JR.
COUNTY ATTORNEY

A Resolution Requesting that the North Carolina State Legislature Develop a Jobs Incentive Program Geared Toward Tier I Counties

WHEREAS, Perquimans County work to recruit new industry and expand existing industry in order to strengthen the tax base and create jobs; and

WHEREAS, the task presents unique challenges because most industries today seek a skilled workforce while the chronically unemployed in Perquimans County is populated by a mostly unskilled workforce; and

WHEREAS, Perquimans County have had success with recruiting industries that create fewer than 200 jobs and employ a mix of skilled and unskilled workers but do not meet the employment or salary threshold imposed by the North Carolina Department of Commerce JDIG (Joint Development Investment Grants); and

WHEREAS, despite sustained and strong recruitment efforts by Perquimans County, they cannot compete with larger, more prosperous counties in the State that reap generous financial rewards from JDIG.

BE IT THEREFORE RESOLVED that Perquimans County Board of Commissioners request the North Carolina State Legislature enact a Criteria for Operation and Implementation of Job Development Investment Program tailored specifically for Tier I counties that would promote job creation for unskilled workers, improve the local and regional tax base and usher in prosperity for all North Carolina counties.

ADOPTED the 4th day of May, 2015.

Janice McKenzie Cole
Janice McKenzie Cole, Chair
Perquimans County Board of Commissioners

ATTESTED:

Mary P. Hunnicutt
Mary P. Hunnicutt, Clerk to the Board
Perquimans County Board of Commissioners

RESOLUTION REQUESTING THE NORTH CAROLINA GENERAL ASSEMBLY TO CHANGE THE REQUISITE FUNDING FORMULA TO INCREASE THE NUMBER OF ALLOTTED CLASSROOM TEACHERS' POSITIONS BY APPLYING THE FORMULA TO INDIVIDUAL SCHOOLS AND GRADES RATHER THAN DISTRICTWIDE AND FUND THESE POSITIONS BY THE CURRENT BUDGETED AMOUNT

WHEREAS, the North Carolina General Assembly sets forth certain funding formulas for the Department of Public Instruction to apply when funding public education; and

WHEREAS, the State determines the number of teachers' positions allotted to each school district based upon the number of students in each grade. The State determines the student to teacher ratio as well. Currently, for kindergarten classes, the student to teacher ratio is 1/18. Thus, there must be one teacher for every 18 kindergarten students. The State takes the total number of kindergarteners in each school district and then applies the ratio to determine the allotted kindergarten teachers. Since the State applies the ratio in this manner, it appears that the individual school's needs for teachers' positions are often not met since the student counts vary from school to school. Take for instance four schools which have 25 kindergarten students in each school in a single school district. When you apply the State required student teacher ratio of 1/18 in this scenario, you will calculate a need for 8 teachers. However, when you use the formula the State uses, you would add all the kindergarten students into a single number equaling 100. Next, you would apply the student teacher ratio and divide 100 total kindergarteners by 18 students, which equal 5.5 teachers when 8 teachers are actually needed. This is an example of how the State's funding formula creates a shortfall in teachers' positions. In the past, and presently, the counties and local taxpayers have been funding the shortfall of teachers' positions, which cost in the millions of dollars in local tax money; and

WHEREAS, currently the formula for funding classroom teachers is based upon the number of teachers' positions times the average salary plus benefits for each school system. However, the school districts are not given the budgeted amount; they are given a monthly reimbursement for actual expenses and not enough to cover all positions required based upon the State determined student teacher ratio. The amount reimbursed is lower than the budgeted amounts for the teachers' positions; and

WHEREAS, the State could cover this shortfall of teachers' positions by applying the funding formula based upon individual schools and grades instead of only applying one total number for teachers' positions for the entire school district; and

WHEREAS, it appears that the money to cover this shortfall for teachers' positions is already budgeted for in the State's budget given the unencumbered money remaining after the actual reimbursed amounts are deducted from the budgeted amounts for teachers' positions; and

WHEREAS, if the State budgets for teachers' positions, then the State should pay all of the budgeted money necessary to fund these needed positions and not rely on the local taxpayer to cover the shortfall.

NOW THEREFORE BE IT RESOLVED, that the Moore County Board of Commissioners request the North Carolina General Assembly to make the necessary revisions to its funding formula to fund the needed teachers' positions in the local schools by applying the formula by individual schools and grades rather than one number for the entire school district and use the remaining unencumbered budgeted amount to pay for these needed positions, thereby relieving the local tax payer of this unnecessary burden of funding teachers' positions which are already budgeted for by the State.

BE IT FURTHER RESOLVED that the Clerk to Board of Moore County Commissioners sends this Resolution to Governor Pat McCrory, Senate Leader Phil Berger, House Speaker Tim Moore and the Moore County Delegation.

Adopted this 5th day of May, 2015.

Nick Picerno, Chairman
Moore County Board of Commissioners

COUNTY OF MOORE CORPORATE SEAL NORTH CAROLINA

ATTEST: Laura M. Williams
Laura M. Williams, Clerk to the Board

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT

ITEM NO. 8
_____ Information
__X__ Action Item
_____ Consent Agenda

Meeting Date June 1, 2015

SUBJECT:	Introduction of the FY 2015-2016 budget plan
DEPARTMENT:	Governing body
PUBLIC HEARING:	No
CONTACT PERSON:	Budget Officer Kevin Patterson
PURPOSE:	Present the 2015-2016 Budget Plan
ATTACHMENTS:	2015-2016 Budget Summary (budget and budget message will be sent out separately)
BACKGROUND:	N/A
PRIOR BOARD ACTION:	N/A
RECOMMENDATIONS:	Receive budget information and set date, time and place for Public Hearing for 7 p.m. Monday, June 15, 2015, at the Emergency Operations Center Meeting Room

BUDGET SUMMARY

2015 Budget Original	**38,581,088**
2015 Budget Amended	**40,131,001**
2016 Budget Request	**40,403,688**

PRIMARY CHANGES IN THE BUDGET

Increase Health Insurance Premium			85,499	
COLA 1%		120,000		
5/10 year step increases		94,000	214,000	
911 Center 2 positions for high demand periods - mid year			52,471	
IT additional Technician			39,195	
Elections for three elections Municipal, Presidential Primary, May Primary			45,851	
Equipment				
5 vehicles for Sheriff Department	161,500			
Ambulance	165,000			
Tax Server	20,000			
Plat Scanner	12,000	358,500		
		(295,446)	63,054	
Increased Incentives - Does not include cascade final valuation			115,499	615,568

Sales Taxes are budgeted at projected collection rates for the current year

Property Taxes are budgeted at 12 month collection rates plus investment by FCC for Incentive calculation.

SCOTLAND COUNTY BOARD OF COMMISSIONERS

ITEM ABSTRACT
Meeting Date: June 1, 2015

ITEM NO. 9
Closed Session

SUBJECT: Closed Session in accordance with N.C. General Statute §143-318.11(a)(4) to discuss matters relating to the location or expansion of business in the area served by this body

RECOMMENDATIONS: Approve April 6, 2015, April 22, 2015, May 20, 2015 and May 22, 2015 closed session minutes