

**STANLY COUNTY
BOARD OF COMMISSIONERS
REGULAR MEETING AGENDA
MARCH 16, 2015
7:00 P.M.**

**CALL TO ORDER & WELCOME – CHAIRMAN LOWDER
INVOCATION – COMMISSIONER LAWHON
PLEDGE OF ALLEGIANCE
APPROVAL/ADJUSTMENTS TO THE AGENDA**

SCHEDULED AGENDA ITEMS

- 1. RESOLUTION OF ADOPTION FOR THE CABARRUS STANLY UNION REGIONAL HAZARD MITIGATION PLAN
Presenter: Brian Simpson, EMS Director**

- 2. UTILITIES – PUBLIC HEARING REGARDING THE COUNTY’S APPLICATION FOR 2015 CDBG-I FUNDS
Presenter: Donna Davis, Utilities Director**

- 3. PRESENTATION OF THE MARTIN STARNES & ASSOCIATES AUDIT CONTRACT FOR FY 2014-15
Presenter: Toby Hinson, Finance Director**

- 4. CONSENT AGENDA**
 - A. Minutes – Regular meeting of March 2, 2015**
 - B. Agri-Civic Center – Request approval of budget amendment # 2015-36**
 - C. Finance – Request approval of the attached vehicle tax refunds**
 - D. EDC – Request approval of an amendment to the economic incentive agreement with Triton Glass, LLC**

PUBLIC COMMENT

GENERAL COMMENTS, ANNOUNCEMENTS & COMMITTEE REPORTS

ADJOURN

The next regular meeting is scheduled for Monday, April 6th at 7:00 p.m.



Stanly County Board of Commissioners

Meeting Date: March 16, 2015
 Presenter: Brian Simpson

_____ | _____
 Consent Agenda | Regular Agenda

Presentation Equipment: Lectern PC* Lectern VCR Lectern DVD Document Camera** Laptop***

Please Provide a Brief Description of your Presentations format: _____

* PC is equipped with Windows XP and Microsoft Office XP (including Word, Excel, and PowerPoint), Internet connectivity and Network connectivity for County Employees.

** If you have need to use the Document Camera and zoom into a particular area, if possible please attach a copy of the document with the area indicated that you need to zoom into. A laser light is available to pinpoint your area of projection.

*** You can bring in a laptop that will allow video out to be connected at the lectern – set display to 60Mhz.

ITEM TO BE CONSIDERED

CABARRUS STANLY UNION REGIONAL HAZARD MITIGATION PLAN

Subject

The required five (5) year update included regionalizing the plan to include Cabarrus and Union counties and all associated municipalities.

The plan has received federal approval pending adoption from each jurisdiction. Once all have formally adopted by resolution, we will receive final approval of the plan.

Please see the attached resolution and additional information related to this item.

Requested Action

Request approval of the resolution to formally adopt the Cabarrus Stanly Union Regional Hazard Mitigation Plan.

Signature: _____

Dept. _____

Date: _____

Attachments: Yes _____ No x

Review Process

Certification of Action

	Approved		Initials
	Yes	No	
Finance Director	___	___	
Budget Amendment Necessary	___	___	
County Attorney	___	___	
County Manager	___	___	
Other:	___	___	

Certified to be a true copy of the action taken by the Stanly County Board of Commissioners on

 Tyler Brummitt, Clerk to the Board Date

**RESOLUTION TO ADOPT THE
CABARRUS STANLY UNION REGIONAL HAZARD MITIGATION PLAN**

WHEREAS, the County of Stanly is vulnerable to an array of natural hazards that can cause loss of life and damages to public and private property; and

WHEREAS, the County of Stanly desires to seek ways to mitigate situations that may aggravate such circumstances; and

WHEREAS, the development and implementation of a hazard mitigation plan can result in actions that reduce the long-term risk to life and property from natural hazards; and

WHEREAS, it is the intent of the Stanly County Board of Commissioners to protect its citizens and property from the effects of natural hazards by preparing and maintaining a local hazard mitigation plan; and

WHEREAS, it is also the intent of the Stanly County Board of Commissioners to fulfill its obligation under North Carolina General Statutes, Chapter 166A: North Carolina Emergency Management Act and Section 322: Mitigation Planning, of the Robert T. Stafford Disaster Relief and Emergency Assistance Act to remain eligible to receive state and federal assistance in the event of a declared disaster affecting the County of Stanly; and

WHEREAS, the County of Stanly, in coordination with Cabarrus County, Concord, Harrisburg, Kannapolis, Midland, Mount Pleasant, Stanly County, Albemarle, Badin, Locust, Misenheimer, New London, Norwood, Oakboro, Red Cross, Richfield, Stanfield, Union County, Fairview, Hemby Bridge, Indian Trail, Lake Park, Marshville, Marvin, Mineral Springs, Monroe, Stalling, Unionville, Waxhaw, Weddington, Wesley Chapel and Wingate has prepared a multi-jurisdictional hazard mitigation plan with input from the appropriate local and state officials;

WHEREAS, the North Carolina Division of Emergency Management and the Federal Emergency Management Agency have reviewed the Cabarrus Stanly Union Regional Hazard Mitigation Plan for legislative compliance and have approved the plan pending the completion of local adoption procedures;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the County of Stanly hereby:

1. Adopts the Cabarrus Stanly Union Regional Hazard Mitigation Plan; and
2. Agrees to take such other official action as may be reasonably necessary to carry out the proposed actions of the Plan.

Adopted on March 16, 2015.

Janet K. Lowder, Chair
Stanly County Board of Commissioners

ATTEST:

Tyler Brummitt, Clerk



Stanly County Emergency Services

201 South Second Street
Albemarle, North Carolina 28001
(704) 986-3650
Fax: (704) 986-3653



Date: January 20, 2015

Ref: Request for Resolution of Adoption
"Cabarrus Stanly Union Regional Hazard Mitigation Plan"

Mayors, Administrators & Managers;

I hope this letter finds you well. I am pleased to announce that we have received the letter of "Approval Pending Adoption" for our Regional Hazard Mitigation Plan submittal. This revision incorporated a regional approach to include two of our surrounding counties with each respective municipality and will be identified as the "*Cabarrus Stanly Union Hazard Mitigation Plan*"

Please let me take a moment to thank all the representatives from each City/Town that served on the Hazard Mitigation Task Force. I truly appreciate all the input and presence you displayed at our meetings.

The last objective to secure final approval is to have all municipalities who represent this Regional plan adopt by resolution. A blank resolution is attached for your convenience. Once all are complete, all documentation will be submitted to FEMA for final approval.

A draft copy of the plan is available at: <https://atkins.box.com/s/c0iai5rq0el6d2oda40koecqzcrq7e7j>
also attached is the "Approval Pending Adoption" letter.

Please submit a copy of your resolution to myself electronically; bsimpson@stanlycountync.gov or by fax/mail. Should you have any questions, please feel free to contact our office (704)986-3650.

Thank you for your time and assistance.

Sincerely,

Brian Simpson
Director, Emergency Services

U.S. Department of Homeland Security
FEMA Region IV
3003 Chamblee Tucker Road
Atlanta, GA 30341



FEMA

January 6, 2015

Mr. Chris Crew
State Hazard Mitigation Officer
North Carolina Emergency Management Agency
4238 Mail Service Center
Raleigh, North Carolina 27699

Reference: Cabarrus Stanly Union Regional Hazard Mitigation Plan

Dear Mr. Crew:

This is to confirm that we have completed a Federal review of the draft Cabarrus Stanly Union Regional Hazard Mitigation Plan for compliance with the Federal Hazard Mitigation Planning requirements contained in 44 CFR 201.6(b)-(d). We have determined that the Cabarrus-Stanly Union Regional Hazard Mitigation Plan is compliant with Federal requirements, subject to formal community adoption.

In order for our office to issue formal approval of the plan, Cabarrus Stanly Union Regional Hazard Mitigation Plan must submit adoption documentation and document that the final public meeting occurred. Upon submittal of these items to our office, we will issue formal approval of the Cabarrus Stanly Union Regional Hazard Mitigation Plan.

Please have Cabarrus Stanly Union Regional submit a final copy of their Plan, without draft notations and track changes.

For further information, please do not hesitate to contact Victor Geer, of the Hazard Mitigation Assistance Branch, at (770) 220-5659 or Linda L. Byers of my staff, at (770) 220-5498.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert E. Lowe". The signature is written in a cursive style with a long horizontal stroke extending to the right.

Robert E. Lowe, Chief
Risk Analysis Branch
Mitigation Division

The Stanly News & Press
237 W. North Street
Albemarle, NC 28001

AFFIDAVIT OF INSERTION

DATE: 3 / 3 / 15

CLASSIFICATION

Display

START

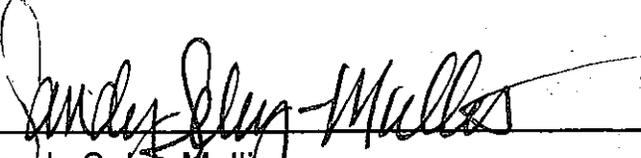
3-3-15

EDITIONS

1X

NORTH CAROLINA, STANLY COUNTY AFFIDAVIT OF PUBLICATION

Before the undersigned, a Notary Public of said County and State, duly commissioned, qualified and authorized by law to administer oaths, personally appeared; Sandy Selvy-Mullis, who being first duly sworn, deposes and says; that she is Publisher of a newspaper known as THE STANLY NEWS & PRESS, published, issues and entered as second class mail in the Town of Albemarle, in said County and State; that she is authorized to make this affidavit and sworn statement; that the notice or other legal advertisement, a true copy of which is attached hereto, was published in THE STANLY NEWS & PRESS on the dates specified on the copy attached and that the said newspaper in which such notice, paper, document or legal advertisement was published was, at the time of each and every such publication, a newspaper meeting all of the requirements and qualifications of Section 1-597 or the General Statutes of North Carolina and was a qualified newspaper within the meaning of Section 1-597 of the General Statutes of North Carolina.


Sandy Selvy-Mullis
Publisher

NOTICE OF PUBLIC HEARING COUNTY OF STANLY COMMUNITY DEVELOPMENT BLACK GRANT FUNDING

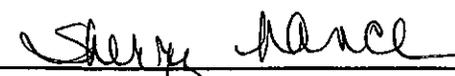
The citizens of the County of Stanly are hereby informed that the County is considering applying to the North Carolina Department of Environment & Natural Resources (NCDENR) Division of Water Infrastructure (DWI) for Community Development Block Grant (CDBG-I) funds. In an effort to involve the citizens of the County and obtain their comments in the planning of the community development program, the Board of Commissioners will hold a public hearing on Monday, March 16, 2015 at 7:00 PM at its regularly scheduled board meeting in the Commissioners' Meeting Room, 1000 N First Street, Albemarle, NC 28001. The purpose of the public hearing is to explain the funding categories of the 2015 CDBG Program and to allow the citizens of the County an opportunity to express their views concerning community development needs and priorities.

The County of Stanly does not discriminate based on race, color, religion, sex, national origin, handicap, age, or political affiliation in the admission, access to, treatment or employment in CDBG program and activities. Persons having any questions concerning the CDBG Program are urged to attend the public hearing and make their views known. Persons with disabilities requiring special accommodations should contact the County Manager, Andy Lucas, at 704-986-3600, TDD Relay Service at 711, at least 48 hours prior to the scheduled meeting.

Esta información está disponible en español o en cualquier otro idioma bajo petición. Por favor, póngase en contacto con Andy Lucas, County Manager, al 704-986-3600 o en 1000 N First Street, Suite 10, Albemarle, NC 28001, de alojamiento para esta comunicacón.

Janet K. Lowder, Chairman

Sworn to and subscribed to before me this
3 day of March, 2015.


Sherry Nance, Notary Public
My Commission expires July 14, 2016

**NOTICE OF PUBLIC HEARING
COUNTY OF STANLY
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDING**

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Janet K. Lowder, Chairman

NOTES TO PUBLISHER:

- ▶ Publish once on or before Friday, March 6, 2015.
- ▶ Publish in the **non-legal, non-classified** section (block ad approximately 2 X 3)
- ▶ Approximate size 2 X 3.
- ▶ Send **invoice and affidavit** of publication to:

Tyler Brummitt
County Clerk
1000 N First Street, Suite 10
Albemarle, NC 28001



Stanly County Board of Commissioners

Meeting Date: March 16, 2015

Presenter: Toby Hinson

Consent Agenda | Regular Agenda

3

ITEM TO BE CONSIDERED

Subject

The Finance Office has received the contract from Martin Starnes & Associates to provide audit services for Fiscal Year 2014-2015. The total fees to perform this audit will be \$50,500. This represents a 1% or \$500 increase over last year's audit fees. This is still less than four years ago due to staff taking on more responsibilities.

Requested Action

Consider and approve the contract with Martin Starnes & Associates to perform the FY 2014-2015 audit.

Signature: Toby R. Hinson

Date: 3-11-15

Dept: _____

Attachments: yes no

Review Process

	Approved		Initials
	Yes	No	
Finance Director	<input type="checkbox"/>	<input type="checkbox"/>	
Budget Amendment Necessary	<input type="checkbox"/>	<input type="checkbox"/>	
County Attorney	<input type="checkbox"/>	<input type="checkbox"/>	
County Manager	<input type="checkbox"/>	<input type="checkbox"/>	
Other:	<input type="checkbox"/>	<input type="checkbox"/>	

Certification of Action

Certified to be a true copy of the action taken by the Stanly County Board of Commissioners on

Nancy M. Litaker, Clerk to the Board Date

CONTRACT TO AUDIT ACCOUNTS

Of Stanly County, NC
 Governmental Unit and Discretely Presented Component Unit (DPCU) if applicable

On this 5th day of March, 2015,

Auditor: Martin Starnes & Associates, CPAs, P.A. Auditor Mailing Address: _____

730 13th Avenue Drive SE, Hickory, NC 28602 Hereinafter referred to as The Auditor

and Board of Commissioners (Governing Board (s)) of _____

Stanly County, NC : hereinafter referred to as the Governmental Unit (s), agree as follows:
 Governmental Unit (s)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2014, and ending June 30, 2015. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

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

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

4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

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

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2015. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the LGC for approval.

Contract to Audit Accounts (cont.)

Stanly County, NC

Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relates to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent to: lgc.invoice@nctreasurer.com. Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, 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 Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit \$45,800 _____

Preparation of the annual financial statements \$4,700 _____

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. **The 75% cap for interim invoice approval for this audit contract is \$ 37,875** **** NA if no interim billing**

10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.
11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include but not be limited to the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements 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 Governmental Unit without subsequent consent of the

Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless, another time frame is agreed to by the LGC.

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

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

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, signed and dated by all parties and pre-audited if the change includes a change in audit fee. This document and a written explanation of the change must be submitted by email in PDF format to the Secretary of the LGC for approval. The portal address to upload your amended contract and letter of explanation documents is <http://nctreasurer.slgfd.leapfile.net> No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #23 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.
17. Special provisions should be limited. Please list any special provisions in an attachment. See attached engagement letter.
18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of April, 2014. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. Municipal & County Contracts: The Auditor acknowledges that any private employer transacting business in this State who employs 25 or more employees in this State must, when hiring an employee to work in the United States, use E Verify to verify the work authorization of the employee in accordance with N.C.G.S. §64 26(a). The Auditor acknowledges further that any such private employer and its subcontractors must comply with all of the requirements of Article 2 of Chapter 64 of the North Carolina General Statutes (North Carolina's E-verify law), and that such private employer has a duty under the law to ensure compliance by its subcontractors. The Auditor further acknowledges that this contract is of the type governed by S.L. 2013-418, which makes it unlawful for a local government to enter into certain types of contracts unless the contractor and its subcontractors comply with North Carolina's E-verify law, and that failure to comply with such law could render this contract void. The Auditor hereby covenants, warrants and represents for itself and its subcontractors that with respect to this contract the Auditor and its subcontractors shall comply with the provisions of North Carolina's E-verify law and that failure to comply with such law shall be deemed a breach of this contract and may render this contract void.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

Contract to Audit Accounts (cont.) Stanly County, NC
Name of Governmental Unit and Discretely Presented Component Unit's (DPCU) if applicable

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

Audit Firm Signature:

Martin Starnes & Associates, CPAs, P.A.
Name of Audit Firm

By Amber Y. McGhinnis, Audit Manager
Authorized Audit firm representative name: Type or print

Amber Y. McGhinnis
Signature of authorized audit firm representative

amcghinnis@martinstarnes.com
Email Address of Audit Firm:

Date March 5, 2015

Governmental Unit Signatures:

By Janet K. Lowder, Chair
Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date _____

By N/A
DPCU Chairperson: Type or print name and title

N/A
Signature of Chairperson of DPCU if applicable

Date N/A

Unit Signatures (continued):

By N/A
Chair of Audit Committee - Type or print name

N/A **
Signature of Audit Committee Chairperson

Date N/A
** If Governmental Unit has no audit committee, this section should be marked "N/A."

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

By Toby Hinson, Finance Director
Governmental Unit Finance Officer: Type or print name

Finance Officer Signature

thinson@stanlycountync.gov
Email Address of Finance Officer

Date _____
(Pre-audit Certificate **must be dated.**)

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

Board Approval Date – Primary Government

N/A

Board Approval Date - DPCU



Koonce, Wooten & Haywood, LLP
CERTIFIED PUBLIC ACCOUNTANTS

SYSTEM REVIEW REPORT

May 22, 2012

Martin, Starnes & Associates, CPAs, PA and the
Peer Review Committee, North Carolina Association
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin, Starnes & Associates, CPAs, PA (the firm) in effect for the year ended December 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 the *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Martin, Starnes & Associates, CPAs, PA, in effect for the year ended December 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*. Martin, Starnes & Associates, CPAs, PA has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

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

919 782 9265
919 783 8937 FAX

Durham
3511 Shannon Road
Suite 100
Durham, North Carolina 27707

919 354 2584
919 489 8183 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312

919 542 6000
919 542 5764 FAX

**STANLY COUNTY
BOARD OF COMMISSIONERS
REGULAR MEETING MINUTES
MARCH 2, 2015**

COMMISSIONERS PRESENT:

Tony Dennis, Vice Chairman
Peter Ascitutto
Joseph Burleson
T. Scott Efir
Bill Lawhon
Gene McIntyre

COMMISSIONERS ABSENT:

Janet K. Lowder, Chairman

STAFF PRESENT:

Andy Lucas, County Manager
Jenny Furr, County Attorney
Tyler Brummitt, Clerk

CALL TO ORDER

The Stanly County Board of Commissioners (the "Board") met in regular session on Monday, March 2, 2015 at 7:00 p.m. in the Commissioners Meeting Room, Stanly Commons. Due to the absence of Chairman Lowder, Vice Chairman Dennis called the meeting to order then gave the invocation and led the pledge of allegiance.

APPROVAL/ADJUSTMENTS TO THE AGENDA

Vice Chairman Dennis requested that two additional items be added to the agenda: Item # 4 – City of Locust Economic Development Infrastructure Grant and Item # 5 – Resolution Recognizing North Carolina's State Park System One Hundred Year Anniversary. The consent agenda was then listed as Item # 6.

By motion, Commissioner McIntyre moved to approve the agenda as amended and was seconded by Commissioner Efir. Motion passed by unanimous vote.

ITEM # 1 – PROCLAMATION RECOGNIZING THE MONTH OF APRIL 2015 AS SEXUAL ASSAULT AWARENESS MONTH

Presenter: Donna Miller, Executive Director of the Esther House

Ms. Miller was in attendance to request the Board's consideration and approval of the proclamation. Commissioner McIntyre read the proclamation then moved to approve its

adoption. His motion was seconded by Commissioner Lawhon and the motion passed by a 6 – 0 vote.

See Exhibit A
Proclamation
“Sexual Assault Awareness Month April 2015”

ITEM # 2 – AUTHORIZING RESOLUTION OF SUPPORT FOR CAROLINAS HEALTHCARE SYSTEM’S URGENT CARE RURAL HEALTH FACILITY PROJECT

Presenter: Andy Lucas, County Manager

The Economic Development Commission recommended the County support Carolinas Healthcare System in applying for a building re-use grant from the NC Department of Commerce for a new urgent care facility in Albemarle, NC. The County will provide a financial match of \$5,000 with the hospital planning to invest an estimated \$2,465,000 and create nine (9) new jobs to provide urgent care medical services.

Commissioner McIntyre moved to approve the resolution of support for the building re-use application and the County’s financial match commitment of \$5,000. His motion was seconded by Commissioner Burleson and carried by unanimous vote.

See Exhibit B
Authorizing Resolution by Stanly County

ITEM # 3 – APPOINTMENT TO THE ENVIRONMENTAL AFFAIRS BOARD (EAB)

Presenter: Andy Lucas, County Manager

Current Board member Mark McCarter’s term expired on November 30, 2014 and he has agreed to serve again if reappointed. It was the request of the EAB that Mr. McCarter be reappointed to serve a second term until February 1, 2018.

Commissioner Burleson moved to reappoint Mr. McCarter which was seconded by Commissioner Efir. The motion passed with a 6 – 0 vote.

ITEM # 4 – CITY OF LOCUST – ECONOMIC DEVELOPMENT INFRASTRUCTURE GRANT

Presenter: Andy Lucas, County Manager

The City of Locust sought a one-time grant in the amount of \$1,275 to assist with covering the infrastructure needed for an economic development related project. These funds would be covered by expenditure efficiencies in the contingency program budget.

By motion, Commissioner Lawhon moved to approve the one-time grant of \$1,275 to the City of Locust. His motion was seconded by Commissioner McIntyre and passed by unanimous vote.

ITEM # 5 – RESOLUTION – NORTH CAROLINA’S STATE PARK SYSTEM ONE HUNDRED YEAR ANNIVERSARY

Presenter: Andy Lucas, County Manager

For Board consideration, the County Manager presented the resolution below at the request of former County Commissioner Lindsey Dunevant.

Commissioner McIntyre moved to approve the resolution as presented and was seconded by Commissioner Efird. Motion carried by a 6 – 0 vote.

**See Exhibit C
Resolution**

North Carolina’s State Park System One Hundred Year Anniversary

ITEM # 6 – CONSENT AGENDA

Presenter: Vice Chairman Dennis

- A. Minutes - Special meeting on February 10, 2015 and regular meeting of February 19, 2015
- B. Finance – Request acceptance of the Monthly Financial Report for Seven Months Ended January 31, 2015
- C. SCUSA Transportation – Request approval of budget amendment # 2015-34
- D. Health Dept. – Request approval of budget amendment # 2015-35
- E. Sheriff’s Dept. – Request adoption of the Stanly County Detention Center Medical Plan

Commissioner McIntyre moved to approve the consent agenda as presented. Motion was seconded by Commissioner Efird and passed by unanimous vote.

PUBLIC COMMENT – None

GENERAL COMMENTS & ANNOUNCEMENTS

Commissioner Burleson read a prepared statement noting that he had recently toured the jail with Sheriff Burris, and while there several officers thanked him for the funding provided by the Board for new uniforms. On February 23rd, he and Commissioner Ascitto toured several school facilities with Superintendent Dr. Griffin, Finance Director Billy Josey, and Maintenance Director Todd Bowers. Based on the current condition of the schools, Commissioner Burleson felt there were no repair / maintenance items in need of immediate attention. He then

outlined various expenditures and decisions made by the School Board in previous years which he felt were unnecessary and again reiterated his opposition to the School Board's proposed plans.

Commissioner McIntyre voiced his concerns with the School Board's plans to close several community schools stating that he had grown up in a community school, was a parent of two children that attended community schools and had served as an administrator as well. He noted the benefits of community schools which include more parent /family participation and community support. Lastly, he stated his opposition to the County providing financial support to Stanly Community College's proposed culinary school due to it being in competition with local restaurants.

Commissioner Efird thanked everyone in attendance and encouraged citizens to continue to participate in the county commissioners, school board and town meetings in order to stay informed on local issues.

Commissioner Ascitutto reiterated the need for the reinstatement of lottery funding to counties in order to use these funds for school capital projects. After his recent tour of several community schools, he stated concerns with overall school safety, safety issues with both Norwood and Oakboro schools and stated that if the community schools are to remain open the County and School Board have an obligation to maintain them.

Commissioner Lawhon urged citizens to contact the School Board and County Commissioners with their concerns related to the schools proposed plans and to remain respectful of each other in doing so.

Vice Chairman Dennis agreed with Board member's previous comments and asked that everyone work together to reach a resolution on the issue.

ADJOURN

There being no further discussion, Commissioner Lawhon moved to adjourn the meeting and was seconded by Commissioner Efird. Motion carried by unanimous vote at 7:40 p.m.

Janet K. Lowder, Chairman

Tyler Brummitt, Clerk



Stanly County Board of Commissioners

Meeting Date: March 16, 2015
 Presenter: Andy Lucas

X **4B** |
 Consent Agenda | Regular Agenda

Presentation Equipment: Lectern PC* Lectern VCR Lectern DVD Document Camera** Laptop***

Please Provide a Brief Description of your Presentations format: _____

* PC is equipped with Windows XP and Microsoft Office XP (including Word, Excel, and PowerPoint), Internet connectivity and Network connectivity for County Employees.

** If you have need to use the Document Camera and zoom into a particular area, if possible please attach a copy of the document with the area indicated that you need to zoom into. A laser light is available to pinpoint your area of projection.

*** You can bring in a laptop that will allow video out to be connected at the lectern – set display to 60Mhz.

ITEM TO BE CONSIDERED

Subject

Accept \$9,566 donation from the Friends of the Agri-Civic Center to purchase the following items for the Agri-Civic Center: Portable screen, Transport chair, outdoor picnic tables, outdoor benches for patio, and lectern with wireless microphone for lobby.

Requested Action

Amend Agri-Civic Center revenue and expense budget to receive funds from FACC and purchase the above listed items.

Signature: _____

Candice B. Moffitt

Date: 12/9/14

Dept. Agri-Civic Center

Attachments: yes No

Review Process

Certification of Action

	Approved		Initials
	Yes	No	
Finance Director	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Budget Amendment Necessary	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
County Attorney	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
County Manager	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	
Other:	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	

Certified to be a true copy of the action taken by the Stanly County Board of Commissioners on

 Tyler Brummitt, Clerk to the Board Date



AMENDMENT NO: 2015-36

STANLY COUNTY-BUDGET AMENDMENT

BE IT ORDAINED by the Stanly County Board of Commissioners that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2015:

To amend the General Fund, the expenditures are to be changed as follows:

FUND/DEPART NUMBER	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT BUDGETED AMOUNT	INCREASE (DECREASE)	AS AMENDED
110.6160	261.000	Departmental Supplies	\$ 4,000	\$ 9,566	\$ 13,566
TOTALS			\$ 4,000	\$ 9,566	\$ 13,566

This budget amendment is justified as follows:

To amend the Agri-Civic Center's budget with a donation from the Friends of the Agri-Civic Center to purchase various items.

This will result in a net increase \$ 9,566 in expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will be increased. These revenues have already been received or are verified they will be received in this fiscal year.

FUND/DEPART NUMBER	ACCOUNT NUMBER	ACCOUNT DESCRIPTION	CURRENT BUDGETED AMOUNT	INCREASE (DECREASE)	AS AMENDED
110.3616	840.10	Donations	\$ -	\$ 9,566	\$ 9,566
TOTALS			\$ -	\$ 9,566	\$ 9,566

SECTION 2. Copies of this amendment shall be furnished to the Clerk of the Board of Commissioners, Budget Officer, and to the Finance Director.

Adopted this _____ day of _____, 20____

Verified by the Clerk of the Board _____

Candice M. [Signature]
 Reviewed by Department Head _____ Date 3/10/15

John R. [Signature]
 Reviewed by Finance Director _____ Date 3-10-15

Reviewed by County Manager _____ Date _____

Posted by
Journal No.
Date



Stanly County Board of Commissioners

Meeting Date: March 16, 2015

Presenter: Consent Agenda

	<input type="checkbox"/> Regular Agenda
<input checked="" type="checkbox"/> Consent Agenda	

ITEM TO BE CONSIDERED

Subject

Please see the attached February 2015 refund report from the North Carolina Vehicle Tax System for taxpayers due vehicle refunds over \$100 which requires Board of Commissioners approval.

Requested Action

Consider and approve the attached vehicle tax refunds.

Signature: 

Dept: _____

Date: 3-10-15

Attachments: yes no

Review Process

Certification of Action

	Approved		Initials
	Yes	No	
Finance Director	<input type="checkbox"/>	<input type="checkbox"/>	
Budget Amendment Necessary	<input type="checkbox"/>	<input type="checkbox"/>	
County Attorney	<input type="checkbox"/>	<input type="checkbox"/>	
County Manager	<input type="checkbox"/>	<input type="checkbox"/>	
Other:	<input type="checkbox"/>	<input type="checkbox"/>	

Certified to be a true copy of the action taken by the Stanly County Board of Commissioners on

Tyler Brummitt, Clerk to the Board Date



North Carolina Vehicle Tax System

NCVTS Pending Refund report

Report Date 3/9/2015

Payee Name	Address 1	Address 3	Plate Number	Refund Description	Tax Jurisdiction	Levy Type	Change	Interest Change	Total Change
PALMER, CHRISTOPHER	2305 BADIN RD	ALBEMARLE, NC 28001	BDP3722	Refund Generated due to prorotation on Bill #0006813453-2013-2013-	01	Tax	(\$70.55)	\$0.00	(\$70.55)
TUCKER, GREGORY	520 PEACH TREE ROAD	OAKBORO, NC 28129	BV9944	Refund Generated due to prorotation on Bill #0018865578-2013-2013-	01	Tax	(\$104.70)	Refund (\$5.24)	(\$109.94)
					61	Tax	(\$25.00)	Refund (\$1.25)	(\$26.25)
								Refund	\$136.19



Stanly County Board of Commissioners

Meeting Date: March 16, 2015
 Presenter:

4D

Consent Agenda Regular Agenda

Presentation Equipment: Lectern PC* Lectern VCR Lectern DVD Document Camera** Laptop***

Please Provide a Brief Description of your Presentations format: _____

* PC is equipped with Windows XP and Microsoft Office XP (including Word, Excel, and PowerPoint), Internet connectivity and Network connectivity for County Employees.

** If you have need to use the Document Camera and zoom into a particular area, if possible please attach a copy of the document with the area indicated that you need to zoom into. A laser light is available to pinpoint your area of projection.

*** You can bring in a laptop that will allow video out to be connected at the lectern – set display to 60Mhz.

ITEM TO BE CONSIDERED

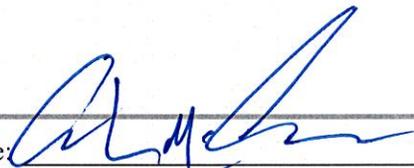
Subject

ECONOMIC DEVELOPMENT COMMISSION AMENDMENT TO THE ECONOMIC INCENTIVE AGREEMENT FOR TRITON GLASS, LLC

For your information, enclosed is a copy of the original executed Performance Agreement and a copy of the proposed Performance Agreement Amendment #1, which changes the incentive payment date from March 2015 to March 2016.

Requested Action

- Request the Board approve, modify or deny the amendment

Signature: 

Dept. _____

Date: 3/11/15

Attachments: Yes No

Review Process

Approved		Initials
Yes	No	
Finance Director	—	—
Budget Amendment Necessary	—	—
County Attorney	—	—
County Manager	—	—
Other:	—	—

Certification of Action

Certified to be a true copy of the action taken by the Stanly County Board of Commissioners on

Tyler Brummitt, Clerk to the Board Date

FILE COPY

PERFORMANCE AGREEMENT: BETWEEN STANLY COUNTY, NC, THE CITY OF ALBEMARLE, NC AND TRITON GLASS, LLC

STANLY COUNTY: Stanly County Board of Commissioners
1000 North First Street, Suite 10
Albemarle, NC 28001

CITY OF ALBEMARLE: City of Albemarle
144 North Second Street
PO Box 190
Albemarle, NC 28001

COMPANY: Triton Glass, LLC
232 South First Street
Albemarle, NC 28001

This agreement made and entered into this the 17th day of June, 2014 by and among the County of Stanly, a body politic and corporate of the State of North Carolina (appearing hereinafter as "County"), the City of Albemarle, a municipal corporation of the State of North Carolina (appearing hereinafter as "City"), and Triton Glass, LLC, a North Carolina Limited Liability Corporation, licensed to do business within the United States and North Carolina (appearing hereinafter as "Company").

WITNESSETH

THAT WHEREAS, the County and City have offered to the Company an inducement package as hereinafter set forth; and

WHEREAS, but for the offer of incentives the Company would not be expanding its facility within Stanly County; and

WHEREAS, the Company has agreed to meet and continue meeting the minimum investment and employment requirements as hereinafter set forth;

NOW, THEREFORE, the parties hereto in consideration of these mutual covenants and agreements passing from each to the other do hereby agree as follows:

1. INDUSTRIAL INVESTMENT AND EMPLOYMENT AGREEMENT

A. PROJECT SCOPE: The Project is described in Exhibit A, which is attached hereto and incorporated herein by reference.

B. INVESTMENT: The Company shall invest a minimum \$2,200,000 in taxable real and business personal property in addition to its January 1, 2014 Stanly County real and business personal property tax assessment (hereinafter referred to as "Investment") in accordance with "Schedule A – Project Temper Property Tax Calculations – New Capital Investment," which is attached hereto and incorporated herein by reference. The Company shall maintain the following cumulative taxable

investments [also specified in Schedule A – Project Temper Property Tax Calculations – New Capital Investment] for a period of at least five (5) years through and including 2019:

Total Investment as of January 1, 2015:	\$225,000
Total Investment as of January 1, 2016:	\$250,000
Total Investment as of January 1, 2017:	\$700,000
Total Investment as of January 1, 2018:	\$2,175,000
Total Investment as of January 1, 2019:	\$2,200,000

If total increase of taxable investment shall fall below the minimum investment levels due to depreciation or removal of equipment as assessed by the Stanly County Tax Assessor, the amount of the following annual installment payment will be reduced using the pro-rata formula set forth on the attached “Schedule B – Reduction Formula”, which is attached hereto and incorporated herein by reference, until such time as the Company once again meets at least 100% of both the investment and employment goals.

C. EMPLOYMENT: The Company shall employ the equivalent of twenty three (23), new full-time employees in accordance with “Schedule C – Project Temper Employment Schedule,” which is attached hereto and incorporated herein by reference, in addition to the number of Company employees existing as of March 31st, 2014. The Company shall maintain the following cumulative employment totals [also specified in Schedule C – Project Temper Employment Schedule] for a period of at least five (5) years through and including 2019.

Total Additional New Full-Time Employees as of January 1, 2015:	2
Total Additional New Full-Time Employees as of January 1, 2016:	8
Total Additional New Full-Time Employees as of January 1, 2017:	20
Total Additional New Full-Time Employees as of January 1, 2018:	22
Total Additional New Full-Time Employees as of January 1, 2019:	23

Employees counted toward this total shall include new employees of the Company with a hire date of April 1st, 2014 or later, provided such employees are located in Stanly County on a full time basis. Employees of the Company will be eligible to participate in Company sponsored health insurance and retirement programs. Proof of employment shall be provided in the form of a NCUI 101 or equivalent state form or notarized statement from an officer within the Company and be verifiable with the North Carolina Department of Commerce. For purposes of this section “twenty three (23) full-time employees” shall be defined as twenty three (23) actively employed individuals and shall not include vacant positions for which the Company is actively or otherwise recruiting. It is understood that vacancies occur and that when such occur the Company will immediately, or as soon as is reasonably possible thereafter, fill the vacancy.

If the total number of new full time employees falls below the minimum levels as specified in “Schedule C – Project Temper Employment Schedule,” the amount of the annual installment payment will be reduced using the pro-rata formula set forth on the attached “Schedule B – Reduction Formula”, which is incorporated herein by reference, until such time as the Company once again meets at least 100% of both the investment and employment goals.

D. GRANT PARTICIPATION: The Company agrees to partner, through the commitment to create new jobs, with the City, the County and other applicable agencies to apply for grants in order to facilitate the successful completion of this project. The Company agrees to meet with program

representatives, and to participate in the grant request process as necessary to secure the required funding. The Company shall be liable for, or required to, provide a financial contribution in order to secure said funding for building improvements.

E. STATUTORY COMPLIANCE: The Company understands that the County's participation is contingent upon compliance with N.C. General Statute 158- 7.1.

2. INDUCEMENT PACKAGE

A. COUNTY COMMITMENT

COUNTY INDUCEMENT GRANT: The County shall provide to the Company an inducement to offset the Company's investment in an amount equal to 65% of County taxes otherwise payable on the assessed value of the investment made in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment over a five (5) year period. The first installment shall occur during March of the 2015 calendar year upon receipt of proof that the minimum new employment (based on the fourth quarter – ending December 31st, 2014) and investment numbers appearing in Section 1 above have been met in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment and Schedule C – Project Temper Employment Schedule and that all past and current local property taxes on the real and business personal property owned by the Company and located within Stanly County have been paid. Proof of investment shall be the records of the County Tax Assessor. Proof of tax payment shall be a verified copy of a tax receipt from the County Tax Collector. Proof of employment shall be a NCUI 101 or equivalent state form or a notarized statement by an officer within the Company. Subsequent annual installments will occur during the month of March for the term of this Agreement, provided proof of payment of all property taxes and verification of employment and investment levels has been submitted to the County.

B. CITY COMMITMENT

CITY INDUCEMENT GRANT: The City shall provide to the Company an inducement to offset the Company's investment in an amount equal to 65% of the City's taxes otherwise payable on the assessed value of the investment made in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment over a five (5) year period. The first installment shall occur during March of the 2015 calendar year upon receipt of proof that the minimum aforementioned new employment (based on the fourth quarter – ending December 31st, 2014) and investment numbers (appearing in Section 1 above) have been met in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment and Schedule C – Project Temper Employment Schedule and that all past and current local property taxes on the real and business personal property owned by the Company and located within the City have been paid. Proof of investment shall be the records of the County Tax Assessor. Proof of tax payment shall be a verified copy of a tax receipt from the County Tax Collector. Proof of employment shall be a NCUI 101 or equivalent state form or a notarized statement by an officer within the Company. Subsequent annual installments will occur during the month of January for the term of this Agreement, provided proof of payment of all property taxes and verification of employment and investment levels has been submitted to the City.

C. GRANT PARTICIPATION: The County and City agree to partner, through the commitment to create new jobs, with the Company and other applicable agencies to apply for grants in order to facilitate the successful completion of this project. The County and City agree to meet with

program representatives, and to participate in the grant request process as necessary to secure the required funding. The County and City shall be liable for, or required to, provide a financial contribution in order to secure said funding for building improvements or other applicable aspects of the project requiring grant funding.

3. EXPANSION OPPORTUNITY

Participation in this Agreement shall not exclude the Company from consideration for additional incentives from either the City or the County either during or upon completion of this Agreement. Future projects shall be considered on a case-by-case basis and induced at the discretion of the County and/or City based on new taxable investment and job creation in excess of the minimum levels outlined in "Section 1" above. Any such agreement shall require a separate "Performance Agreement" which shall conform with all relevant State statutes.

4. PROOF AND CERTIFICATION

The officials of all parties to this Agreement shall furnish the necessary reports and certificates to verify that each party's respective goals are met. Once the Company maintains its investment and employment goals for the term of this agreement it will no longer need to furnish these reports.

Acceptable forms of proof for taxable investment shall be the records of the County Tax Assessor. Acceptable forms of proof of payment of taxes shall be in the form of cancelled checks, and/or receipts of payment from the County Tax Collector. Acceptable forms of proof for employment numbers shall be in the form of a NCUI 101 or equivalent state form or notarized statement from an officer within the Company and be verifiable with the North Carolina Department of Commerce.

5. REMEDY

A. INDUCEMENT PACKAGE: If the County or City does not meet and maintain the terms set forth in the inducement package, the Company has the option to reduce the amount of its investment and employment package by a pro-rated share upon thirty (30) days written notice to the County and City.

B. DELAY OF INCENTIVE INITIATION: If the Company does not expect to meet employment and investment goals enumerated above by January 1st, 2015, the onset of this agreement may be delayed one (1) year, at the option of the Company. Written notification of a request to delay onset must be received by the County no later than December 15th, 2014. This agreement shall initiate no later than January 1st, 2016, and shall expire no later than December 31st, 2020.

C. INVESTMENT AND EMPLOYMENT PACKAGE: If the Company does not meet and maintain either the investment or employment goals within the annual timetable set forth in Schedule A – Project Temper Property Tax Calculations – New Capital Investment and Schedule C - Project Temper Employment Schedule, and does not opt to delay the onset of this Agreement as described above, then the County and City may each reduce the annual installment payment using the pro-rata formula set forth on the attached "Schedule B – Reduction Formula" until such time as the Company once again meets at least 100% of both the investment and employment goals.

6. SEVERABILITY

If any term or provision of this Agreement is held to be illegal, invalid, or unenforceable, the legality, validity, or enforceability of the remaining terms, or provisions of this Agreement shall not be affected thereby; and in lieu of such illegal, invalid or unenforceable term or provision, there

shall be added by mutual agreement to this Agreement, a legal, valid, or enforceable term or provision, as similar as possible to the term or provision declared illegal, invalid, or unenforceable.

7. COMPLIANCE WITH THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACTS OF NORTH CAROLINA GENERAL STATUTES

All appropriations and expenditures pursuant to this agreement shall be subject to the provisions of the Local Government Budget and Fiscal Control acts of the North Carolina General Statutes for cities and counties and shall be listed in the annual report submitted to the Local Government Commission by both the County and the City.

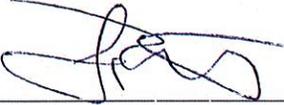
8. GOVERNING LAWS

This Agreement shall be governed and construed by the Laws of the State of North Carolina. Unless prohibited by law all actions relating in any way to this Agreement shall be brought in the General Court of Justice of the State of North Carolina sitting in Stanly County or, where applicable, the United States District Court of the Middle District of North Carolina.

9. ENTIRE AGREEMENT

The Company, the County, and the City agree that this document constitutes the entire agreement among the three (3) parties and may only be modified by a written mutual agreement signed by the parties.

PERFORMANCE AGREEMENT REVIEWED AND ACCEPTED BY:

 _____ 5/20/14. _____ 5/20/14
Date Date
Mr. Hemant Patel Attest: _____
President Title:
Triton Glass, LLC

 _____ 6/9/14 _____ 6/9/14
Date Date
Mr. Tony Dennis Attest: Tyler Brummitt
Chairman Clerk to the Board
Stanly County Commissioners Stanly County Commissioners

 _____ 6/17/2014 _____ 17.JUNE.2014
Date Date
Mr. Ronnie Michael Attest: Paulette Bowers
Mayor City Clerk
City of Albemarle City of Albemarle

“Exhibit A”

Project Scope

The company, Triton Glass, LLC, will take over the location and purchase the assets of the Albemarle Glass Company, Inc. at 232 S. First Street, Albemarle, NC 28001. The new ownership group will perform renovations and invest in new insulated glass production and other machinery and equipment to expand production. In addition to the nine (9) current production employees, the company expects to add another twenty three (23) new full time jobs and invest another \$2.2M in equipment and machinery over the next five (5) years.

SCHEDULE A

Project Temper Preliminary Property Tax Calculations - New Capital Investment

Stanly County - Albemarle, NC

3/13/2014

Purchase and expansion of existing business and addition of insulated glass manufacturing line
Assuming \$2.2 million new taxable investment and 23 jobs

Fiscal Year (July 1 - June 30)	Real Property Value	Mach. & Equip. Value	Cumulative Investment	Mach. & Equip. % Good	M&E Assessed Value	Total Value	County Rate 0.67	Municipal 0.56	Total Taxes	Grant * 65%
2014-15	125,000	100,000	225,000	0.92	92,000	217,000	\$1,454	\$1,215	\$2,669	\$1,735
2015-16	25,000		250,000	0.85	85,000	235,000	\$1,575	\$1,316	\$2,891	\$1,879
2016-17		450,000	700,000	0.79	493,000	643,000	\$4,308	\$3,601	\$7,909	\$5,141
2017-18	25,000	1,450,000	2,175,000	0.71	1,787,500	1,962,500	\$13,149	\$10,990	\$24,139	\$15,690
2018-19	25,000		2,200,000	0.62	1,650,000	1,850,000	\$12,395	\$10,360	\$22,755	\$14,791
5 Year Total						1,850,000	\$32,880	\$27,482	\$60,362	
Grant						\$21,372		\$17,863	\$39,235	
Taxes							\$11,508	\$9,619	\$21,127	
							Total Tax Grant Amount*			\$39,235
							Total Incentive Value			\$39,235

The A-12 (2013) manufacturing schedule from the NCDOR Cost Index and Depreciation Schedule was used in the above computations:

Year	Mach. & Equip. % Good
1	0.92
2	0.85
3	0.79
4	0.71
5	0.62
6	0.57
7	0.49
8	0.39
9	0.31
10	0.25

*Proposed 65% over 5 years tax grant subject to Stanly County Board of Commissioners and City of Albemarle approval

As investment and job creation decreases, the grant % and length of the grant period will also decrease.

Schedule B

Reduction Formula

The following formula shall be used to calculate all payments subject to the *pro rata* reduction formula set forth in Section 5.C of the Performance Agreement Among Stanly County, North Carolina, the City of Albemarle, North Carolina, and Triton Glass, LLC (hereinafter referred to as "Agreement"):

$$\% \text{ Investment Met} = \text{Actual Investment} / \text{Investment Promised}$$

$$\% \text{ Jobs Met} = \text{Actual Jobs} / \text{Jobs Promised}$$

$$\% \text{ of Payout to Award} = (\% \text{ Investment Met} + \% \text{ Jobs Met}) / 2$$

$$\text{Actual Grant Award} = \% \text{ of Payout to Award} \times 75\% \text{ (Original Grant Award)}$$

**Note: % of Payout to Award is not to exceed 100%*

Examples:

1. Year 1 – Investment Met and Employment Not Met Example – Reduction Formula Applies - If the Company invests \$500,000 of the required \$500,000 and creates 3 of the required 6 jobs, then the Company would receive 75% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$500,000 investment.

$$\$500,000/\$500,000 = 100\% \text{ Investment Met}$$

$$3/6 = 50\% \text{ Jobs Met}$$

$$150\%/2 = 75\% \text{ of Payout to Award}$$

$$75\% \times 75\% \text{ original grant award} = 56.25\% \text{ actual grant award}$$

2. Year 1 – Investment Exceeded and Employment Not Met Example – Reduction Formula Applies - If the Company invests \$2,000,000 of the required \$500,000 and creates 3 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$2,000,000 investment.

$$\$2,000,000/\$500,000 = 400\% \text{ Investment Met}$$

$$3/6 = 50\% \text{ Jobs Met}$$

$$450\%/2 = 100\% \text{ of Payout to Award (because cannot exceed 100\%)}$$

$$100\% \times 75\% \text{ original grant award} = 75\% \text{ actual grant award}$$

3. Year 1 – Investment Not Met and Employment Met Example – Reduction Formula Applies - If the Company invests \$100,000 of the required \$500,000 and creates 6 of the required 6 jobs, then the Company would receive 60% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$100,000 investment.

$$\$100,000/\$500,000 = 20\% \text{ Investment Met}$$

$$6/6 = 100\% \text{ Jobs Met}$$

$120\%/2 = 60\%$ of Payout to Award
 $60\% \times 75\%$ original grant award = 45% actual grant award

4. Year 1 – Investment Not Met and Employment Exceeded Example – Reduction Formula Applies - If the Company invests \$100,000 of the required \$500,000 and creates 12 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$100,000 investment.

$\$100,000/\$500,000 = 20\%$ Investment Met
 $12/6 = 200\%$ Jobs Met
 $220\%/2 = 100\%$ of Payout to Award (because cannot exceed 100%)
 $100\% \times 75\%$ original grant award = 75% actual grant award

5. Year 1 – Investment Not Met and Employment Not Met Example – Reduction Formula Applies - If the Company invests \$100,000 of the required \$500,000 and creates 3 of the required 6 jobs, then the Company would receive 35% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$100,000 investment.

$\$100,000/\$500,000 = 20\%$ Investment Met
 $3/6 = 50\%$ Jobs Met
 $70\%/2 = 35\%$ of Payout to Award
 35% of 75% original grant award = 26.25% actual grant award

-
6. Year 1 – Investment Met and Employment Met Example – Reduction Formula Does *Not* Apply – If the Company invests \$500,000 of the required \$500,000 and creates 6 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$500,000 investment.
7. Year 1 – Investment Exceeded and Employment Met Example – Reduction Formula Does *Not* Apply – If the Company invests \$2,000,000 of the required \$500,000 and creates 6 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$2,000,000 investment.
8. Year 1 – Investment Met and Employment Exceeded Example – Reduction Formula Does *Not* Apply – If the Company invests \$2,000,000 of the required \$500,000 and creates 12 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$2,000,000 investment.
9. Year 1 – Investment Exceeded and Employment Exceeded Example – Reduction Formula Does *Not* Apply – If the Company invests \$2,000,000 of the required \$500,000 and creates 12 of the required 6 jobs, then the Company would receive 100% of 75% of the County and Town taxes otherwise payable on the assessed value of the \$2,000,000 investment.

Schedule C
Project Temper Employment Schedule

Stanly County and the City of Albemarle, North Carolina

4/21/2014

Year	New Jobs	Running Total
1	2	2
2	6	8
3	12	20
4	2	22
5	1	23

**NORTH CAROLINA
STANLY COUNTY**

**PERFORMANCE AGREEMENT
AMENDMENT #1**

THIS PERFORMANCE AGREEMENT AMENDMENT #1 is made and entered into this ____ day of March, 2015 by and among the County of Stanly, a body politic and corporate of the State of North Carolina (appearing hereinafter as "County"), the City of Albemarle, a municipal corporation of the State of North Carolina (appearing hereinafter as "City"), and Triton Glass, LLC, a North Carolina Company Limited Liability Corporation, licensed to do business within the United States and North Carolina (appearing hereinafter as "Company").

The following section(s) represent amendments to the original PERFORMANCE AGREEMENT: BETWEEN STANLY COUNTY, NC, THE CITY OF ALBEMARLE, NC, AND TRITON GLASS, LLC entered into the 17th day of June, 2014 (appearing hereinafter as "Performance Agreement"). All other terms, conditions and covenants as stated in the Performance Agreement apply to this amendment as fully as if set forth herein. To the extent that the terms of this amendment conflict with the terms of the Performance Agreement, the terms set out below shall control.

- (a) The second sentence appearing in subsection A. COUNTY COMMITMENT of section **2. INDUCEMENT PACKAGE** on Page 3 of the Performance Agreement is hereby stricken and removed from the Performance Agreement and is hereby replaced with the following:

The first installment shall occur during March of the 2016 calendar year upon receipt of proof that the minimum new employment (based on the fourth quarter – ending December 31st, 2014) and investment numbers appearing in Section 1 above have been met in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment and Schedule C – Project Temper Employment Schedule and that all past and current local property taxes on the real and business personal property owned by the Company and located within Stanly County have been paid.

- (b) The second sentence appearing in subsection B. CITY COMMITMENT of section **2. INDUCEMENT PACKAGE** on Page 3 of the Performance Agreement is hereby stricken and removed from the Performance Agreement and is hereby replaced with the following:

The first installment shall occur during March of the 2016 calendar year upon receipt of proof that the minimum aforementioned new employment (based on the fourth quarter – ending December 31st, 2014) and investment numbers (appearing in Section 1 above) have been met in accordance with Schedule A – Project Temper Property Tax Calculations – New Capital Investment and Schedule C –

PERFORMANCE AGREEMENT DOCUMENTS LIST

This written performance agreement includes the following:

- A. PERFORMANCE AGREEMENT: BETWEEN STANLY COUNTY, NC, THE CITY OF ALBEMARLE, NC, AND TRITON GLASS, LLC, Original;
- B. Exhibit A – Project Scope;
- C. Schedule A – Project Temper Preliminary Property Tax Calculations – New Capital Investment ;
- D. Schedule B – Reduction Formula;
- E. Schedule C – Project Temper Employment Schedule; and
- F. PERFORMANCE AGREEMENT AMENDMENT #1.

Triton Glass, LLC

Initial _____

Stanly County

Initial _____

Albemarle, NC

Initial _____