

STATE OF NORTH CAROLINA

MINUTES

COUNTY OF MADISON

The Madison County Board of Commissioners continued their meeting of May 14, 2012 on Friday, May 25, 2012 at 1:00 p.m. in the Grand Jury Room, Madison County Courthouse, Marshall, North Carolina.

In attendance were Chairperson Debbie Ponder, Vice-Chairman Billy Roberts, Commissioner Bill Briggs, Commissioner Hall Moore, Commissioner Sue Vilcinskis, County Manager Steve Garrison and Attorney Jamie Stokes.

I.

Upon motion from Commissioner Roberts, seconded by Commissioner Vilcinskis the Board voted unanimously to approve the expenditure of \$50,000.00 from 911 Funds for the purchase of two 2012 vehicles, one for Emergency Management and one for 911.

II.

The Board heard from representatives from Pierce Group Benefits, Crescent, Blue Cross Blue Shield and Tucker Administrators in regards to the County's health insurance benefits.

III.

Upon motion from Commissioner Vilcinskis, seconded by Commissioner Roberts, the Board voted unanimously to enter into closed session to discuss legal matters.

IV.

Upon motion from Commissioner Roberts, seconded by Commissioner Vilcinskis, the Board voted unanimously to return to open session.

V.

Upon motion from Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve the quote from Tucker Administrators as the 2012-2013 Madison County Employees Health Plan with a stop loss of \$40,000.00 and preventive care at zero.

VI.

Upon motion from Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to continue this meeting to Friday, June 8, 2012 at 11:00 a.m. in the Madison County Courthouse, Marshall, North Carolina.

This the 25th day of May, 2012.

MADISON COUNTY

By: Debbie Ponder
Debbie Ponder, Chairman
Board of Commissioners

ATTEST:

Jerry Leake
Jerry Leake, Clerk

STATE OF NORTH CAROLINA

MINUTES

COUNTY OF MADISON

The Madison County Board of Commissioners met in regular session on Monday, June 11, 2012 at 7:00 p.m. in the Courtroom, Madison County Courthouse, Marshall, NC.

In attendance were Chairperson Debbie Ponder, Vice-Chairman Billy Roberts, Commissioner Bill Briggs, Commissioner Hall Moore, Commissioner Sue Vilcinskis, County Manager Steve Garrison, and Attorney Jamie Stokes.

I.

Upon motion by Commissioner Roberts, seconded by Commissioner Vilcinskis, the Board voted unanimously to approve the agenda as presented.

II.

Upon motion by Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to approve the minutes of the May 14, 2012 and May 25, 2012 meetings.

III.

A public hearing was conducted by the Board as a requirement of the State in order for the County to receive \$113,546.00 in Rural Operating Assistance Program funding to provide assistance for transportation.

Upon recommendation of Penny Buckner, Community Services Director, and upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to approve the attached certification as to the County's Rural Operating Assistance Program.

IV.

Upon recommendation of Jan Shepherd, Interim Health Director, and upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve a contract with United Healthcare, which will give the Health Department the ability to directly bill United Healthcare for services provided to its insureds, and will, therefore, increase the ability of the County to collect efficiently from United Healthcare.

V.

Upon recommendation of Connie Harris, Social Services Director, and upon motion of Commissioner Roberts, seconded by Commissioner Vilcinskis, the Board voted unanimously to approve the Maximus Annual Software Maintenance Agreement in the amount of \$1875.00.

VI.

Upon recommendation of Connie Harris, and upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve the employment of Nancy Allen as an IMC I Adult Medicaid Worker.

VII.

Upon recommendation of Connie Harris, and upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to transfer Donna Davis to a Social Work Supervisor III in the foster care unit.

VIII.

Upon recommendation of Sam Lunsford, Animal Control Director, and upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to employ Sherry Guice as a part-time Animal Shelter Attendant.

IX.

Upon recommendation of Steve Garrison, County Manager, and upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve an agreement with Homeland Security and the Department of Crime Control and Public Safety.

This agreement provides for the County receiving \$1,856.44 in Homeland Security Funds. There is no County match.

X.

Upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to reappoint Van Franklin to the Nursing Home/Community Advisory Committee.

XI.

Upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to appoint Katie Webb to the Nursing Home/Community Advisory Committee replacing Bea Banks who has resigned.

XII.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to appoint Willa Wyatt to the Nursing Home/Community Advisory Committee replacing Mary Kate Griffin who has resigned.

XIII.

Upon motion of Commissioner Vilcinskis, seconded by Commissioner Roberts, the Board voted unanimously to approve the JCPC Budget for FY 2012-2013.

XIV.

Ken Maxwell, General Manager of Frontier Communications, appeared before the Board to discuss the probability of improving internet service in the County.

XV.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve the quote of Surry/Berkley Mid-Atlantic in the amount of \$99,475.00 for the County's commercial insurance.

XVI.

The Board heard from representatives from various insurance companies in regards to the County's worker's compensation insurance.

XVII.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve Budget Amendment #11.

XVIII.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to enter into a contract with the firm Gould, Killian Group, PA for the 2012 audit.

XIX.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve the attached property and vehicle tax releases and refunds.

XX.

County Manager Steve Garrison presented the proposed 2012-2013 Madison County Budget Ordinance.

XXI.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to enter into closed session to discuss legal matters involving the County's workers compensation insurance.

XXII.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to return to regular session.

XXIII.

Upon motion of Commissioner Roberts, seconded by Commissioner Moore, the Board voted unanimously to approve the quote of the North Carolina Association of County Commissioners for the County's workers compensation insurance.

XXIV.

Upon motion of Commissioner Moore, seconded by Commissioner Roberts, the Board voted unanimously to continue this meeting to June 22, 2012 at 10:00 a.m. at the Madison County Courthouse, Marshall, North Carolina.

This the 11th day of June, 2012.

MADISON COUNTY

BY:

Debbie Ponder, Chairperson
Board of Commissioners

ATTEST:

Larry Leake, Clerk

CERTIFIED STATEMENT
FY 2013
RURAL OPERATING ASSISTANCE PROGRAM
 County of Madison

WHEREAS, the state-funded, formula-based Rural Operating Assistance Program (ROAP) administered by the North Carolina Department of Transportation, Public Transportation Division provides funding for the operating cost of passenger trips and for other transportation services for counties within the state;

WHEREAS, the county uses the most recent transportation plans (i.e. CTSP, CTIP, LCP) available and other public involvement strategies to learn about the transportation needs of agencies and individuals in the county before determining the sub-allocation of these ROAP funds;

WHEREAS, the county government or regional public transportation authorities created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (upon written agreement with the municipalities or counties served) are the only eligible recipient of Rural Operating Assistance Program funds which are allocated to the counties based on a formula as described in the Program Guidelines included in the ROAP application. NCDOT will disburse the ROAP funds only to counties and eligible transportation authorities and not to any sub-recipients selected by the county;

WHEREAS, the county finance officer will be considered the county official accountable for the administration of the Rural Operating Assistance Program in the county, unless otherwise designated by the Board of County Commissioners;

WHEREAS, the passenger trips and transportation services provided with ROAP funds must be accessible to individuals with disabilities and be provided without discrimination on the basis of national origin, creed, age, race or gender (FTA C 4702.1A, FTA C 4704.1, Americans with Disabilities Act 1990); and

WHEREAS, the period of performance for these funds will be July 1, 2012 to June 30, 2013 regardless of the date on which ROAP funds are disbursed to the county.

NOW, THEREFORE, by signing below, the duly authorized representatives of the County of Madison, North Carolina certify that the following statements are true and accurate:

- The county employed a documented methodology for sub-allocating ROAP funds that involved the participation of eligible agencies and citizens. Outreach efforts to include the participation of the elderly and individuals with disabilities, persons with limited English proficiency, minorities and low income persons in the county's sub-allocation decision have been documented.
- The county will advise any sub-recipients about the source of the ROAP funds, specific program requirements and restrictions, eligible program expenses and reporting requirements. The county will be responsible for invoicing any sub-recipients for unexpended ROAP funds as needed.
- The county will monitor ROAP funded services routinely to verify that ROAP funds are being spent on allowable activities and that the eligibility of service recipients is being properly documented. The county will maintain records of trips and services for five years that prove that an eligible citizen was provided an eligible service or trip on the billed date, by whatever conveyance at the specified cost.
- The county will be responsible for monitoring the safety, quality and cost of ROAP funded services and assures that any procurements by subrecipients for contracted services will follow state guidelines.
- The county will conduct regular evaluations of ROAP funded passenger trips and transportation services provided throughout the period of performance.
- The county will only use the ROAP funds to provide trips when other funding sources are not available for the same purpose or the other funding sources for the same purpose have been completely exhausted.
- The county assures that the required matching funds for the FY2013 ROAP can be generated from fares and/or provided from local funds.
- The county will notify the Mobility Development Specialist assigned to the county if any ROAP funded services are discontinued before the end of the period of performance due to the lack of funding. No additional ROAP funds will be available.
- The county will provide an accounting of trips, services and expenditures in semi-annual reports to NCDOT – Public Transportation Division or its designee.
- Any interest earned on the ROAP funds will be expended for eligible program uses as specified in the ROAP application. The County will include ROAP funds received and expended in its annual independent audit on the schedule of federal and state financial assistance. Funds passed through to other agencies will be identified as such.

- The county is applying for the following amounts of FY 2013 Rural Operating Assistance Program funds:

State-Funded Rural Operating Assistance Program	Allocated	Requested
Elderly & Disabled Transportation Assistance Program (EDTAP)	\$50,857	\$50,857
Employment Transportation Assistance Program (EMPL)	\$7,376	\$7,376
Rural General Public Program (RGP)	\$55,313	\$55,313
TOTAL	\$113,546	\$113,546

WITNESS my hand and county seal, this 11th day of June, 2012.

Signature of Board of County Manager/Administrator
Steve Garrison

Printed Name of County Manager/Administrator

State of North Carolina County of Madison

County Seal Here

Signature of Board of County Commissioners Chairperson
Deborah Ponder

Printed Name of Chairperson

Signature of County Finance Officer

Darlyne Rhinehart

Printed Name of County Finance Officer

ROAP PUBLIC HEARING RECORD

Date Public Notice was published: June 5, 2012

APPLICANT: Madison County Transportation Authority

DATE: June 11, 2012

PLACE: Madison County Courthouse, 2 N. Main Street, Marshall, NC 28753

TIME: 7:00pm

**Madison County
2011-2013
NC DPS, Division of Juvenile Justice County Funding Allocation**

Available Funds: \$ 76,672 Local Match: \$ 14,049 Rate: 20%

A Program Agreement Form for each program listed below is included as an attachment to the Community Prevention and Intervention Plan.

#	Program Provider	DJJDP Funding	LOCAL FUNDING			OTHER State/Federal	Total	%
			Local Cash County	Local Cash Other	Local Ju Kind			
1	JCPC Administrative Funds	\$1,280					\$1,280	0%
2	CIS Madison Team Success	\$33,818	\$6,764		\$2,361		\$42,943	21%
3	Juvenile Mediation	\$5,000	\$1,000				\$6,000	3%
4	Project Challenge	\$31,424	\$6,285				\$37,709	17%
5							\$0	#DIV/0!
6							\$0	#DIV/0!
7							\$0	#DIV/0!
8							\$0	#DIV/0!
9							\$0	#DIV/0!
10							\$0	#DIV/0!
TOTALS:		\$71,522	\$14,049	\$0	\$2,361	\$0	\$87,932	19%
Unallocated Funds		\$5,150						

The above plan was derived through a planning process by the Madison County Juvenile Crime Prevention Council and represents the County's Plan for use of these funds in FY 2012-2013.

Chairperson, Juvenile Crime Prevention Council (Date)

Chairperson, Board of County Commissioners (Date)

**Madison County
Board of Commissioners**

Budget Amendment #11

11-Jun-12

Description	Line Item	Increase	Decrease
Ad Valorem Tax Interest	10-3100-1700	\$	22,000.00
Ad Valorem Tax Late Listing	10.3100.1800	\$	1,100.00
2005 Ad Valorem Tax	10.3100.2005	\$	300.00
2006 Ad Valorem Tax	10.3100.2006	\$	200.00
2008 Ad Valorem Tax	10.3100.2008	\$	1,200.00
2009 Ad Valorem Tax	10.3100.2009	\$	7,000.00
2010 Ad Valorem Tax	10.3100.2010	\$	10,000.00
Sales Tax			
3rd 1/2 Cent Sales Tax	10.3232.3115		\$ 3,800.00
PILT			
Federal Entitlement Land	10.3311.2100		\$ 43,552.00
Senior Citizen Programs			
CRC MIPPA	10.3439.6400	\$	3,000.00
Grant Revenues			
Habitat-Housing Costs	10.3511.3100		\$ 2,000.00
In Home Aides			
Respite Care	10.3550.3350	\$	1,500.00
Inspections			
Inspection Fees	10.3435.4100	\$	8,000.00
Zoning Fees	10.3435.4110	\$	3,500.00
Cell Tower Fees	10.3435.4130	\$	9,000.00
911 Dispatchers			
Salaries	10.4331.1210		\$ 1,345.00
Salaries-Temporary	10.4331.1260		\$ 4,000.00

Miscellaneous Supples	10.4331.2990	\$	220.00
Telephone Expense	10.4331.3210	\$	4,400.00
Equipment Maintenance	10.4331.3520	\$	715.00
Vehicle Insurance	10.4331.4520	\$	10.00

IT

Motor Fuels	10.4931.2510	\$	400.00
Vehicle Parts	10.4931.2530	\$	500.00
Telephone Expense	10.4931.3210	\$	1,113.00
Software	10.4931.4000	\$	625.00

Cooperative Extension

Retirement	10.4950.1820	\$	3,710.00
Health Insurance	10.4950.1830	\$	5,635.00
Unemployment Insurance	10.4950.1850	\$	265.00
Janitorial Supplies	10.4950.2110	\$	100.00

Fire Tax

Smokey Mtn. Fire Department	15.3187.0150	\$	1,000.00
Mars Hill Fire Department	15.3187.0155	\$	4,590.00
Leicester Fire Department	15.3187.0170	\$	700.00
Laurel Fire Department	15.3187.0185	\$	500.00
Spring Creek Fire Department	15.3187.0195	\$	300.00
Smokey Mtn. Fire Department	15.4341.0150	\$	1,000.00
Mars Hill Fire Department	15.4341.0154	\$	4,590.00
Leicester Fire Department	15.4341.0170	\$	700.00
Laurel Fire Department	15.4341.0185	\$	500.00
Spring Creek Fire Department	15.4341.0195	\$	300.00

Vehicle Tax

Town of Mars Hill	20.3100.5100	\$	3,000.00
Town of Mars Hill	20.4342.0160	\$	3,000.00

Landfill

State Tire Disposal Fees	80.3472.4130	\$	6,000.00
White Goods Tax	80.3472.4180	\$	1,500.00
Temporary Disposal Cards	80.3472.7100	\$	2,890.00
Disposal Cost Fees	80.3472.8100	\$	1,600.00
Sale of Recyclables	80.3472.8101	\$	9,900.00
Disposal Card Fees	80.3472.8110	\$	20,000.00
Construction Demolition	80.3472.8120	\$	8,000.00
Waste Disposal (State)	80.3472.8121	\$	3,000.00

Transport to Market	80.4720.6960	\$	33,500.00	
Escrow Account	80.4720.5980	\$	19,390.00	
Board of Elections				
Salaries - Temporary	10.4170.1260	\$	3,050.00	
Janitorial Services	10.4170.2110			\$ 50.00
Office Supplies	10.4170.2610			\$ 500.00
Copy Machine Expenses	10.4170.2620			\$ 500.00
Telephone Services	10.4170.3210			\$ 200.00
Postage	10.4170.3250			\$ 300.00
License Coding for Elections	10.4170.4000			\$ 1,500.00
Salaries - Temporary	10.4170.1260	\$	1,000.00	
FICA	10.4170.1810	\$	100.00	
Professional Services/Other	10.4170.1990	\$	1,600.00	
Postage	10.4170.3250	\$	100.00	
Legal Advertising	10.4170.3910	\$	800.00	
Training/Employee Education	10.4170.3950	\$	500.00	
License Coding for Elections	10.4170.4000	\$	3,500.00	
Library				
Library Operations	10.6110.5600	\$	5,600.00	
FOMCL	10.3611.4420	\$	5,600.00	
Social Services				
DOT	10.5360.1990			\$ 5,063.43
DOT	10.3531.3415			\$ 5,063.43
EDTAP	10.4524.8470	\$	5,063.43	
EDTAP	10.3452.8470	\$	5,063.43	
Progress Energy	10.5481.6780	\$	360.00	
Professional Services/Other	10.5310.1990			\$ 2,500.00
Electricity	10.5310.3310	\$	2,500.00	
Administration	10.3531.3300	\$	360.00	
Progress Energy	10.5481.6780			\$ 1,850.00
Crisis Intervention	10.5481.6770	\$	1,850.00	
Professional Services	10.5310.1930			\$ 1,200.00
Travel Subsistence	10.5310.3120			\$ 1,400.00
Medicaid Transportation	10.5310.6950	\$	2,600.00	
Haywood Electric	10.5481.6790	\$	7.88	
Administration	10.3531.3300	\$	7.88	
Health Department				
Triple P Grant	10.3513.3401	\$	325,581.00	
Triple P Grant	10.5110.3401	\$	325,581.00	
QI Grant	10.3513.7002			\$ 3,750.00
QI Grant	10.5110.7002			\$ 3,750.00

LGC-205 (Rev. 2012)

CONTRACT TO AUDIT ACCOUNTS
 Of Madison County, North Carolina
 Governmental Unit

On this 14th day of May, 2012, Gould Killian CPA Group, P.A.

100 Coxe Avenue, Asheville North Carolina

Auditor

Mailing Address

, hereinafter referred to as

the Auditor, and Board of Commissioners of Madison County, North Carolina, hereinafter referred to as the Governing Board of Governmental Unit

to as the Governmental Unit, agree as follows:

- The Auditor shall audit all statements and disclosures required by generally accepted accounting principles and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit for the period beginning July 1, 2011, and ending June 30, 2012. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate discretely presented component units, 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).
- At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 and the State Single Audit Implementation Act, the auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the LGC. If the audit and/or workpapers are found in this review to be substantial, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners.
- This contract contemplates an unqualified opinion being rendered. If financial statements are not prepared in accordance with generally accepted accounting principles (GAAP), or the statements fail to include all disclosures required by GAAP, please provide an explanation for that departure from GAAP in an attachment.
- This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract
- If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, July 2007 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the Local Government Commission prior to the execution of the audit contract. (See Item 22) If the audit firm received a peer review rating other than pass, the auditor shall not contract with any Local Government Units without first contacting the Secretary of the Local Government Commission for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards*, the Auditor shall provide an explanation as to why in an attachment.
- It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the SLGFD within four months of fiscal year end. Audit report is due on: October 31, 2012. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the Local Government Commission for approval.
- It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as the systems relate to accountability of funds, adherence to budget requirements, and adherence to law requirements. In addition, the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU 325 of the *AICPA Professional Standards*. The Auditor shall file a copy of that report with the Secretary of the Local Government Commission.
- All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the Local Government Commission. This includes annual or special audits, agreed upon procedures related to Internal Control, bookkeeping or other assistance necessary to prepare the Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the Local Government Commission. (This also includes any progress billings.) (G.S. 159-34 and 115C-447) The process for invoice approval has changed. All invoices for Audit work must be submitted by email in PDF format to the Secretary of the Local Government Commission for approval. The invoices must be emailed to: lga.invoices@notreasurer.com Email Subject line should read "unit name - invoice". The PDF invoice marked approved with approval date will be returned by email to the Auditor for them to present to the Local Government Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
- In consideration of the satisfactory performance of the provisions of this agreement, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the Local Government Commission, the following fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts:

Year-end bookkeeping assistance - {For audits subject to <i>Government Auditing Standards</i> , this is limited to bookkeeping services permitted by revised <i>Independence Standards</i> }	-
Audit	\$48,500
Preparation of the annual financial statements	\$4,000
Total:	\$52,500

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) auditors may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. The 75% cap for interim invoice approval for this audit contract is 5.
- The auditor working with a local governmental unit that has outstanding revenue bonds will include in the notes to the audited financial statements, whether or not required by the revenue bond documents, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the Local Government Commission simultaneously with the local government's audited financial statements unless otherwise specified in the bond documents.
- After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the governmental unit and all of its component units prepared in accordance with generally accepted accounting principles, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.

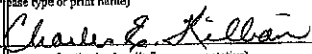
- 12. If the audit firm is required by the NC CPA Board or the Secretary of the Local Government Commission to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Unit of Government will not be billed for the pre-issuance review. The pre-issuance review must be performed prior to the completed Audit being submitted to the Local Government Commission. The pre-issuance report must accompany the audit report upon submission to the Local Government Commission.
- 13. The Auditor shall electronically submit the report of audit to the Local Government Commission when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the Local Government Commission, becomes a matter of public record for inspection and review in the offices of the Secretary by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the Local Government Commission. These audited financial statements are used in the preparation of Official Statements for debt offerings (the auditors' opinion is not included), by municipal bond rating services, to fulfill secondary market disclosure requirements of the Securities and Exchange Commission, and other lawful purposes of the government, without subsequent consent of the auditor. If it is determined by the Local Government Commission that corrections need to be made to the unit's financial statements they should be provided within three days of notification unless, another time frame is agreed to by the Local Government Commission.

The Local Government Commission's process for submitting contracts, audit reports and invoices are subject to change. Auditors should use the submission process in effect at the time of submission.

In addition, if the North Carolina Office of the State Auditor designates certain programs to be audited as major programs, a turnaround document and a representation letter addressed to the State Auditor shall be submitted to the Local Government Commission.
- 14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the Local Government Commission, this agreement may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor.
- 15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the Local Government Commission for approval. The portal address to upload your amended contract and Letter of explanation documents is <http://nctreasurer.sigfd.leapfile.net>. No change shall be effective unless approved by the Secretary of the Local Government Commission, the Governing Board, and the Auditor.
- 16. Whenever the Auditor uses an engagement letter with the client, Item 17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 22 of this contract. Engagement letters containing indemnification clauses will not be approved by the Local Government Commission.
- 17. Special provisions should be limited. Please list any special provisions in an attachment.
See Engagement Letter
- 18. A separate contract **should not** be made for each division to be audited or report to be submitted. A separate contract must be executed for each component unit which is a local government and for which a separate audit report is issued.
- 19. The contract must be executed, pre-audited, physically signed by all parties and submitted in PDF format including unit and auditor signatures to the Secretary of the Local Government Commission. The current portal address to upload your contractual documents is <http://nctreasurer.sigfd.leapfile.net>. Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of March 5, 2012. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
- 20. The contract is not valid until it is approved by the Local Government Commission. The staff of the Local Government Commission shall notify the unit and auditor of contract approval by email. ~~The audit should not be started before the contract is approved.~~
- 21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the Local Government Commission.
- 22. All of the above paragraphs are understood and shall apply to this agreement, except the following numbered paragraphs shall be deleted: (See Item 16.)
- 23. All communications regarding Audit contract requests for modification or official approvals will be sent to the email addresses provided in the following areas.

Audit Firm Signature:
 Phil Gould Killian CPA Group, P.A.

 Charles E. Killian

 (Please type or print name)


 (Signature of authorized audit firm representative)
 Email Address of Audit Firm:
 ckillian@gk-cpa.com

 Date _____

Unit Signatures:
 Debbie Ponder, Chair

 (Please type or print name and title)

 (Signature of Mayor/Chairperson of governing board)
 Date _____

Date Governing Body Approved Audit Contract: 03.08.15-34(a)

Unit Signatures (continued):
 By _____
 (Chair of Audit Committee- please type or print name)

 (Signature of Audit Committee Chairperson)
 Date N/A
 (If unit has no audit committee, this section should be marked "N/A.")

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

Darlyne Rhinehart

 Governmental Unit Finance Officer (Please type or print name)

 (Signature)
 Email Address of Finance Officer
 drhinehart@madisoncountync.org

 Date _____
 (Fiscal Certificate must be dated.)

SHARRARD, MCGEE & CO., P.A.
 CERTIFIED PUBLIC ACCOUNTANTS • CONSULTANTS
 1321 LONG STREET • POST OFFICE BOX 5869 • HIGH POINT, NORTH CAROLINA 27262

(336) 884-0410
 FAX (336) 884-1580
 OFFICES
 HIGH POINT
 GREENSBORO

System Review Report

July 13, 2011

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

We have reviewed the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. (the firm) in effect for the year ended January 31, 2011. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

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

In our opinion, the system of quality control for the accounting and auditing practice of Gould Killian CPA Group, P.A. in effect for the year ended January 31, 2011, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Gould Killian CPA Group, P.A. has received a peer review rating of *pass*.

Sharrard, McGee & Co. P.A.

STATE OF NORTH CAROLINA

NOTICE OF PUBLIC HEARING

COUNTY OF MADISON

PLEASE TAKE NOTICE that the County of Madison will conduct a public hearing to consider the adoption of the budget for Madison County for fiscal year 2012-2013 at 7:00 p.m. on Thursday, June 28, 2012 in the Madison County Courtroom, Marshall, NC.

The County Manager's proposed budget will be filed in the County Finance Office on June 18, 2012 for public inspection.

The public is invited to attend and participate in the public hearing to be held on the 28th.

This the 8th day of June, 2012.

DEBBIE PONDER, Chair
 BOARD OF COMMISSIONERS

May 2012 Property Releases for June 2012 Meeting

NAME	County	Fire	Disposal fee	Late list fee's	Int	TOTALS	REASON
Idylwood Properties	\$206.04	\$8.08				\$214.12	2008 bill lot was sold in 2006 discovered to acct 27039
Idylwood Properties	\$206.04	\$8.08				\$214.12	2009 bill lot was sold in 2006 discovered to acct 27039
Idylwood Properties	\$226.24	\$8.08				\$234.32	2010 bill lot was sold in 2006 discovered to acct 27039
Idylwood Properties	\$226.24	\$8.08				\$234.32	2011 bill lot was sold in 2006 discovered to acct 27039
Marchese, Sherry			\$190.00			\$190.00	no water or power per solid waste
Panzenhagen, William	\$18.17	\$1.82				\$19.99	mobile home was sold
Panzenhagen, William	\$18.17	\$1.82				\$19.99	mobile home was sold
Roberts, Nevada	\$94.25	\$10.10		\$10.44		\$114.79	2010 bill should have been coded for elderly exemption
Roberts, Nevada	\$87.65	\$9.39	\$161.00			\$258.04	2011 bill should have been coded for elderly exemption
Roberts, Nevada	\$80.71	\$10.90		\$21.40		\$113.01	2009 bill should have been coded for elderly exemption
TOTALS	\$1,163.51	\$68.35	\$351.00	\$31.84	\$0.00	\$1,612.70	

May 2012 Vehicle Releases for June 2012 Meeting

NAME	County	City	Fire	Interest	TOTALS	REASON
Blair, Richard	\$43.74		\$7.03		\$50.77	released bill to Buncombe County
Boyd, Ginger	\$109.20	\$95.50			\$204.70	2012 bill turned tag in with time remaining per collections
Buckner, Victor	\$6.66		\$0.60		\$7.26	2011 bill turned tag in with time remaining per collections
Chandler, Joseph	\$23.94		\$2.17		\$26.11	2011 bill turned tag in with time remaining per collections
English, Wanda		\$43.62			\$43.62	not in city limits
Fountain, Scottie	\$47.88		\$7.70		\$55.58	2011 bill turned tag in with time remaining per collections
Fox, Carolyn	\$134.74		\$19.25		\$153.99	released bill to Buncombe County
Goff, Angeliqne	\$50.40		\$4.50		\$54.90	adjusted value to purchase price
Greenburg, Julie	\$1.85		\$0.26		\$2.11	released bill to Buncombe County
Greene, Steve	\$9.50		\$1.40		\$10.90	2012 bill turned tag in with time remaining per collections
Griffin, Janie	\$13.16		\$1.18		\$14.34	adjusted value of vehicle by 25% for total loss claim
Heilinger, Vicki	\$21.39		\$0.76		\$22.15	released bill to Buncombe County
Hershey, Chance	\$13.10		\$2.11		\$15.21	released bill to Buncombe County
Hunter, Jennifer	\$1.82				\$1.82	2012 bill turned tag in with time remaining per collections
Hunter, Jeremy	\$34.61		\$3.09		\$37.70	taxpayer pd bill 2011-07-00340 for tax year 2011
Leopin, Matthew	\$77.45		\$6.92		\$84.37	2011 bill turned tag in with time remaining per collections
Ramsey, Maxine	\$9.58				\$9.58	released bill to Buncombe County
Riddle, Jerry	\$33.64		\$5.41		\$39.05	adjusted value to vehicle appraisal
Stalling, Matthew	\$23.10		\$2.04		\$25.14	2011 bill turned tag in with time remaining per collections
Thomas, James		\$15.46			\$15.46	not in city limits
Walker, Doris	\$173.60				\$173.60	adjusted value to bill of sale
Walton, Robin	\$1.16	\$1.06			\$2.22	2011 bill turned tag in with time remaining per collections
Wyatt, Willa		\$77.97			\$77.97	not in city limits
TOTALS	\$830.52	\$233.61	\$64.42	\$0.00	\$1,128.55	

May 2012 Refunds for June 2012 Meeting

NAME	County	City	Fire	Disposal fee	Late list fee's	Int	TOTALS	REASON
Idylwood Properties	\$206.04		\$8.08				\$214.12	lot was sold in 2006
Ledford, Larry				\$207.00			\$207.00	business no longer in operation released per solid waste
Presnell, Nadine				\$190.00			\$190.00	no water or sewer per solid waste
Roberts, Nevada	\$11.98						\$11.98	2009 bill should have been coded for elderly exemption
Roberts, Nevada	\$6.31		\$0.74				\$7.05	2007 bill should have been coded for elderly exemption
Roberts, Nevada	\$95.95		\$11.02		\$10.55		\$117.52	2008 bill should have been coded for elderly exemption
TOTALS	\$320.26	\$0.00	\$19.84	\$397.00	\$10.55	\$0.00	\$747.65	