

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

**TUESDAY, APRIL 2, 2024
5:30 P.M.**

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

TIME	#	TOPIC	PRESENTER	PAGE
5:30	1	CALL REGULAR MEETING TO ORDER		
	2	APPROVAL OF MINUTES: February 29 & March 1, 2024, Special Meeting Minutes March 19, 2024, Regular Meeting March 19, 2024, Closed Session		1
	3	APPROVAL OF THE APRIL 2, 2024, AGENDA		11
5:35	4	PUBLIC COMMENT – Will last up to 1-hour dependent on number of speakers	CHAIRMAN TURNBOW	13
5:40	5	PROPOSED CMT AND ENGINEERING CONTRACT WITH SOLID ROCK ENGINEERING FOR MIDDLE FORK GREENWAY	MS. WENDY PATOPRSTY	15
5:45	6	SHERIFF'S OFFICE COVID GRANT FUND FOR FLOCK SAFETY	CAPTAIN PRESTON RUSSELL	21
5:50	7	MISCELLANEOUS ADMINISTRATIVE MATTERS	MR. DERON GEOUQUE	
		A. Proposed Audit Contract for Fiscal Year Ending June 30, 2024		31
		B. Appointment of New County Attorney		51
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5:55	8	ADJOURN		

AGENDA ITEM 2:

APPROVAL OF MINUTES:

February 29 & March 1, 2024 Special Meeting Minutes (Annual Pre-Budget Retreat)

March 19, 2024, Regular Meeting

March 19, 2024, Closed Session

DRAFT**MINUTES****WATAUGA COUNTY BOARD OF COMMISSIONERS
SPECIAL MEETING****THURSDAY, FEBRUARY 29, 2024, & FRIDAY, MARCH 1, 2024**

The Watauga County Board of Commissioners held a special meeting on Thursday, February 29, 2024, and Friday, March 1, 2024, in order to conduct a budget retreat to review goals and objectives for the County. The meetings originated in the Commissioners' Board Room at the Watauga County Administration Building, Boone, North Carolina.

PRESENT: Larry Turnbow, Chairman
 Charlie Wallin, Vice-Chairman
 Todd Castle, Commissioner
 Braxton Eggers, Commissioner
 Ray Russell, Commissioner
 Deron Geouque, County Manager/Finance Director

Lunch was provided at 12:00 P.M. Chairman Turnbow called the meeting to order on Thursday, February 29, 2024, at 1:32 P.M., welcoming those in attendance. Ms. Misty Watson, Finance Director Liaison, joined the meeting for the Thursday session.

The following topics were discussed:

Opening Remarks

Mr. Deron Geouque

FY 2024 Review and Discussion of FY 2025 Budget

Ms. Misty Watson

- A. Revenues
- B. Expenditures
- C. Debt Service Report
- D. Budget Calendar
- E. Special Appropriations

Review of Current Capital Improvement Plan (CIP)

Mr. Deron Geouque & Mr. Robert Marsh

- A. Current CIP Status Report
- B. Valle Crucis Elementary School
- C. County Facilities Assessment Update
- D. Courthouse Parking Deck –

Mr. Bill Dixon

- E. Roof Repairs Update
 - 1. Human Services
 - a. Human Services Renovations
 - 2. Law Enforcement

- F. ARPA Projects/Funding
 - 1. Broadband \$7,750,000
 - 2. Kill/Chill Water/Sewer \$500,000

Mr. Jim Hamilton
- G. 911/Medic/Emergency Services Facility
- H. Library
- I. School Facilities

Break from 3:35 P.M. to 3:53 P.M.

Sanitation Facility Upgrades

Mr. Rex Buck

- A. Facility Upgrades
- B. Recycling

Tax Matters – 2027 Revaluation

Mr. Larry Warren

Appalachian District Health

Ms. Jennifer Greene & Ms. Lindsay Sullivan

- A. District Matters
- B. Opioid Plan

Watauga County Comprehensive Plan

Mr. Jason Walker

Updating the Plan was discussed.

Watauga Medics

Mr. Craig Sullivan

- A. Annual Report
- B. Future Needs

County Manager’s Summary

Mr. Deron Geouque

A recess was declared at 6:46 P.M. The meeting reconvened on Friday, March 1, 2024, at 9:02 A.M.

Middle Fork Greenway Update

Ms. Wendy Patoprsty

Watauga Tourism Development Authority (TDA)

Mr. Wright Tilley & Mr. Matt Vincent

Caldwell Community College & Technical Institute

Dr. Mark Poarch

Economic Development Matters

Mr. Joe Furman

- A. Workforce Housing
- B. Economic Development Commission (EDC) Update
- C. Early Childhood Education & Development Fund

Mr. David Jackson

School Board Funding Issues

Superintendent Dr. Leslie Alexander, School Board Chairman Dr. Gary Childers as well as Staff members Dr. Chris Blanton, Assistant Superintendent and Human Resources Director, and Ms. Ly Marze, Finance Director

- A. FY 2025 Funding Needs
- B. Schools' Capital Improvement Plan

Public Safety and Emergency Communications Matters

Mr. Will Holt

- A. EMS Updates
- B. Communications Updates

Miscellaneous & Commissioner Matters

Mr. Deron Geouque

- A. State Issues
- B. Commissioner Matters

Wrap up, Goals, Objectives, and Board Directives

Budget Work Sessions are set for May 13, 2024, from 12:00 – 8:00 P.M. and May 14, 2024, from 9:00 A.M. to 1:00 P.M.

The County Manager concluded the retreat by reviewing the issues discussed and seeking direction from the Board for Fiscal Year 2024-2025.

The meeting adjourned at 12:03 P.M.

Larry Turnbow
Chairman, Watauga County Board of Commissioners

ATTEST:
Deron Geouque
County Manager

DRAFT**MINUTES****WATAUGA COUNTY BOARD OF COMMISSIONERS
TUESDAY, MARCH 19, 2024**

The Watauga County Board of Commissioners held a regular meeting, as scheduled, on Tuesday, March 19, 2024, at 5:30 P.M. in the Commissioners' Board Room located in the Watauga County Administration Building, Boone, North Carolina.

Chairman Turnbow called the meeting to order at 5:31 P.M. The following were present:

PRESENT: Larry Turnbow, Chairman
 Charlie Wallin, Vice-Chairman
 Todd Castle, Commissioner
 Braxton Eggers, Commissioner
 Ray Russell, Commissioner
 Deron Geouque, County Manager
 Anita J. Fogle, Clerk to the Board

County Attorney, Andrea Capua, was not present during the regular meeting; however, Ms. Capua joined the Board through Zoom during the closed session portion of the meeting.

Commissioner Russell opened with a prayer and Commissioner Castle led the Pledge of Allegiance.

APPROVAL OF MINUTES

Chairman Turnbow called for additions and/or corrections to the March 5, 2024, regular minutes and closed session minutes.

Commissioner Eggers, seconded by Commissioner Castle, moved to approve the March 5, 2024, regular meeting minutes as presented.

VOTE: Aye-5
 Nay-0

Commissioner Eggers, seconded by Commissioner Castle, moved to approve the March 5, 2024, closed session minutes as presented.

VOTE: Aye-5
 Nay-0

APPROVAL OF AGENDA

Chairman Turnbow called for additions and/or corrections to the March 19, 2024, agenda.

Vice-Chairman Wallin, seconded by Commissioner Russell, moved to approve the March 19, 2024, agenda as presented.

VOTE: Aye-5
Nay-0

PUBLIC COMMENT

There was no public comment.

PROPOSED GREENING MY PLATE PROCLAMATION

Ms. Margie Mansure, with Cooperative Extension, requested to proclaim the month of April 2024 as “Greening My Plate Month.” The purpose of the proclamation was to bring awareness to the benefits of locally grown fruits and vegetables, and recognize and celebrate the farmers who provide this produce. The month of April leads to the opening of local farmer’s markets. Chairman Turnbow read the proclamation.

Commissioner Castle, seconded by Vice-Chairman Wallin, moved to adopt the proclamation as presented by Ms. Mansure.

VOTE: Aye-5
Nay-0

PROPOSED PROCLAMATION RECOGNIZING APRIL 24-30, 2024, AS FIRST RESPONDER WELLNESS WEEK

Ms. Valerie Mailman, Responder Wellness Coalition, presented a proposed proclamation setting the week of April 24 through April 30, 2024, as First Responder Wellness Week 2024. The Responder Wellness Coalition is a nonprofit organization in Watauga County dedicated to improving the wellness of first responders in the High Country. A list of events during the week would be available the first of April. Chairman Turnbow read the proclamation.

Commissioner Eggers, seconded by Vice-Chairman Wallin, moved to adopt the proclamation as presented by Ms. Mailman.

VOTE: Aye-5
Nay-0

REQUEST TO EXPEND FUNDS FROM THE WATAUGA COUNTY SHERIFF’S OFFICE SESSION 2021-180 HB 105 GRANT

Major Kelly Redmon with the Sheriff’s Office requested approval to expend funding from the Watauga County Sheriff’s Office Session 2021-180 HB 105 grant. Major Redmon stated that, as part of their ongoing efforts to enhance public safety and community engagement, the funds would be used toward the development of a Sheriff’s App. The total cost of development, inmate search,

sex offender registry integration, and 3 years of technical support was \$33,538. There were funds available as part of the grant to fund this request for three years.

Commissioner Russell shared information from a law enforcement agency that uses and praises the App and stated that the App would only be as effective as the amount of time put into it by the Sheriff's Office. Major Redmon stated that after three years, the cost to maintain the App would be \$7,816.

Commissioner Russell, seconded by Commissioner Eggers, moved to approve the expenditure of funds from the Watauga County Sheriff's Office Session 2021-180 HB 105 grant in the amount of \$33,538 as presented by Major Redmon.

VOTE: Aye-5
Nay-0

MAINTENANCE MATTERS

A. Bid Award Requests for Paving Projects

Mr. Robert Marsh, Maintenance Director, requested approval of a contract for additional scope of work requested by the Hunger Coalition for paving at the Hannah Site. Staff reviewed the request as a potential change order to the original contract awarded to Tri-County paving in the amount of \$202,433.86. However, after reviewing the extent of the scope of work, staff determined bidding was warranted. In addition, staff requested a price for the change order and received a quote of \$185,118.96. Three (3) bids were received with Tri-County Paving being the lowest responsible bidder in the amount of \$151,075.72 which was a cost savings to the County of \$34,043.24. The funds will come from the \$2 million state grant for parking needs.

Vice-Chairman Wallin, seconded by Commissioner Russell, moved to award the bid to Tri-County Paving in the amount of \$151,075.72 as presented by Mr. Marsh.

VOTE: Aye-5
Nay-0

B. Change Order to Human Services Project

Mr. Marsh requested approval of a change order in the amount of \$2,930 for the Human Services Renovation Project. The scope of the change order was repairing fifty-one (51) wall patches from electrical demolition due to sconces being removed that were no longer needed. Mr. Marsh stated that approval had been given for the building renovation project which came in under budget and, therefore, adequate funds were available to cover the additional expense.

Commissioner Russell, seconded by Commissioner Eggers, moved to approve Change Order #1 in the amount of \$2,930 for the Human Services Renovation Project as presented by Mr. Marsh.

VOTE: Aye-5
Nay-0

TAX MATTERS

A. Monthly Collections Report

Mr. Larry Warren, Tax Administrator, presented the Tax Collections Report for the month of February 2024. The report was presented for information only and, therefore, no action was required.

B. Refunds and Releases

Mr. Larry Warren, Tax Administrator, presented the Refunds and Releases Report for February 2024 for Board approval:

TO BE TYPED IN MINUTE BOOK

Commissioner Eggers, seconded by Commissioner Castle, moved to approve the Refunds and Releases Report for February 2024 as presented.

VOTE: Aye-5
Nay-0

Commissioners Eggers stated that citizens had reached out to them regarding recent mailings from the Tax Office about property value increases. Mr. Warren recommended that citizens be directed to his office for assistance.

Commissioner Castle stated that he understood that when valuing land under ten (10) acres, one (1) acre was given the value of a homesite even when there was no intention of improving the land. Mr. Warren stated that was a common practice throughout the State even though there was no State nor County regulations requiring the added value. County Manager Geouque stated that one way to look at it was to understand that the remaining acreage was taxed at a lower value than the one (1) acre. After discussion was held, Commissioner Castle requested Mr. Warren provide the history of when the practice originated in Watauga County. Vice-Chairman Wallin stated that Watauga County could be a trend setter by discontinuing the practice.

PUBLIC HEARING REQUEST FOR ORDINANCE UPDATE

At the previous Board Meeting, consideration to schedule a public hearing to amend the Watauga County Building Code Ordinance was tabled until the appendices could be provided to Commissioners for review and consideration. Chairman Turnbow stated that there were still questions and requested a meeting be set with staff, himself, and Commissioner Eggers to review the appendices. Chairman Turnbow, along with Commissioner Eggers and staff, tentatively scheduled the meeting for March 28, 2024, at 4:00 P.M. The hope was to meet early enough to be able to schedule, advertise, and hold the public hearing in May. Fire Marshal Shane Garland stated that the Fire Code only affected subdivisions and commercial properties. Mr. Holt clarified that single-family homes were not affected by the Fire Code.

Chairman Turnbow tabled consideration of scheduling a public hearing to allow for the meeting to review the proposed changes.

PARKS AND RECREATION OUT-OF-STATE TRAVEL REQUEST

Ms. Keron Poteat, Parks and Recreation Director, requested authorization to travel to Decatur, Alabama, April 15-18, 2024, to attend the Appalachian Gateway Communities Initiative Workshop. The Deep Gap Ruritan Club, which was working on plans to construct the Deep Gap Recreation Area, had asked that she attend the workshop with their team which included two members of the club; a representative from Destination by Design, a representative of the Watauga County Arts Council, and herself. The Deep Gap Ruritan Club would pay for all of the expenses related to the trip through grant funds.

Commissioner Castle, seconded by Commissioner Eggers, moved to authorize Ms. Poteat to travel to Decatur, Alabama, April 15-18, 2024, to attend the Appalachian Gateway Communities Initiative Workshop.

VOTE: Aye-5
Nay-0

MISCELLANEOUS ADMINISTRATIVE MATTERS

A. Announcements

County Manager Geouque stated that there were no announcements.

CLOSED SESSION

At 6:26 P.M., Commissioner Eggers, seconded by Vice-Chairman Wallin, moved to enter Closed Session to discuss Attorney/Client Matters, per G. S. 143-318.11(a)(3) and Personnel Matters, per G. S. 143-318.11(a)(6) at which time County Attorney Capua joined the meeting via Zoom.

VOTE: Aye-5
Nay-0

Vice-Chairman Wallin, seconded by Commissioner Russell, moved to resume the open meeting at 7:38 P.M.

VOTE: Aye-5
Nay-0

ADJOURN

Commissioner Russell, seconded by Commissioner Castle, moved to adjourn the meeting at 7:38 P.M.

VOTE: Aye-5
Nay-0

Larry Turnbow, Chairman

ATTEST: Anita J. Fogle, Clerk to the Board

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AGENDA ITEM 3:

APPROVAL OF THE APRIL 2, 2024, AGENDA

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AGENDA ITEM 4:

PUBLIC COMMENT

MANAGER'S COMMENTS:

Public Comment will last up to 1-hour dependent upon the number of speakers.

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AGENDA ITEM 5:

PROPOSED CMT AND ENGINEERING CONTRACT WITH SOLID ROCK ENGINEERING FOR MIDDLE FORK GREENWAY

MANAGER'S COMMENTS:

Ms. Wendy Patoprsty, Middle Fork Greenway, will request the Board approve a contract with Solid Rock Engineering in the estimated amount of \$32,000. The contract is for materials testing and engineering services for the Middle Fork Greenway (Section 4), Tweetsie Railroad Underpass. All expenses associated with this contract will be paid by Middle Fork Greenway. No County funds will be required.

Board action is required to approve the contract with Solid Rock Engineering with an estimated amount of \$32,000 with Middle Fork Greenway to pay all expenses related to this contract.

Memorandum

Date: March 27, 2024

To: Board of Commissioners, County Manager

From: Wendy Patoprsty

RE: Request to approve Geotechnical Contract for Tweetsie Underpass

I would like to request approval of the attached contract with Solid Rock Engineering for concrete and geotechnical inspections during construction of the underpass and bridge for the Middle Fork Greenway at Tweetsie Railroad. The construction contractors were selected last fall and they will resume construction after April 15th when the trout moratorium has lifted. Middle Fork Greenway will pay for the contract with Solid Rock Engineering.

Thank you.

SOLID ROCK ENGINEERING, PLLC

NCBELS #P-1523

WWW.SOLIDROCKENGINEERINGNC.COM

JEFFREY D. HOLCHIN, P.E. FOUNDER, OWNER, & PRINCIPAL ENGINEER

March 12, 2024

Mr. Deron Geouque
Watauga County Manager
814 West King Street
Suite 205
Boone NC 28607
Deron.geouque@watgov.org

Re: Proposal for Construction Materials Testing & Engineering Services
Middle Fork Greenway (Section 4) Tweetsie Railroad Underpass
Boone, Watauga County, North Carolina
SRE Proposal # 24-WATAUGACO-1p

Dear Mr. Geouque:

Solid Rock Engineering, PLLC (SRE) is pleased to provide this proposal, which will serve as our contract when signed, to provide Construction Materials Testing (CMT) and Engineering Services for the Middle Fork Greenway (Section 4) Tweetsie Railroad Underpass project along US 321 south of Boone, North Carolina. These services are required in the project plans and specifications and have been requested by the Blue Ridge Conservancy and their project manager Interface Environmental Consultants, LLC. Construction work is scheduled to begin on April 15, 2024 and extend through July 2024. The following sections of this proposal provide a project description, SRE's expected scope of work, expected work schedule, and expected fee for the requested CMT and engineering services.

GENERAL PROJECT DESCRIPTION

This section of the Middle Fork Greenway will connect completed portions of the Middle Fork Greenway (MFG) at the upstream and downstream ends of the 3-barrel box culvert for the Middle Fork of the New River to pass under US 321 south of Boone, NC. This project will involve installing a greenway slab in barrel 1 of the 3-barrel box culvert, two (2) cast-in-place concrete retaining walls, riprap bank stabilization, a suspension bridge with concrete abutments, earthwork and erosion and sediment control measures.

SRE SCOPE OF WORK

The project plans and specifications plus the geotechnical report require extensive engineering inspection, construction materials testing (CMT), and several letters by a geotechnical with a NC PE stamp. A completion report by a NC-licensed profession engineer will be required at the end of the project. SRE has visited the project and

carefully reviewed the project plans and specifications to determine the required types of inspection and CMT work, which include:

1. Concrete testing for slump and air content;
2. Preparation of sets of 6"x12" concrete cylinders for compression testing
3. Compression testing of sets of concrete cylinders;
4. Inspection and approval of steel reinforcement prior to concrete placement;
5. Monitoring of concrete placement for conformance with specifications;
6. Verifying that all concrete is placed within 90 minutes from batch time;
7. Verifying competent subgrade prior to all fill and/or concrete placement;
8. Verifying proper levels of fill compaction during placement;
9. Checking asphalt temperatures during placement; and
10. Providing engineering letters with PE stamp with NC license.

SRE Estimated Fee and Payment Terms

SRE will perform the required CMT and engineering services for this project on a unit rate basis plus expenses including mileage and laboratory testing of concrete cylinders. SRE expects a project schedule starting on April 15, 2024 and ending on July 7, 2024 based on the notice to bidder documents, which is approximately 12 full weeks. SRE estimates 10 hours/week for 12 weeks = 120 hours for senior engineer Mr. Holchin P.E. (billing rate =\$150/hr.) for an estimated subtotal of **\$18,000**.

SRE estimates a total of 8 weeks of work for a technician (billing rate=\$40/hr.) at 30 hours/week = 240 hours for an estimated subtotal of **\$10,000**. This total includes the delivery costs of concrete cylinders to the testing lab in Charlotte.

SRE estimates a mileage fee of **\$1500** for this project, based on a fee of \$0.75/mile.

SRE estimates a subtotal of **\$2500** for concrete cylinder testing.

SRE estimates a maximum total of \$32,000 for the required inspection, CMT and engineering services required in the plans and specifications for this project. SRE will charge for our actual engineering services on an hourly basis for the listed hourly fees along with mileage and laboratory testing fees on the first day of each month, and payment will be required within 15 days. The final total for this contract may be less than or exceed the estimated total of \$32,000, based on the actual construction work, especially if the work is extended past the July 7, 2024 completion date listed in the Notice to Bidders.

Expected SRE Work Schedule

SRE understands that construction work will begin on April 15, 2024 and extend through July 7, 2024. SRE senior engineer Mr. Holchin P.E. and/or the technician will be

present on site for all required inspection and CMT work, for an estimated total of 40 hours/week.

ACCEPTANCE

SRE's insurance carrier requires that we receive written authorization prior to initiation of work and the release of any work product. This letter proposal with our scope of work, fee and SRE terms & conditions constitute the agreement for our services. Your acceptance of this proposal may be indicated by signing/dating below and returning this proposal to our office in Boone.

Thank you for considering SRE for this project.
Sincerely,

SOLID ROCK ENGINEERING, PLLC



Jeffrey D. Holchin, P.E., D.GE
Principal Geotechnical Engineer

Attachments: SRE Terms and Conditions

CLIENT and Solid Rock Engineering, PLLC (SRE) agree to the above proposal, billing rate, required retainer, payment terms, and the standard SRE terms and conditions.

Engineer:

Client:

Jeffrey D. Holchin / 3-12-24

TERMS AND CONDITIONS

SOLID ROCK ENGINEERING ("ENGINEER") shall perform the services outlined in this agreement for the stated fee arrangement.

Access to Site:

Unless otherwise stated, the ENGINEER will have access to the site for activities necessary for the performance of the services. The ENGINEER will take precautions to minimize damage due to these activities, but have not included in the fee the cost of restoration of any resulting damage.

Dispute Resolution:

Any claims or disputes made during execution of the previously stated scope or additional services between the CLIENT and ENGINEER shall be submitted to non-binding mediation. CLIENT and ENGINEER agree to include a similar mediation agreement with all contracts, subcontractors, subconsultants, suppliers or fabricators, thereby providing for mediation as the primary method for dispute resolution between all parties.

Billings/Payments:

Invoices for the ENGINEER's services shall be submitted, at the ENGINEER's option, either upon completion of such services or on a monthly basis. Invoices shall be payable upon receipt of the invoice. If the invoice is not paid within 15 business days, the ENGINEER may, without waiving any claim or right against the CLIENT, and without liability whatsoever to the CLIENT, terminate the performance of the service. Retainers shall be credited on the final invoice.

Late Payments:

Accounts unpaid 15 business days after the invoice date may be subject to a monthly service charge of up to 1.5% (or the legal rate) on the then unpaid balance, plus project management and administrative costs. In the event any portion or all of an account remains unpaid 90 days after billing, the CLIENT shall pay all costs of collection, including reasonable attorney's fees.

Indemnification:

The CLIENT shall, to the fullest extent permitted by law, indemnify and hold harmless the ENGINEER, his or her officers, directors, employees, agents and subconsultants from and against all damage, liability and cost, including reasonable attorney's fees and defense costs, arising out of or in any way connected with the performance by any of the parties above named of the services under this agreement, excepting only those damages, liabilities or costs attributable to the sole negligence or willful misconduct of the ENGINEER.

Certification, Guarantees and Warranties:

The ENGINEER shall not be required to execute any document that would result in their certifying, guaranteeing or warranting the existence of conditions whose existence the ENGINEER cannot ascertain.

Limitation of Liability:

In recognition of the relative risks, rewards and benefits of the project to both the CLIENT and the ENGINEER, the risks have been allocated such that the CLIENT agrees that, to the fullest extent permitted by law, the ENGINEER's total liability to the CLIENT for any and all injuries, claims, losses, expenses, damages or claim expenses arising out of this agreement from any cause or causes, shall not exceed contract fee. Such causes include, but are not limited to, the ENGINEER's negligence, errors, omissions, strict liability, breach of contract or breach of warranty.

Termination of Services:

This agreement may be terminated by the CLIENT or the ENGINEER should the other fail to perform its obligations hereunder. In the event of termination, the CLIENT shall pay the ENGINEER for all services rendered to the date of termination, all reimbursable expenses, and reimbursable termination expenses.

Ownership of Documents:

All documents produced by the ENGINEER under this agreement shall remain the property of the CLIENT and may not be used by the Client for any other PROJECT without the written consent of the ENGINEER. Copies of documents that may be relied upon by the OWNER and/or CLIENT are limited to printed copies (hard copies) that are signed and sealed by the ENGINEER. Any conclusion or information obtained or derived from other sources or plans will be at the user's sole risk. ENGINEER will not be responsible for work performed or costs incurred by the OWNER and/or CLIENT prior to acquisition of permits.

AGENDA ITEM 6:

SHERIFF'S OFFICE COVID GRANT FUND FOR FLOCK SAFETY

MANAGER'S COMMENTS:

Captain Preston Russell, Watauga County Sheriff's Office, will request the Board approve the remainder of the COVID assistance grant for Flock Safety in the amount of \$50,650. The contract total is \$50,650 including service and installation fees for a five-year period. No County match is required.

Board action is required to approve the contract and terms for a five-year period in the amount of \$50,650 for Flock Security.



WATAUGA COUNTY SHERIFF'S OFFICE

184 HODGES GAP ROAD
BOONE, NORTH CAROLINA 28607
(828) 264-3761 • FAX (828) 263-5345

LEN D. HAGAMAN, JR.
SHERIFF

To: Deron Geouque

From: Captain Preston Russell

Ref: Covid Grant Fund for Flock Safety



The Watauga County Sheriff's Office has funds from a COVID assistance grant for Law Enforcement agencies. This is a non-matching grant aimed at providing law enforcement agencies funds to obtain assets not normally funded by municipalities.

As part of our ongoing efforts to enhance public safety and community engagement, I am writing to request approval for the allocation of funds from the LE Covid Grant towards Flock Safety.

1. **Crime Prevention:** Flock Safety's presence acts as a powerful deterrent to criminal activity. Knowing that their actions are being monitored and recorded can discourage potential offenders from committing crimes in our community.
2. **Enhanced Investigations:** In the unfortunate event of a crime occurring, Flock Safety provides valuable evidence to law enforcement agencies. The system captures license plate information, vehicle descriptions, and timestamps, aiding in investigations and increasing the likelihood of apprehending suspects.
3. **Community Engagement:** Flock Safety fosters a sense of community involvement in public safety efforts. Residents can feel empowered knowing that they are contributing to making their neighborhoods safer by implementing this proactive security measure.
4. **Efficient Resource Allocation:** By leveraging Flock Safety's technology, law enforcement agencies can allocate their resources more efficiently. The system automates the process of monitoring and analyzing footage, allowing officers to focus their efforts on other critical tasks.
5. **Cost-Effective Solution:** Compared to traditional security systems, Flock Safety offers a cost-effective solution for enhancing community safety. The system is scalable, customizable, and requires minimal maintenance, making it an accessible option for our community.

In conclusion, implementing Flock Safety in our county aligns with our commitment to ensuring the safety and well-being of all residents. By embracing innovative technologies like Flock Safety, we can proactively address security concerns, foster community resilience, and create a safer environment for everyone to thrive.

Funds from LE Covid grant have afforded us the opportunity to enter into a 5-year agreement with flock. This contract total is \$50,650 including service and installation fees.

Respectfully,

A handwritten signature in dark ink, appearing to read 'P. Russell', written in a cursive style.

Captain Preston Russell

**Flock Safety + NC - Watauga County
SO**

Flock Group Inc.
1170 Howell Mill Rd, Suite 210
Atlanta, GA 30318

MAIN CONTACT:
Taylor Ellison
taylor.ellison@flocksafety.com
704-942-6362

Out-of-Box Software Features	
Simplified Search	<p>Get a complete view of all activity tied to one vehicle in your network of privately and publicly owned cameras. The user-friendly search experience allows officers to filter hours of footage in seconds based on time, location, and detailed vehicle criteria using patented Vehicle Fingerprint™ technology. Search filters include:</p> <ul style="list-style-type: none"> ● Vehicle make ● Body type ● Color ● License plates <ul style="list-style-type: none"> ○ Partial tags ○ Missing tags ○ Temporary tags ○ State recognition ● Decals ● Bumper stickers ● Back racks ● Top racks
National and Local Sharing	<p>Access 1B+ additional plate reads each month without purchasing more cameras. Solve cross-jurisdiction crimes by opting into Flock Safety's sharing networks, including one-to-one, national, and statewide search networks. Users can also receive alerts from several external LPR databases:</p> <p style="text-align: center;"> <i>California SVS</i> <i>FDLE</i> <i>FL Expired Licenses</i> <i>FL Expired Tags</i> <i>FL Sanctioned Drivers</i> <i>FL Sex Offenders</i> <i>Georgia DOR</i> <i>IL SOS</i> <i>Illinois Leads</i> <i>NCIC</i> <i>NCMEC Amber Alert</i> <i>REJIS</i> <i>CCIC</i> <i>FBI</i> </p>
Real-time Alerts	<p>Receive SMS, email, and in-app notifications for custom Hot Lists, NCIC wanted lists, AMBER alerts, Silver alerts, Vehicle Fingerprint matches, and more.</p>
Interactive ESRI Map	<p>View your AVL, CAD, traffic, and LPR alerts alongside live on-scene video from a single interactive map for a birdseye view of activity in your jurisdiction.</p>
Vehicle Location Analysis	<p>Visualize sequential Hot List alerts and the direction of travel to guide officers to find suspect vehicles faster.</p>

flock safety

EXHIBIT A ORDER FORM

Customer: NC - Watauga County SO
 Legal Entity Name: NC - Watauga County SO
 Accounts Payable Email: preston.russell@watgov.org
 Address: 184 Hodges Gap Rd Boone, North Carolina
 28607

Initial Term: 60 Months
 Renewal Term: 24 Months
 Payment Terms: Net 30
 Billing Frequency: Annual Plan - First Year Invoiced at Signing.
 Retention Period: 30 Days

Hardware and Software Products

Annual recurring amounts over subscription term

Item	Cost	Quantity	Total
Flock Safety Platform			\$10,000.00
Flock Safety Flock OS			
FlockOS™	Included	1	Included
Flock Safety LPR Products			
Flock Safety Falcon®	Included	4	Included

Professional Services and One Time Purchases

Item	Cost	Quantity	Total
One Time Fees			
Flock Safety Professional Services			
Professional Services - Standard Implementation Fee	\$650.00	1	\$650.00

Subtotal Year 1:	\$10,650.00
Annual Recurring Subtotal:	\$10,000.00
Discounts:	\$10,000.00
Estimated Tax:	\$3,418.88
Contract Total:	\$50,650.00

North Carolina Department of Public Safety
Agreement # Name 2021-2023
Watauga County Sheriff's Office

This Agreement is hereby entered into by and between the Department of Public Safety (the "AGENCY") and the Watauga County Sheriff's Office (the "RECIPIENT") (referred to collectively as the "Parties"). The RECIPIENT's federal tax identification number is 566001816.

1. EFFECTIVE TERM

This agreement shall be effective starting November 18, 2021 and this agreement shall terminate on June 30, 2023.

2. RECIPIENT'S DUTIES

The RECIPIENT shall provide the services as described below:

The RECIPIENT is authorized to use funds by this agreement for expense incurred in enforcing the law as directed by the NC General Assembly in Session Law 2021-180 (House Bill-105).

The RECIPIENT's scope of work is a complete and concise scope of goods or services supported by this agreement and consistent with language in Session Law 2021-180.

The RECIPIENT agrees to use the funds provided to sheriff's office pursuant to Section 19A.3.(c) shall be a supplemental to and shall not supplant local funding for sheriff's office.

The RECIPIENT agrees to use the funds in the amounts allocated for the budget cost items set forth in the RECIPIENT's Budget. RECIPIENT may reallocate and/or redistribute among budgeted items up to 10% in overall budget costs without the express written permission of the AGENCY. RECIPIENT agrees that it will not reallocate and/or redistribute any overall budget costs that will exceed 10% on any annual basis without first obtaining the express authorization of the AGENCY in writing.

The RECIPIENT understands and acknowledges that total funding level available under this agreement will not exceed \$84,269.66. Attachment A provides scope of work and payment amounts to be paid to RECIPIENT. RECIPIENT agrees to complete all sections of the Quarterly or Periodic Status Report & Accounting (Attachment B) following each quarter, and provide all supporting documentation when the quarterly Accounting is submitted.

The RECIPIENT shall provide the following: W-9/Electronic Payment/Vendor Verification form (09 NCAC 03M.002), Conflict of Interest Statement (N.C.G.S. 143C- 6-23.(b)). and No Overdue Tax Debt Certification (N.C.G.S. 143C-6-23.(c)) to the Agency.

Pursuant to N.C.G.S 143C-6- 8, the RECIPIENT understands and agrees that agreement funding shall be subject to the availability of appropriated funds. However, in the event of agreement termination due to lack of adequate appropriated funds, the AGENCY will ensure that it will pay for services and goods acquired and obligated on or before the notice of agreement termination.

Directed grants to nonprofit organizations are for nonsectarian, nonreligious purposes only (S.L. 2021-180, Sec. 5.2 (b)5). State funds for any one employee of a nonprofit are capped at \$120,000.00 (S.L. 2021-180, Sec. 5.3). Funds shall not revert until June 30, 2023 (S.L. 2021-180, Sec. 5.2).

5. AGREEMENT ADMINISTRATORS

All notices permitted or required to be given by one Party to the other and all questions about the Agreement from one Party to the other shall be addressed and delivered to the other Party's Agreement Administrator. The name, post office address, street address, telephone number, fax number, and email address of the Parties' respective initial Agreement Administrators are set out below. Either Party may change the name, post office address, street address, telephone number, fax number, or email address of its Agreement Administrator by giving timely written notice to the other Party.

For the AGENCY	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Tara Williams-Brown, Controller NC Department of Public Safety 4220 Mail Service Center Raleigh, NC 27699-4220 Telephone: 919-324-1409 Fax: 919-324-6240 Email: tara.williams-brown@ncdps.gov	Tara Williams-Brown, Controller NC Department of Public Safety 2020 Yonkers Road Raleigh, NC 27604 Telephone: 919-324-1409 Fax: 919-324-6240 Email: tara.williams-brown@ncdps.gov

For the RECIPIENT	
IF DELIVERED BY US POSTAL SERVICE	IF DELIVERED BY ANY OTHER MEANS
Misty D Watson, Finance Officer Watauga County 814 West King Street Boone, NC 28607 Telephone: 828-265-8007 Email: misty.watson@watgov.org	

6. MONITORING AND AUDITING

The RECIPIENT acknowledges and agrees that, from and after the date of execution of this Agreement and for five (5) years following its termination, the books, records, documents and facilities of the RECIPIENT are subject to being audited, inspected and monitored at any time by the AGENCY upon its request (whether in writing or otherwise). The RECIPIENT further agrees to provide AGENCY staff and staff of the Office of State Auditor with access to financial and accounting records to support internal audit, financial reporting and related requirements.

The RECIPIENT acknowledges and agrees that, regarding the grant funds, it will be subject to the audit and reporting requirements prescribed in N.C.G.S. 159-34, Local Government Finance Act – Annual Independent Audit, rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of grant funding received by the RECIPIENT and are subject to change.

7. TAXES

This agreement may be terminated by mutual consent upon sixty (60) days written notice to the other party, or as otherwise provided by law. As soon as reasonably possible following termination of this agreement, the amount of any residual unexpended funds shall be transferred to the AGENCY.

13. AMENDMENTS

This Agreement may be amended in writing which documents approval of changes by both the AGENCY and the RECIPIENT.

14. AGREEMENT CLOSE-OUT PROCESS

The RECIPIENT agrees to submit to the AGENCY a complete performance and expenditure status report (final report) within ninety (90) days after expiration of this agreement June 30, 2023:

- 1) A complete accounting of how the appropriated funds were used;
- 2) A complete performance status report; and
- 3) A Certification stating the funds were used for the purpose appropriated (AGENCY will supply template).

The above noted reports shall include RECIPIENT and SUB-RECIPIENT reporting information related to the above noted quantitative results and accomplishments. RECIPIENT and any SUB-RECIPIENTS agree that all program activity results information reported shall be subject to review and authentication as described in Paragraph 7 and RECIPIENT will provide access to work papers, receipts, invoices and reporting records, if requested by the AGENCY, as the AGENCY executes any audit internal audit responsibilities.

RECIPIENT will be deemed noncompliant if its final report is not submitted within the 90-day period stated above. Once the complete final performance and financial status report package has been received and evaluated by the AGENCY, the RECIPIENT will receive official notification of agreement close-out. The letter will inform the RECIPIENT that the AGENCY is officially closing the agreement and retaining all agreement files and related material for a period of five (5) years or until all audit exceptions have been resolved, whichever is longer.

15. AUTHORIZED SIGNATURE WARRANTY

The undersigned represent and warrant that they are authorized to bind their principals to the terms of this agreement. **In Witness Whereof**, the RECIPIENT and the AGENCY have executed this Agreement in duplicate originals, with one original being retained by each party.

WATAUGA COUNTY

<i>Misty D Watson</i>	2/14/2022 09:27:02 EST
Signature	Date
Misty D Watson	Finance Officer
Printed Name	Title



INVOICE

Flock Group Inc dba Flock Safety
www.flocksafety.com

Invoice Number: INV-36459
 Invoice Date: 3/15/2024
 Due Date: 4/14/2024
 Payment Terms: Net 30
 PO#:

Bill To: NC - Watauga County SO
 184 Hodges Gap Rd
 Boone, North Carolina, 28607

Ship To: NC - Watauga County SO
 184 Hodges Gap Rd
 Boone, North Carolina 28607

Billing Company Name: NC - Watauga County SO
 Billing Contact Name: Preston Russell
 Billing Email Address: preston.russell@watgov.org

Payment Terms: Net 30
 Contracted Billing Structure: 100% of Contract up front

00539372 - per customer, change to 100% upfront. Applied an existing credit.

Notes:

ITEMS	QTY	UNIT PRICE	SALES TAX	TOTAL
Flock Safety Falcon ®	4	\$12,500.00	\$3,375.00	\$53,375.00
Professional Services - Standard Implementation Fee	1	\$650.00	\$43.88	\$693.88

Unless otherwise noted on the Order Form, the Term shall commence upon first installation and validation of Flock Hardware.
 Link to Location of Services:

Subtotal: \$50,650.00
Sales Tax: \$3,418.88
Credit: \$3,769.89
Payments: \$0.00
Balance Due: \$50,298.99

If you have questions about your invoice or need to update your billing contact information, please email billing@flocksafety.com.

AGENDA ITEM 7:

MISCELLANEOUS ADMINISTRATIVE MATTERS

A. Proposed Audit Contract for Fiscal Year Ending June 30, 2024

MANAGER’S COMMENTS:

Mr. Deron Geouque, County Manager/Finance Director, will request the Board approve the Fiscal Year 2023-24 audit contract and engagement letter with C. Randolph CPA, PLLC. The contract amount of \$49,200 covers the annual audit. Adequate funds are available to cover the expenditure.

Board approval is required to accept the contract with C. Randolph, CPA, PLLC for the County’s Fiscal Year 2023-2024 audit in the amount not to exceed \$49,200.

CONTRACT TO AUDIT ACCOUNTS

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

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

and	Auditor Name C. Randolph CPA, PLLC
	Auditor Address 560 Beaver Creek School Rd., West Jefferson, NC 28694

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24
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Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.
2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then

the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

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

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

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Auditing Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

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

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

For GAAS or *Government Auditing Standards* audits, if an auditor issues an AU-C §260 report, commonly referred to as "Governance Letter," LGC staff does not require the report to be submitted unless the auditor cites significant findings or issues from the audit, as defined in AU-C §260.12 - .14. This would include issues such as difficulties encountered during the audit, significant or unusual transactions, uncorrected misstatements, matters that are difficult or contentious reviewed with those charged with governance, and other significant matters. If matters identified during the audit were required to be reported as described in AU-C §260.12-.14 and were communicated in a method other than an AU-C §260 letter, the written documentation must be submitted.

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. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.
10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).
11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.
12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.
13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.
15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.
16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.
17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.
18. Special provisions should be limited. Please list any special provisions in an attachment.
19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.
20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.
21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. 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.

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

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and *Government Auditing Standards, 2018 Revision* (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification). #26

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

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

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

CONTRACT TO AUDIT ACCOUNTS

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Government Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by: Auditor Governmental Unit Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

Name: Deron Geouque	Title and Unit / Company: Finance Director	Email Address: deron.geouque@watgov.org
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OR Not Applicable (Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. The audit fee information included in the table below for both the Primary Government Fees and the DPCU Fees (if applicable) should be reported as a specific dollar amount of audit fees for the year under this contract. If any language other than an amount is included here, the contract will be returned to the audit form for correction.

4. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

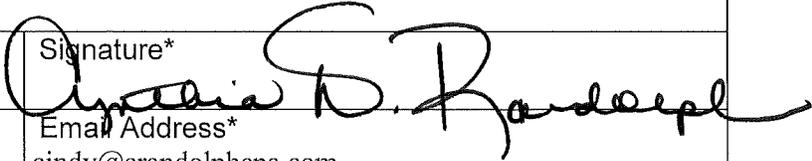
Primary Government Unit	Watauga County
Audit Fee (financial and compliance if applicable)	\$ 49,200
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$ 49,200

Discretely Presented Component Unit	N/A
Audit Fee (financial and compliance if applicable)	\$
Fee per Major Program (if not included above)	\$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	\$
All Other Non-Attest Services	\$
TOTAL AMOUNT NOT TO EXCEED	\$

CONTRACT TO AUDIT ACCOUNTS

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* C. Randolph CPA, PLLC	
Authorized Firm Representative (typed or printed)* Cynthia D. Randolph	Signature* 
Date* 03/26/24	Email Address* cindy@crandolphcpa.com

GOVERNMENTAL UNIT

Governmental Unit* Watauga County	
Date Governing Board Approved Audit Contract* (Enter date in box to right)	✓
Mayor/Chairperson (typed or printed)* Larry Turnbow	Signature* 
Date ✓	Email Address* larry.turnbow@watgov.org

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

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.

Sum Obligated by This Transaction:	\$ 49,200
Primary Governmental Unit Finance Officer* (typed or printed) Deron Geouque	Signature* ✓
Date of Pre-Audit Certificate* ✓	Email Address* deron.geouque@watgov.org

**SIGNATURE PAGE – DPCU
(complete only if applicable)**

DISCRETELY PRESENTED COMPONENT UNIT

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* (Enter date in box to right)	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

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

DPCU – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1). Not applicable to hospital contracts.

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.

Sum Obligated by this Transaction:	\$
DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

PRINT

C. Randolph CPA, PLLC
Certified Public Accountant
 560 Beaver Creek School Rd.
 West Jefferson, North Carolina 28694
 Phone: (336) 846-3211
 Fax: (336) 846-1142

To the Board of Commissioners and Finance Director

Watauga County

814 West King St., Rm. 216

Boone, NC 28607

We are pleased to confirm our understanding of the services we are to provide for Watauga County for the year ended June 30, 2024.

Audit Scope and Objectives

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 disclosures, which collectively comprise the basic financial statements, of Watauga County as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America (GAAP) provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Watauga County's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Watauga County's RSI in accordance with auditing standards generally accepted in the United States of America (GAAS). 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 appropriate evidence to express an opinion or provide any assurance. The following RSI is required by GAAP and will be subjected to certain limited procedures, but will not be audited:

- 1) Management's Discussion and Analysis.
- 2) Schedule of Changes in Total Pension Liability – Law Enforcement Officers' Special Separation Allowance Irrevocable Trust (LEOSSA)
- 3) Schedule of Net Pension Liability (LEOSSA)
- 4) Schedule of County's Contributions (LEOSSA)
- 5) Schedule of Changes in the OPEB liability and Related Ratios (OPEB)
- 6) Schedule of County's Contributions (OPEB)
- 7) Schedule of Investment Returns (OPEB)
- 8) Schedule of County's Proportionate Share of Net Pension Liability (Asset) (LGERS)
- 9) Schedule of County's Contributions – Local Government Retirement System (LGERS)
- 10) Schedule of County's Proportionate Share of Net Pension Liability (Asset) (RODSPF)
- 11) Schedule of County's Contributions (RODSPF)

We have also been engaged to report on supplementary information other than RSI that accompanies Watauga County's financial statements. We will subject the following supplementary information to the auditing procedures

applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with GAAS, and we will provide an opinion on it in relation to the financial statements as a whole in a report combined with our auditor's report on the financial statements.

- 1) Schedule of Expenditures of Federal and State Awards.
- 2) Combining and Individual Fund Schedules
- 3) Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual

In connection with our audit of the basic financial statements, we will read the following other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

- 1) Schedule of Ad Valorem Taxes Receivable
- 2) Analysis of Current Tax Levy – County-Wide Level
- 3) Secondary Market Disclosures
- 4) Ten Largest Taxpayers
- 5) Analysis of Current Tax Levy – Fire Districts

The objectives of our audit are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and issue an auditor's report that includes our opinions about whether your financial statements are fairly presented, in all material respects, in conformity with GAAP, and 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. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. Misstatements, including omissions, can arise from fraud or error and are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment of a reasonable user made based on the financial statements. The objectives also include reporting on:

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

Auditor's Responsibilities for the Audit of the Financial Statements and Single Audit

We will conduct our audit in accordance with GAAS; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the Single Audit Act Amendments of 1996; and the provisions of the Uniform Guidance, and will include tests of accounting records, a determination of major program(s) in accordance with Uniform Guidance, and other procedures we consider necessary to enable us to express such opinions. As part of an audit in accordance with GAAS and *Government Auditing Standards*, we exercise professional judgment and maintain professional skepticism throughout the audit.

We will evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management. We will also evaluate the overall presentation of the financial statements, including the disclosures, and determine whether the financial statements represent the underlying transactions and events in

a manner that achieves fair presentation. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits nor do they expect auditors to provide reasonable assurance of detecting waste or 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 an unavoidable risk that some material misstatements or noncompliance may not be detected by us, even though the audit is properly planned and performed in accordance with GAAS 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 on 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. 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.

In connection with this engagement, we may communicate with you or others via email transmission. As emails can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom they are directed and only to such parties, we cannot guarantee or warrant that emails from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure of emails transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of revenues or anticipated profits, or disclosure or communication of confidential or proprietary information.

We will also conclude, based on the audit evidence obtained, whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the government's ability to continue as a going concern for a reasonable period of time.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, tests of the physical existence of inventories, and direct confirmation of receivables and certain assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will also request written representations from your attorneys as part of the engagement.

We may, from time to time and depending on the circumstances, use third-party service providers in serving your account. We may share confidential information about you with these service providers but remain committed to maintaining the confidentiality and security of your information. Accordingly, we maintain internal policies, procedures, and safeguards to protect the confidentiality of your personal information. In addition, we will secure confidentiality agreements with all service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have appropriate procedures in place to prevent the unauthorized release of your confidential information to others. In the event that we are unable to secure an appropriate confidentiality agreement, you will be asked to provide your consent prior to the sharing of your confidential information with the third-party service provider. Furthermore, we will remain responsible for the work provided by any such third-party service providers.

Our audit of financial statements does not relieve you of your responsibilities.

Audit Procedures—Internal Control

We will obtain an understanding of the government and its environment, including the system of internal control, sufficient to identify and assess the risks of material misstatement of the financial statements, whether due to error or fraud, and to design and perform audit procedures responsive to those risks and obtain evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from

fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentation, or the override of internal control. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

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

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Accordingly, we will express no such opinion. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards, *Government Auditing Standards*, and the Uniform Guidance.

Audit Procedures—Compliance

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

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

Other Services

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

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

Responsibilities of Management for the Financial Statements and Single Audit

Our audit will be conducted on the basis that you acknowledge and understand your responsibility for (1) designing, implementing, establishing, and maintaining effective internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, including internal controls over federal and state awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America; and for compliance with applicable laws and regulations (including federal and state statutes), rules, and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationships in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

You are also responsible for making drafts of financial statements, schedule of expenditures of federal and state awards, all financial records, and related information available to us and for the accuracy and completeness of that information (including information from outside of the general and subsidiary ledgers). 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, such as records, documentation, identification of all related parties and all related-party relationships and transactions, and other matters; (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance; (3) additional information that we may request for the purpose of the audit; and (4) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence. At the conclusion of our audit, we will require certain written representations from you about 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 related matters.

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 of each opinion unit 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. You are also responsible for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, and grant agreements that we report. Additionally, as required by the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal and state awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan. The summary schedule of prior audit findings should be available for our review on October 15, 2024.

You are responsible for identifying all federal and state awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received, and COVID-19-related concepts, such as lost revenues, if applicable) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal and state awards in any document that contains, and indicates that we have reported on, the

schedule of expenditures of federal and state awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal and state awards that includes our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal and state awards in accordance with the Uniform Guidance; (2) you believe the schedule of expenditures of federal and state awards, including its form and content, is stated fairly in accordance with the Uniform Guidance; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

You are also responsible for the preparation of the other supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles (GAAP). 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. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP; (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

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

With regard to publishing the financial statements on your website, you understand that websites are a means of distributing information and, therefore, we are not required to read the information contained in those sites or to consider the consistency of other information on the website with the original document.

Engagement Administration, Fees, and Other

SmartVault portal is used solely as a method of exchanging information and is not intended to store Watauga County's information. At the end of the engagement, C. Randolph CPA, PLLC will provide Watauga County with a copy (in an agreed-upon format) of deliverables and data related to the engagement from the SmartVault portal. For multi-year engagements, this exchange will occur annually.

Upon completion of the engagement, data and other content will either be removed from the SmartVault portal or become unavailable to C. Randolph CPA, PLLC within a reasonable time frame. For multi-year engagements, completion of the engagement occurs when the deliverables are completed for that year.

We understand that your employees will locate any documents selected by us for testing.

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

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

The audit documentation for this engagement is the property of C. Randolph CPA, PLLC 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 Local Government Commission or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of a quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of C. Randolph CPA, PLLC personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the copies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release date or for any additional period requested by the Local Government Commission. If we are aware that a federal or state 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.

Cynthia D. Randolph is the engagement CPA and is responsible for supervising the engagement and signing the reports.

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

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, confirmation service provider fees, etc.) except that we agree that our gross fee, including expenses, will not exceed \$49,200. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. Our invoices for these fees will be rendered each month as work progresses and are payable on presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and may not be resumed until your account is paid in full. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report(s). You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the engagement. If significant additional time is necessary, we will keep you informed of any problems we encounter and our fees will be adjusted accordingly.

Reporting

We will issue written reports upon completion of our Single Audit. Our reports will be addressed to the Honorable Mayor and Board of Commissioners of Watauga County.

We will make reference to Combs, Tennant & Carpenter, P.C.'s audit of AppalCART in our report on your financial statements.

Circumstances may arise in which our report may differ from its expected form and content based on the results of our audit. Depending on the nature of these circumstances, it may be necessary for us to modify our opinions, add a separate section, or add an emphasis-of-matter or other-matter paragraph to our auditor's report, or if necessary, withdraw from this engagement. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or we may withdraw from this engagement.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will state that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government*

Auditing Standards in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will state that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

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

You have requested that we provide you with a copy of our most recent external peer review report and any subsequent reports received during the contract period. Accordingly, our 2021 peer review report accompanies this letter.

Very truly yours,



Cynthia D. Randolph, CPA

RESPONSE:

This letter correctly sets forth the understanding of Watauga County.

Management signature: ✓ _____

Title: ✓ _____

Date: ✓ _____

Governance signature: ✓ _____

Title: ✓ _____

Date: ✓ _____



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

Report on the Firm's System of Quality Control

To the Owner of C. Randolph CPA, PLLC and the
Peer Review Committee, Coastal Peer Review, Inc.

We have reviewed the system of quality control for the accounting and auditing practice of C. Randolph CPA, PLLC (the firm) in effect for the year ended October 31, 2021. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

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

Firm's Responsibility

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

Required Selections and Considerations

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

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

Opinion

In our opinion, the system of quality control for the accounting and auditing practice of C. Randolph CPA, PLLC in effect for the year ended October 31, 2021, 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*. C. Randolph CPA, PLLC has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

December 13, 2021

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619

919 782 9265
919 783 8937 FAX

Durham
3500 Westgate Drive
Suite 203
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
579 West Street
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

Smithfield
212 East Church Street
Post Office Box 2348
Smithfield, North Carolina 27577

919 934 1121
919 934 1217 FAX

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AGENDA ITEM 7:

MISCELLANEOUS ADMINISTRATIVE MATTERS

B. Appointment of New County Attorney

MANAGER'S COMMENTS:

The County was recently made aware of the dissolution of di Santi Capua & Garrett, Attorneys at Law, current County Attorney. As such, the Board is required to appoint a new County Attorney/Firm. Ms. Capua of di Santi Capua & Garrett, Attorneys at Law will be joining the law firm of Capua Law and is interested in continuing as the County Attorney with her new firm.

The Board will need to appoint a new firm. Staff seeks direction from the Board.

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AGENDA ITEM 7:**MISCELLANEOUS ADMINISTRATIVE MATTERS***C. Boards and Commissions***MANAGER'S COMMENTS:***Blowing Rock Planning Board and Board of Adjustment ETJ Representative*

The Blowing Rock Town Council recommends Mr. Joseph "Woody" Hubbard be appointed to serve as an Extra-Territorial Jurisdiction (ETJ) representative on Blowing Rock's Planning Board and Board of Adjustment. Due to time constraints, The Town of Blowing Rock respectfully requests a waiver of the first reading so the recommendation can be considered for a vote at the April 2nd meeting, which would allow Mr. Hubbard to be appointed at the April 18th Blowing Rock Planning Board meeting.

EMS Advisory Committee

The EMS Advisory Committee recommends the reappointment of Mr. Floyd Hicks and appointment of Mr. Bob Pudney to fill two At-Large positions. Mr. Hicks has served the EMS Advisory Board for many years and Mr. Pudney is the Manager of the Town of Beech Mountain as well as the Fire Chief of the Beech Mountain Volunteer Fire Department.



Town of Blowing Rock

1036 Main Street ★ Post Office Box 47 ★ Blowing Rock, NC 28605

March 25, 2024

Mr. Deron Geouque
Watauga County Manager
814 West King Street, Suite 205
Boone, NC 28607

RE: Appointment of Blowing Rock ETJ Representative
to Planning Board and Board of Adjustment

Dear Deron,

At the February 13, 2024 meeting, the Blowing Rock Town Council recommended Mr. Joseph “Woody” Hubbard to serve as ETJ representative on the Planning Board and Board of Adjustment. Mr. Hubbard has a master’s degree in business administration and prior city government board experience. Mr. Hubbard resides at 1507 Goforth Road, Blowing Rock, and his application is attached.

Please forward this recommendation to the Watauga County Board of Commissioners for their consideration at the next meeting. Due to time constraints, we respectfully request a waiver of the first reading of the request so the recommendation can be considered for a vote at the meeting on April 2nd. If approved by the Board of Commissioners, we’d like to appoint Mr. Hubbard at the April 18th Planning Board meeting so he can begin serving and fill the vacant ETJ seat. Thank you for your consideration.

If you have any questions, please feel free to call me at 828-295-5240. Thank you.

Sincerely,

Brian C. Johnson, czo, cfm
Interim Planning Director



TOWN OF BLOWING ROCK

APPLICATION FOR APPOINTMENT TO A VOLUNTEER BOARD

FULL NAME:

Joseph Woodward Hubbard, Jr.

HOME ADDRESS:

1507 Goforth Road

Blowing Rock, North Carolina 28605

PREFERRED CONTACT ADDRESS (if different from home address):

EMAIL ADDRESS:

whubbard54@gmail.com

TELEPHONE: day: (704) 577-3207 evening: (704) 577-3207

BOTH THE PLANNING AND BOARD OF ADJUSTMENT HAVE ONE MEMBER WHO RESIDES IN THE ETJ.

FULL-TIME RESIDENT OF THE TOWN OF BLOWING ROCK: YES NO

FULL-TIME RESIDENT OF THE TOWN OF BLOWING ROCK ETJ: X YES NO

HOW LONG HAVE YOU BEEN A RESIDENT OF BLOWING ROCK? 3 Years

NAME OF VOLUNTEER BOARD FOR WHICH APPOINTMENT IS SOUGHT (list one only): Planning Board

HAVE YOU HAD ISSUES WITH THE TOWN OF BLOWING ROCK WHICH RELATE TO THE WORK OF THE BODY TO WHICH YOU SEEK APPOINTMENT? IF YES, PLEASE EXPLAIN:

None at this time.

DO YOU HAVE ANY KNOWN CONFLICTS OF INTEREST THAT MIGHT ARISE IF YOU ARE APPOINTED? IF YES, PLEASE EXPLAIN:

None

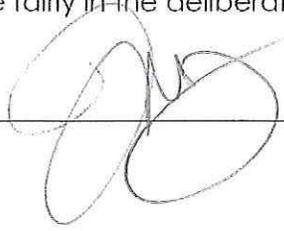
HAVE YOU EVER SERVED ON ANY OTHER TOWN'S BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE? IF SO, PLEASE STATE THE NAME OF THE TOWN OR ENTITY IN WHICH YOU SERVED, AND THE BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, AND THE APPROXIMATE DATES OF SERVICE:

Hoover, Alabama Town Beautification Board 1985-1986

IF YOU HAVE PREVIOUSLY SERVED ON A COUNTY OR TOWN BOARD, COMMISSION, TASK FORCE, ADVISORY BODY OR COMMITTEE, PLEASE EXPLAIN THE QUALITY OF YOUR EXPERIENCE:

Provided my first experience in working with a Community Board of Directors of an important service (Town Beautification and Planning) for a municipality of over 80,000 residents. Primary functions were attending regular meetings, planning and approving beautification projects and planning key events like the annual Arbor Day.

I hereby certify that the foregoing answers are true, and that should I be appointed to the board, and should a conflict of interest exist or develop with regard to a specific matter, I will disclose the conflict of interest and request recusal from the deliberations and action involved. Conflicts of interest include, but are not limited to: a direct or indirect financial interest by me or a member of my family, and/or other interest which impairs my ability to participate fairly in the deliberations and actions in question.

Signature  Date January 5, 2024



Watauga County Emergency Services

184 Hodges Gap Rd, Suite D
Boone, NC 28607
Phone 828-264-4235
Fax 828-265-7617



Fire Marshal ♦ Emergency Management ♦ Communications

March 25, 2024

To: Board of Commissioners

CC: Deron Geouque, County Manager
Anita Fogle, Clerk to the Board

Subject: EMS Advisory Committee Vacancy

Board of Commissioners,

Please consider the request of the EMS Advisory Board to reappoint Mr. Floyd Hicks and appoint Mr. Bob Pudney to the two At-Large positions on the Board. Mr. Hicks has served the EMS Advisory Board for many years and Mr. Pudney is the Manager of the Town of Beech Mountain as well as the Fire Chief of the Beech Mountain Volunteer Fire Department. Commissioner approval is requested to appoint both of these individuals.

Respectfully,

Will Holt
ES Director

AGENDA ITEM 7:

MISCELLANEOUS ADMINISTRATIVE MATTERS

D. Announcements

MANAGER'S COMMENTS: