AGENDA | BOARD OF COMMISSIONERS
REGULAR MEETING

August 13, 2024 at 4:30 PM

Burgaw Town Center
108 E Wilmington St

1. **Call to Order**

2. **Invocation**

3. **Pledge of Allegiance**

4. **Approval of Agenda**

5. **Approval of Consent Agenda**
   *Items under Consent are generally of a routine nature. The Board may take action to approve/disapprove all items in a single vote. Any item may be withheld from a general action, to be discussed and voted upon separately at the discretion of the Board.

   A. Approval of the June 18, 2024 Regular Meeting Minutes

   B. Contracts to Audit Accounts for the year ending June 30, 2024

   C. Ordinance 2024-19 Town of Burgaw Golf Cart Ordinance

   D. Resolution 2024-22 Accepting funds from the NCDEQ Drinking Water State Revolving Fund - Lead Service Line Replacement loan

6. **Special Requests/Presentations**

   A. FY 2022-2023 Audit Presentation - Lee Grissom, S. Preston Douglas & Associates

   B. Pender County Spring Festival - Ross Harrell

7. **Departmental Items**

   A. **Information Technology Department**
   Dustin McCullen, IT Manager

B. **Public Works Department**
Alan Moore, Public Works Director

C. **Fire Department**
Johnathan Prevatte, Fire Chief

I. Ordinance 2024-20 Amending the FY 2024-2025 budget to reflect changes to the fee schedule proposed by the Fire Marshal

D. **Facilities & Grounds Department**
Damon Stanley, Facilities & Grounds Director

E. **Parks, Recreation & Tourism Department**
Cody Suggs, Parks & Recreation Director

I. Street Closure Requests for Town Events

F. **Planning Department**
Ron Meredith, Planning Director

G. **Building Inspections Department**
Louis Hesse, Building Code Administrator

H. **Finance Department**
Wendy Pope, Finance Officer

I. **Human Resources Department**
Kimberly Rivenbark, Human Resources Director/Deputy Town Clerk

J. **Police Department**
Jim Hock, Police Chief

8. Public Forum

9. Public Hearing

A. **Mural Request - John Westbrook**
Ron Meredith, Planning Director
Consideration for a wall mural in the B-1, Central Business District, located at 101 S Wright St. (Pin: 3229-33-0288-0000).

I. Resolution 2024-23 Adopting mural request at 101 S. Wright Street

10. Items from Assistant Manager

A. North Walker Street box culvert replacement project - Update

B. Other items to be announced

11. Items from Manager

A. Update on current town projects

B. Other items to be announced

12. Items from Attorney

13. Items from Mayor and Board of Commissioners

A. Kiwanis Club of Burgaw Signage Request - Mayor Dawson

B. Other items to be announced

14. Closed Session

A. Pursuant to NC GS 143-318.11(a)(3) Attorney/Client Privilege and NC GS 143-318.11(a)(6) Personnel

15. Adjournment

TOWN OF BURGAW BOARD OF COMMISSIONERS
REGULAR MEETING

DATE:	June 18, 2024
TIME:	4:30 PM
PLACE:	Burgaw Town Center 108 E Wilmington St
BOARD MEMBERS PRESENT:	Mayor Olivia Dawson Commissioner Jan Dawson Commissioner William Rivenbark Mayor Pro-tem James Malloy Commissioner Bill George Commissioner Michael Pearsall
BOARD MEMBERS ABSENT:	

1. Call to Order

Mayor Dawson called the meeting to order at 4:30 PM.

2. Invocation

The invocation was led by Reverend Smith.

3. Pledge of Allegiance

The Pledge of Allegiance was said by all.

4. Approval of Agenda

Prior to approval of the agenda, Police Chief Jim Hock introduced his newest officer, Logan Wilhelm. Parks & Recreation Coordinator Jayna Augst introduced summer intern, Kyra Rickard.

Mayor Dawson requested the board consider amending the agenda to include an additional member of the Burgaw Fire Department to be sworn in during Special Presentations. Commissioner Pearsall made a motion to approve the agenda as amended. The motion was seconded by Commissioner Malloy and carried by unanimous vote.

5. Approval of Consent Agenda

*Items under Consent are generally of a routine nature. The Board may take action to approve/disapprove all items in a single vote. Any item may be withheld from a general action, to be discussed and voted upon separately at the discretion of the Board.

Commissioner Rivenbark made a motion to approve the consent agenda as presented. The motion was seconded by Commissioner Pearsall and carried by unanimous vote.

A. Approval of the April 9, 2024 Regular Meeting Minutes

B. Approval of the April 9, 2024 Closed Session Minutes

C. Approval of the May 14, 2024 Regular Meeting Minutes

D. Approval of the May 14, 2024 Closed Session Minutes

E. Resolution 2024-15 Supporting the Purchase of the South End of Topsail Beach by North Carolina Coastal Land Trust

F. Ordinance 2024-13 Amending the FY 2023-2024 budget to reflect year-end received revenues and expenditures

G. Ordinance 2024-14 Adoption of Capital Project Ordinance for NC OSBM Directed Grant

6. Special Requests/Presentations

A. Swearing In of Firefighter/Apparatus Operators Joseph Smith Jr. and Ivy Floyd - Mayor Dawson

Mayor Dawson swore in Firefighter/Apparatus Operator Joey Smith and Firefighter/Apparatus Operator Ivy Floyd.

B. Ghostwalk Request - Stephanie Key, Pender County Tourism

Stephanie Key with Pender County Tourism was unable to attend the meeting, but Mayor Dawson advised information regarding the Ghostwalk request was given to each board member for consideration. This year's request was the same request that was approved for October 2023, including waiving of the rental fee for use of Hankins Park. This year's event will only take place one evening on Saturday, October 26 in the Burgaw Cemetery, instead of two evenings as in the past. Commissioner George made a motion to approve the request as presented, including use of the cemetery past dusk as stated in the cemetery ordinance. The motion was seconded by Commissioner Malloy and carried by unanimous vote.

C. Juneteenth Celebration Street Closure Request - Karen Malloy, 1865 Society of Pender County

Karen Malloy with the 1865 Society of Pender County requested extending the street closure time as previously approved by the board, to 9:00 PM on Fremont Street, the day of the Juneteenth Celebration. She also requested to make sure all of the electricity on the square is working the day of the festival.

Prior to a motion being made, Commissioner Malloy recused himself. Commissioner Rivenbark made a motion to approve the request. The motion was seconded by Commissioner Pearsall and carried by unanimous vote.

D. New Pender County Manager Introduction - Michael Silverman

Michael Silverman was recently appointed as the Pender County Manager and was present at the meeting to introduce himself to the board.

7. Departmental Items

A. **Information Technology Department**
Dustin McCullen, IT Manager

Mr. McCullen said about 80 IT requests have been completed since he began working with the town, as well as a brief overview of projects in the que.

B. **Public Works Department**
Alan Moore, Public Works Director

Mr. Moore gave a brief update to the board of day-to-day activities for Public Works staff. He said he is waiting on one more bid to come in for the sidewalk project along Wright Street as previously discussed. The current range of bids is $213k-$299k.

Commissioner Rivenbark commented on the oils and greases left on the street after the NC Blueberry Festival. He requested the food vendors be required to use a pan.

Staff will relay this information to the NC Blueberry Festival committee.

C. **Fire Department**
Johnathan Prevatte, Fire Chief

Chief Prevatte advised he is currently in the process of onboarding part time firefighters. He also said his staff is working on pre-plans and implementing more public education outreach.

Commissioner Rivenbark asked about the recent structure fire at Coastal Beverage Company at the Pender Industrial Park. Burgaw Fire Department responded to the incident for mutual aid assistance. There was brief discussion about the fire and solar panels on the roof of the structure where the fire started.

D. **Facilities & Grounds Department**
Damon Stanley, Facilities & Grounds Director

Mr. Stanley said he and his staff have been very busy with various projects and on-going maintenance. He added the concept for the Dees Park restroom pavilion is complete and will present it to the board once it is finalized. Mayor Dawson reiterated this design in only a preliminary concept. No money has been allocated towards the project at this time.

Commissioner Pearsall commented on uniforms for the Facilities and Grounds staff. Mr. Stanley said he is in the process of ordering uniforms for his staff so everyone looks professional.

E. **Parks, Recreation & Tourism Department**
Cody Suggs, Parks & Recreation Director

I. Street Closure Request - TDA Markets

Ms. Augst advised the Tourism Development Authority would like to relocate the two upcoming markets to Courthouse Avenue on August 9, 2024 and November 8, 2024. The purpose of relocating the event is to be closer to the Cruise-In Car Shows hosted monthly by the Downtown Business Association. There would be live music in Dees Park and the vendor booths for the market would be located in the street along Courthouse Avenue. Ms. Augst requested closure of Courthouse Avenue on August 9, 2024 and November 8, 2024 from 1:00 PM to 9:00 PM. Ms. Augst also said Desmon Jordan, owner of House of Gains, is in support of the request. Commissioner Malloy asked if the hair salon and barber shop had been contacted. Ms. Augst said not yet, but all of those businesses on Courthouse Avenue will be given parking options at the depot.

Commissioner Malloy made a motion to approve the street closure request as presented by Ms. Augst. The motion was seconded by Commissioner George and carried by unanimous vote.

F. **Planning Department**
Ron Meredith, Planning Director

Mr. Meredith advised he is working on departmental processes and protocols. He advised the board there will be some Unified Development Ordinance (UDO) amendments coming in the future once internal processes are completed.

G. **Building Inspections Department**
Louis Hesse, Building Code Administrator

Mr. Hesse advised he is busy with various projects happening in town. He also gave an update on the minimal housing and said two houses have been demolished.

H. **Finance Department**
Wendy Pope, Finance Officer

Ms. Pope commented on the new solid waste collector, Wall Recycling, and said new carts are currently being distributed to residences and business owners.

I. **Police Department**
Jim Hock, Police Chief

Chief Hock gave a brief overview of the mutual aid process that was conducted during the Blueberry Festival. He thanked all agencies for their assistance.

Commissioner Pearsall commented on the stop sign that was missing at the intersection of Fremont Street and Smith Street in result of an accident. He said it took a few days for the stop sign to be put back up. Commissioner Pearsall had concerns and asked who is responsible for making sure the stop sign was put back up following the accident. Chief Hock advised it would have been the town's responsibility to make sure it was put back up. Chief Hock will see this is relayed to the officers immediately.

8. Public Forum

Prior to Public Forum, Mayor Dawson called for a break between 5:26 PM and 5:37 PM.

Daniel Wedlock, 712 W. Bridgers Street, said Duke Energy assessed his property in 2021, prior to his home being built, regarding light poles that needed to be replaced. He said light poles around his property have been replaced due to the new homes that were recently constructed. Mr. Wedlock said he would like the town to look at having his light poles replaced by Duke Energy since the others have now been replaced.

Karen Harding, 318 S. Walker Street, requested not to turn Courthouse Ave into a toilet. She said she does not understand the suggestion for public toilets on Courthouse Avenue when there are public toilets at the depot, courthouse, and Pender County Annex. She said the money to build, operate and maintain public toilets at that location seems like a lot to ask of a small town when there are so many existing toilets. Ms. Harding suggest placing signage directing the public to the toilets at the depot, courthouse and Burgaw Town Center, which would be far more cost effective. She said placing public toilets in a tucked in area between the courthouse and annex does not make any sense from a safety standpoint. She said it would devalue a good percentage of the downtown properties if the toilets are not kept spotless. Cleaning them daily needs to be figured into the maintenance. In closing, Ms. Harding requested the board to utilize the capital improvement money on important work of the town's water and sewer and get rid of the crazy idea of putting toilets in downtown Burgaw.

9. Public Hearings

A. **Conditional District Rezoning Request - Weldon Village (Bowen-Caputo)**
Ron Meredith, Planning Director
Consideration of a conditional district rezoning from RA, Rural Agricultural, to R-20 (CZ), Residential Conditional District for a 487-lot single-family residential subdivision located at 2630 NC HWY 53 W (PIN: 3218-28-4425-0000).

Mayor Dawson declared the Public Hearing open at 5:44 PM.

Mr. Meredith presented the rezoning request submitted by Elizabeth Shelton of D.R. Horton.

Prior to the applicant speaking, Attorney Rivenbark confirmed with Mr. Meredith that it is staff's opinion this project as proposed is inconsistent with the town's Land Use Plan.

Applicant Beth Blackman with Timmons Group, 5410 Trinity Road, Suite 102, Raleigh, NC, engineering consultant for D.R. Horton spoke about the project, along with other land managers from the Wilmington D.R. Horton office.

Upon completion of the presentation by Ms. Blackman, Commissioner Pearsall voiced his concern with the amount of traffic the development would bring with traveling along NC Highway 53 with the curves and lots of turning. Commissioner Malloy also voiced his concern with safety, as well as concerns with flooding in the area.

Ms. Blackman said the project will meet all requirements with state permits, etc. and will meet NC DOT standards. A traffic representative spoke about the turn lanes for the development.

Commissioner Pearsall said he is not against building, but we want to make sure our town grows without creating more problems in the future. He said it is a rural area and would be okay with 15, 30, or 40 homes and break into phases, but 481 houses is too many.

Public comments

Robert Kenan, 211 E. Fremont Street, Mr. Kenan requested to speak longer than the allotted time for public comments. He stated he is speaking for himself, not as a representing attorney. Mr. Kenan spoke in opposition of the rezoning request.

Milton Green, 1041 Highsmith Road, suggested to have NC DOT get a bypass to help with the growth in the area. He said Burgaw is not capable for this type of impact.

Sandy Blake, 2740 NC Highway 53 West, said she is an adjacent property owner to the proposed project and agreed with everything Mr. Kenan said. She said God gave us the land to take care, and this is not the way to do it. She is concerned with loss of agriculture.

Amy Jones, 2460 NC Highway 53 West, said she had flood issues during Florence and has concerns with drainage and flooding in the area. She also has concerns with emergency personnel capacity, buses picking up children, and sewage capacity.

Rochelle Whiteside, 315 W. Bridgers Street, said she is thankful for a town with a planning board and town board to be guardians of the citizens. She thinks the traffic will be horrendous. She said we need growth, but it needs to be planned.

Richard Thomas, 2876 NC Highway 53 West, said Mr. Kenan summed it up and said the project is inconsistent with Burgaw's plan.

Mike Taylor, 712 Whrens Street, said he supports what has been said and is opposed to the project. Burgaw does not need to become a Leland. He stated that the Planning Board does not support the rezoning request.

Ross Harrell, 111 N. Wright Street, said he was opposed to the rezoning request.

Becky Henderson, 4975 Bell Williams Road, Currie, said she is concerned with the number of kids the development would bring and has a concern with new schools being built to accommodate them. She said the Planning Board voted 'no' for a reason.

Clint Norris, 27926 US Highway 210, Currie, said he moved to the area years ago for peace and quiet, and said Burgaw and Pender County are not ready for this development. He stated he was opposed to the project.

Mike Blackburn, 1171 Piney Woods Road, said he was against the project.

Steve Pruitt, 101 S. Wright Street, spoke about a site bond and said D.R. Horton denied that at the planning board. Mr. Pruitt voiced his concerns with flooding.

JB Croom, 3124 NC Highway 53 East, said he was against the project.

John Fennell III, 681 Piney Woods Road, read a statement voicing his opposition of the rezoning request.

Jessica Bowen, 2185 Henry Brown Road, read a statement voicing her opposition of the rezoning request.

Donald Hufham, 1089 Piney Woods, was opposed to the proposal. He said schools cannot support the current capacity now.

Following the public comments, the applicant presented their rebuttal. Ms. Blackman spoke about the concerns voiced by the public, including mitigation banks, conserving wetlands, trees in the area, HOA would be effective after the final plat is filed, there would be speed limits established in the subdivision, streets would be turned over to the town upon completion and buses would be allowed in the subdivision. She also commented on the tax revenue percentage and said a bond is possible if that would be helpful to everyone. Ms. Blackman said a traffic impact analysis has been reviewed for the project by NC DOT.

Commissioner Pearsall said this project would be developed in the town's ETJ if approved. Attorney Rivenbark said the town would not get any tax revenue from this development.

The Land Manager (name was not documented) for D.R. Horton said he wants to make sure they do what will benefit the town and work with them on this project.

Ms. Blackman said the developers are planning to request annexation of the property if the rezoning is approved.

There being no further discussion by the board, Mayor Dawson declared the public hearing closed at 7:09 PM.

I. **Resolution 2024-16 Statement of Consistency**
Adopting a statement of consistency regarding an amendment of the Official Zoning Map of the Town of Burgaw requested by Elizabeth Shelton of D.R Horton to rezone property located off NC HWY 53 W (Parcel Identification Number 3218-28-4425-0000) from RA, Rural

Agricultural to R-20 (CZ) Residential District Conditional Zoning for a 487-lot single-family residential subdivision.

Commissioner George made a motion stating the proposed project is inconsistent with the Land Use Plan and against town ordinances. The motion was seconded by Commissioner Rivenbark and carried by unanimous vote.

II. **Ordinance 2024-15 Zoning Map Amendment**
A map amendment of the Official Zoning Map of the Town of Burgaw requested by Elizabeth Shelton of D.R. Horton to rezone property located off NC HWY 53 W (Parcel Identification Number 3218-28-4425-0000) from RA, Rural Agricultural to R-20 (CZ) Residential District Conditional Zoning for a 487-lot single-family residential subdivision.

Commissioner Malloy made a motion to deny the rezoning request as presented. The motion was seconded by Commissioner Rivenbark and carried by unanimous vote.

B. **Consideration of adoption of the FY 2024-2025 Budget**
James Gantt, Town Manager

Prior to Public Hearing #9B, Mayor Dawson called for a break from 7:15 PM-7:27 PM.

Mayor Dawson declared the Public Hearing open at 7:27 PM.

Mr. Gantt presented the proposed FY 2024-2025 annual operating budget for the town.

After the presentation, Mayor Dawson asked if the Powell Bill amount went down. Mr. Gantt said he would have to look at it further, but it was probably allocation from the prior year.

Commissioner Rivenbark said he could not agree with the proposed tax increase of $0.06. He added the electrical needs on the Courthouse Square are urgent.

Commissioner Pearsall said the town is growing and we need to maintain the sidewalks. He suggested the board cut back some of their travel budget and look at the possibility of increasing the taxes by $0.03 instead of $0.06. Commissioner Rivenbark said we need to really look at the budget to get the tax rate at $0.54.

Commissioner Dawson said she agreed with Commissioners Rivenbark and Pearsall. She said if we ask the employees to tighten their belts, then the board should do that as well. Commissioner Dawson suggested to increase the tax rate by $0.02.

There was discussion about the possibility of changing the sales tax rate. Commissioner Pearsall said that is a county level budget item and Mr. Gantt said we could look at this next year with the county.

After brief comments about the cost of living adjustment and tax increases, the board decided to continue the public hearing until the Special Board Meeting already scheduled for June 26, 2024 at 9:00 AM.

I. Ordinance 2024-16 Adoption of the FY 2024-2025 Budget for the Town of Burgaw

There was no motion taken on Ordinance 2024-16 during this meeting.

10. Items from Assistant Manager

A. Walker Street Culvert Project - Funding Request

Chief Hock reminded the board they agreed to move forward with options and project ideas in October 2023 for culvert replacement on North Walker Street, but funding was not allocated. Chief Hock gave the board two options for proceeding with the project and said engineering would cost approximately $50k. The first option would be to move forward with purchasing the box culvert for approximately $35k, or the second option would be to wait and incorporate the culvert replacement with the future splash pad project at Hankins Park, which would include the parking lot and an extension of the sidewalk in conjunction with the culvert replacement, which would cost approximately $42k. After discussion, the board said the replacement is needed and to move forward with the purchase of the box culvert and extend the sidewalk for the future of the splash pad project.

Commissioner Malloy made a motion to approve $42k for the purchase of the box culvert with extending the sidewalk. The motion was seconded by Commissioner George and carried by unanimous vote. The board agreed to move forward with the project without engineering.

B. Discussion about water line repairs prior to the Storm Water Master Plan

Chief Hock reminded the board of the grant received from the state for water and sewer repairs throughout town. The board previously approved to move forward with a water and sewer master plan, but Chief Hock requested the board to look at having some water line repairs done prior to implementing the master plan due to costly repairs. The three top priority water line replacements would be a line on Dickerson Street from Fremont Street to Hayes Street, Bennett Street from Hayes Street to Walker Street, and Fremont Street from McCullen Street to McRae Street (to include an installation of a fire hydrant). Chief Hock said these repairs would cost approximately $400k, including engineering because we would increase the two inch water lines to six inch lines. These funds would come from the grant. Commissioner Pearsall commented on the amount of money being spent to repair and patch areas continuously. After brief comments by the board, Commissioner Rivenbark made a motion to approve the water line replacements as requested by Chief Hock. The motion was seconded by Commissioner Dawson and carried by unanimous vote.

11. Items from Manager

A. Update on current projects

Mr. Gantt gave an update on the digital sign project, and the parking lot progress around the Burgaw Town Center, including a new dropbox for town hall.

There was brief discussion regarding sidewalks along Courthouse Avenue and Wright Street, as previously discussed.

12. Items from Attorney

Attorney Rivenbark said he only had items for closed session.

13. Items from Mayor and Board of Commissioners

Mayor Dawson commented on grants for the town. Mr. Gantt said it takes a lot of time to work on grants, but there are a few in the works.

Mayor Dawson thanked everyone for their assistance during the NC Blueberry Festival.

Mayor Dawson commented on the new ABC Store building. She recently did a walk-thru to see the progress.

Mayor Dawson advised a Juneteenth press release will be going out the next day.

Mayor Dawson asked if staff could fix the grass area along the right-of-way near the new digital sign area. Mr. Gantt will see this is taken care of.

Commissioner Pearsall thanked staff for the information in the weekly manager's update. He requested any legal matters regarding Human Resources be disseminated to the board along with information from other departments.

Commissioner George thanked everyone for everything during the NC Blueberry Festival.

Commissioner Malloy said he is grateful for everyone.

Commissioner Rivenbark thanked everyone for their hard work and said he had several requests for country artists for the festival. He requested Mayor Dawson relay this request to the festival staff.

Commissioner Rivenbark said he was recently at the Pender County Rural Transportation Advisory Council Meeting and said he would like for the town to spread the word about the Pender County Comprehensive Transportation Plan Survey, which will close in September. Ms. Wells will see this information is published to the public. Also information from that meeting, Commissioner Rivenbark said the project of Walker Street/Wilmington Street will not start until year 2027, according to NC DOT's current schedule. He also said the widening project for NC Highway 53 between US Highway 117 and Stag Park Road will not be any time soon. After brief comments, it was requested to make sure the resolutions previously approved by the board for support of these projects are sent to the state.

A. Police Advisory Board Discussion

After a discussion, Commissioner Pearsall made a motion to suspend the Police Advisory Board at this time due to lack of participation. The motion was seconded by Commissioner George and carried by unanimous vote. The board requests a joint effort between Chief Hock and Chief Prevatte to provide a routine event such as "Coffee with the Chiefs" for the public to attend and share thoughts and concerns.

B. Annexation Request

I. Acceptance of the Certificate of Sufficiency from the Town Clerk

Commissioner George made a motion to accept the Clerk's Certificate of Sufficiency for the annexation request by Pender County. The motion was seconded by Commissioner Rivenbark and carried by unanimous vote.

II. Resolution 2024-17 Setting a Public Hearing for the Annexation Petition received by Pender County

Commissioner Rivenbark made a motion to approve Resolution 2021-17 as presented. The motion was seconded by Commissioner George and carried by unanimous vote.

14. Closed Session - pursuant to NC GS 143-318.11(a)(3) Attorney/Client Privilege

Commissioner Malloy made a motion to go into closed session at 8:41 PM. The motion was seconded by Commissioner Pearsall and carried by unanimous vote.

Commissioner Rivenbark made a motion to go back into open session at 9:20 PM. The motion was seconded by Commissioner Malloy and carried by unanimous vote.

15. Adjournment

Commissioner Dawson made a motion to adjourn the meeting at 9:20 PM. The motion was seconded by Commissioner Pearsall and carried by unanimous vote.

Town of Burgaw
ITEM REPORT

Item: 5B

DATE OF MEETING: August 13, 2024 **DEPARTMENT OF ORIGIN:** Finance	**DATE SUBMITTED:** 08/08/2024 **SUBMITTED BY:** Wendy Pope, Finance Director

AGENDA ITEM DESCRIPTION:
Contracts to Audit Accounts for the year ending June 30, 2024

SUMMARY STATEMENT:
S Preston Douglas & Associates, LLP has been our auditor since fiscal year-end 2017. At the beginning of each contract year, a signed audit contract and signed management letter will be submitted to the NC State Treasurer's office for approval. Once approved, the auditor is allowed to begin work in accordance with the contract.
I have provided these documents for your review. There is a contract and management letter for the Town of Burgaw FYE 6/30/24 audit and for the Burgaw Tourism Development Authority FYE 6/30/24 audit.

STAFF RECOMMENDATION AND REQUESTED ACTION:
I've provided these documents for your information. The contract is standard template from the LGC modified for auditor, auditee, completion date and fee.

FINANCIAL IMPACT INCLUDING FUNDING SOURCE:

FINANCE DIRECTOR COMMENTS:

ATTACHMENTS (IF ANY): Burgaw 2024 Audiit, Burgaw 2024 Engagement Letter, Burgaw TDA 2024 Engagement Letter, Burgaw TDA 2024 Audit Contract

The	Governing Board MAYOR AND BOARD OF COMMISSIONERS
of	Primary Government Unit TOWN OF BURGAW
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name S. PRESTON DOUGLAS & ASSOCIATES, LLP
	Auditor Address 907 N. WALNUT STREET LUMBERTON, NC 28358

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

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

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

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

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

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

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

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

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

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

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

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

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

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

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

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

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

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

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

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

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

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

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

FEES FOR AUDIT SERVICES

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

Financial statements were prepared by: ☑ Auditor ☐ Governmental Unit ☐ Third Party

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

Name:	***Title and Unit / Company:***	***Email Address:***
Wendy Pope	Finance Officer	wpope@burgawnc.gov

OR Not Applicable ☐ ***(****Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

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

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

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

Primary Government Unit	TOWN OF BURGAW
Audit Fee (financial and compliance if applicable)	$ 26,000
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$ 26,000

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

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* S. PRESTON DOUGLAS & ASSOCIATES, LLP	
Authorized Firm Representative (typed or printed)* Lee Grissom, CISA, CFE, CPA	Signature*
Date*	Email Address* lgrissom@spdouglas.com

GOVERNMENTAL UNIT

Governmental Unit***** TOWN OF BURGAW	
Date Governing Board Approved Audit Contract* **(Enter date in box to right)**	
Mayor/Chairperson (typed or printed)*****	Signature*****
Date	Email Address*

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Sum Obligated by This Transaction:	$ 26,000
Primary Governmental Unit Finance Officer***** (typed or printed) Wendy Pope	Signature*****
Date of Pre-Audit Certificate*	Email Address***** wpope@burgawnc.gov

S. Preston Douglas & Associates, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
American Institute of CPAs
N. C. Association of CPAs

July 16, 2024

To the Honorable Mayor and
Members of Board of Commissioners
and the Finance Officer

Town of Burgaw
109 N Walker Street
Burgaw, NC 28425

We are pleased to confirm our understanding of the services we are to provide Town of Burgaw for the year ended June 30, 2024. We will audit the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information, including the related notes to the financial statements, which collectively comprise the basic financial statements of Town of Burgaw as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Town of Burgaw's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Town of Burgaw's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis
2) Law Enforcement Officers' Special Separation Allowance
3) Other Postemployment Benefits – Schedule of Funding Progress and Employer Contributions
4) Local Government Employees' Retirement System's Schedules of the Proportionate Share of Net Pension Liability (Asset)
5) Schedule of Contributions - Local Government Employees' Retirement System

We have also been engaged to report on supplementary information other than RSI that accompanies the Town of Burgaw's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund
2) Combining Balance Sheet for Nonmajor Governmental Funds

3) Combining Statement of Revenues, Expenditures, and Changes in Fund Balance for Nonmajor Governmental Funds

4) Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Home Programs

5) Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Osgood Canal Greenway Projects Fund

6) Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Water and Sewer Fund

7) Schedules of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – Water and Sewer Capital Projects Fund

8) Schedule of Ad Valorem Taxes Receivable

9) Analysis of Current Tax Ley – Town-Wide Levy

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, and will include tests of the accounting records of Town of Burgaw and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Town of Burgaw's financial statements. Our report will be addressed to the Mayor and Commissioners of the Town of Burgaw. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or issue reports, or may withdraw from this engagement.

We will also provide a report (that does not include an opinion) on internal control related to the financial statements and compliance with the provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements as required by *Government Auditing Standards*. The report on internal control and on compliance and other matters will include a paragraph that states (1) that the purpose of the report is solely to describe the scope of testing of internal control and compliance, and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The paragraph will also state that the report is not suitable for any other purpose. If during our audit we become aware that Town of Burgaw is subject to an audit requirement that is not encompassed in the terms of this engagement, we will communicate to management and those charged with governance that an audit in accordance with U.S. generally accepted auditing standards and the standards for financial audits contained in *Government Auditing Standards* may not satisfy the relevant legal, regulatory, or contractual requirements.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government. Because the determination of abuse is subjective, *Government Auditing Standards* do not expect auditors to provide reasonable assurance of detecting abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential, and of any material abuse that comes to our attention. Our responsibility as auditors is limited to the period covered by our audit and does not extend to later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards and *Government Auditing Standards*.

Audit Procedures—Compliance

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

Other Services

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

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including evaluating and monitoring ongoing activities, to help ensure that appropriate goals and objectives are met; following laws and regulations; and ensuring that management and financial information is reliable and properly reported. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles, for the preparation and fair presentation of the financial statements and all accompanying information in conformity with U.S. generally accepted accounting principles, and for compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, grantors, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws, regulations, contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts or grant agreements, or abuse that we report.

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

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

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

Engagement Administration, Fees, and Other

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

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

The audit documentation for this engagement is the property of S. Preston Douglas & Associates, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Local Government Commission or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of S. Preston Douglas & Associates, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the Local Government Commission or its designee. The Local Government Commission or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately August 15, 2024 and to issue our reports no later than December 1, 2024. Lee Grissom CPA, CFE, CISA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed $26,000. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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

Respectfully yours,

S. Preston Douglas & Associates, LLP

S. Preston Douglas & Associates, LLP
Lumberton, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of Town of Burgaw.

Finance Officer's signature: ______________________________

Title: ______________________________

Date: ______________________________

Mayor's signature: ______________________________

Title: ______________________________

Date: ______________________________

S. Preston Douglas & Associates, LLP
CERTIFIED PUBLIC ACCOUNTANTS

MEMBERS
American Institute of CPAs
N. C. Association of CPAs

July 16, 2024

To the Honorable Mayor and
Members of Board of Commissioners
and the Finance Officer

Burgaw Tourism Development Authority
109 N Walker Street
Burgaw, NC 28425

We are pleased to confirm our understanding of the services we are to provide Burgaw Tourism Development Authority for the year ended June 30, 2024. We will audit the financial statements of the governmental activities, and each major fund, including the related notes to the financial statements, which collectively comprise the basic financial statements of Burgaw Tourism Development Authority as of and for the year ended June 30, 2024. Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Burgaw Tourism Development Authority's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Burgaw Tourism Development Authority's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited:

1) Management's Discussion and Analysis

We have also been engaged to report on supplementary information other than RSI that accompanies the Burgaw Tourism Development Authority's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America, and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditor's report on the financial statements:

1) Schedule of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund

Audit Objective

The objective of our audit is the expression of opinions as to whether your financial statements are fairly presented, in all material respects, in conformity with generally accepted accounting principles and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements as a whole. Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America and will include tests of the accounting records and other procedures we consider necessary to enable us to express such opinions. We will issue a written report upon completion of our audit of Burgaw Tourism Development Authority's financial statements. Our report will be addressed to Board of Commissioners of Burgaw Tourism Development Authority. We cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for us to modify our opinions or add emphasis-of-matter or other-matter paragraphs. If our opinions are other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed opinions, we may decline to express opinions or may withdraw from this engagement.

Audit Procedures—General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the government or to acts by management or employees acting on behalf of the government.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards. In addition, an audit is not designed to detect immaterial misstatements, or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements. However, we will inform the appropriate level of management of any material errors, fraudulent financial reporting, or misappropriation of assets that comes to our attention. We will also inform the appropriate level of management of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditors is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditors.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors, and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about the financial statements and related matters.

Audit Procedures—Internal Control

Our audit will include obtaining an understanding of the government and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. An audit is not designed to provide assurance on internal control or to identify deficiencies in internal control. However, during the audit, we will communicate to management and those charged with governance internal control related matters that are required to be communicated under AICPA professional standards.

Audit Procedures—Compliance

As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we will perform tests of Burgaw Tourism Development Authority's compliance with the provisions of applicable laws, regulations, contracts, and agreements. However, the objective of our audit will not be to provide an opinion on overall compliance and we will not express such an opinion.

Other Services

We will also prepare the financial statements of Burgaw Tourism Development Authority in conformity with U.S. generally accepted accounting principles based on information provided by you. We will perform the services in accordance with applicable professional standards. The other services are limited to the financial statement services previously defined. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

Management Responsibilities

Management is responsible for establishing and maintaining effective internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the preparation and fair presentation of the financial statements in conformity with U.S. generally accepted accounting principles.

Management is also responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which you are aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that we may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and confirming to us in the management representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the government involving (1) management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the government received in communications from employees, former employees, regulators, or others. In addition, you are responsible for identifying and ensuring that the government complies with applicable laws and regulations.

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

You agree to assume all management responsibilities for financial statement preparation services and any other nonattest services we provide; oversee the services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them.

Engagement Administration, Fees, and Other

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

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

The audit documentation for this engagement is the property of S. Preston Douglas & Associates, LLP and constitutes confidential information. However, subject to applicable laws and regulations, audit documentation and appropriate individuals will be made available upon request and in a timely manner to Local Government Commission or its designee. We will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of S. Preston Douglas & Associates, LLP personnel. Furthermore, upon request, we may provide copies of selected audit documentation to the Local Government Commission or its designee. The Local Government Commission or its designee may intend or decide to distribute the copies or information contained therein to others, including other governmental agencies.

We expect to begin our audit on approximately August 1, 2024 and to issue our reports no later than October 31, 2024. Lee Grissom CPA, CFE, CISA is the engagement partner and is responsible for supervising the engagement and signing the report or authorizing another individual to sign it.

Our fee for these services will be at our standard hourly rates plus out-of-pocket costs (such as report reproduction, word processing, postage, travel, copies, telephone, etc.) except that we agree that our gross fee, including expenses will not exceed $3,250. Our standard hourly rates vary according to the degree of responsibility involved and the experience level of the personnel assigned to your audit. If we elect to terminate our services for nonpayment, our engagement will be deemed to have been completed upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket costs through the date of termination. The above fee is based on anticipated cooperation from your personnel and the assumption that unexpected circumstances will not be encountered during the audit. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

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

Respectfully yours,

S. Preston Douglas & Associates, LLP

S. Preston Douglas & Associates, LLP
Lumberton, North Carolina

RESPONSE:

This letter correctly sets forth the understanding of Burgaw Tourism Development Authority.

Finance Officer's signature: ______________________________

Title: ______________________________

Date: ______________________________

Mayor's signature: ______________________________

Title: ______________________________

Date: ______________________________

The	Governing Board MAYOR AND BOARD OF COMMISSIONERS
of	Primary Government Unit BURGAW TOURISM DEVELOPMENT AUTHORITY
and	Discretely Presented Component Unit (DPCU) (if applicable) N/A

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

and	Auditor Name S. PRESTON DOUGLAS & ASSOCIATES, LLP
	Auditor Address 907 N. WALNUT STREET LUMBERTON, NC 28358

Hereinafter referred to as Auditor

for	Fiscal Year Ending 06/30/24	Date Audit Will Be Submitted to LGC 10/31/24

Must be within four months of FYE

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards (GAGAS)* if the Governmental Unit expended $100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Subpart F* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

Effective for audits of fiscal years beginning on or after June 30, 2023, the LGC will allow auditors to consider whether a unit qualifies as a State low-risk auditee based upon federal criteria in the Uniform Guidance §200.520(a), and (b) through (e) as it applies to State awards. In addition to the federal criteria in the Uniform Guidance, audits must have been submitted timely to the LGC. If in the reporting year, or in either of the two previous years, the unit reported a Financial Performance Indicator of Concern that the audit was late, then the report was not submitted timely for State low-risk auditee status. Please refer to "Discussion of Single Audits in North Carolina" on the LGC's website for more information.

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

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

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

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

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

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

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

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

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit- related work in the State of North Carolina. Approval is also required for the Alternative Compliance Examination Engagement for auditing the Coronavirus State and Local Fiscal Recovery Funds expenditures as allowed by US Treasury. Approval is not required on audit contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. This also includes any progress billings [G.S. 159-34 and 115C-447]. All invoices for audit work shall be submitted in PDF format to the Secretary of the LGC for approval. the invoice marked 'approved' with approval date shall be returned to the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements and/or the compliance section, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

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

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

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

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

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

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

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

a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;

b) the status of the prior year audit findings;

c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and

d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

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

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

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

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

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

FEES FOR AUDIT SERVICES

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

Financial statements were prepared by: ☑ Auditor ☐ Governmental Unit ☐ Third Party

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

Name:	***Title and Unit / Company:***	***Email Address:***
Wendy Pope	Finance Officer	wpope@burgawnc.gov

OR Not Applicable ☐ ***(****Identification of SKE Individual on the LGC-205 Contract is not applicable for GAAS-only audits or audits with FYEs prior to June 30, 2020.)*

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

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

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

Primary Government Unit	BURGAW TOURISM DEVELOPMENT AUTHORITY
Audit Fee (financial and compliance if applicable)	$ 3,250.00
Fee per Major Program (if not included above)	$
Additional Fees Not Included Above (if applicable):	
Financial Statement Preparation (incl. notes and RSI)	$
All Other Non-Attest Services	$
TOTAL AMOUNT NOT TO EXCEED	$ 3,250

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

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* S. PRESTON DOUGLAS & ASSOCIATES, LLP	
Authorized Firm Representative (typed or printed)* Lee Grissom, CISA, CFE, CPA	Signature*
Date*	Email Address* lgrissom@spdouglas.com

GOVERNMENTAL UNIT

Governmental Unit* BURGAW TOURISM DEVELOPMENT AUTHORITY	
Date Governing Board Approved Audit Contract* **(Enter date in box to right)**	
Mayor/Chairperson (typed or printed)*	Signature*
Date	Email Address*

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

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

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

Sum Obligated by This Transaction:	$ 3,250
Primary Governmental Unit Finance Officer* (typed or printed)	Signature*
Date of Pre-Audit Certificate*	Email Address*

Ordinance 2024-19

TOWN OF BURGAW GOLF CART ORDINANCE

Establishment.

The establishment of a golf cart ordinance is necessary to address the interests of public safety. Golf Carts are not designed or manufactured to be used on public streets, roads and highways, hereafter "road(s)," and the Town of Burgaw in no way advocates or endorses their operation on roads. The Town of Burgaw, by regulation such operation is merely trying to address obvious safety issues, and adoption of this ordinance is not relied upon as a determination that operation on roads is safe or advisable if done in accordance with the ordinance. All persons who operate or ride upon carts on roads do so at their own risk and peril and must be observant of and attentive to the safety of themselves and others, including their passengers, other motorists, bicyclists, and pedestrians. The Town of Burgaw has no liability under any theory of liability for permitting carts to be operated on roads under special legislation granted by the State Legislature. Any person who operates a cart must procure liability insurance sufficient to cover the risks involved in using a cart on the roads of the Town of Burgaw. Rules under this ordinance apply to all golf carts operating in town limits whether registered through the Town of Burgaw or the State of North Carolina Department of Motor Vehicles.

Purpose.

The purpose of this ordinance shall be to establish a Golf Cart Ordinance within the Town of Burgaw to promote the health, safety, and welfare of persons operating cart(s) within the Town of Burgaw and to protect the safety of their passengers and other users of roads.

Definitions.

For the purpose of this section, the following words and phrases shall have the following meanings:

(1) Golf cart: A vehicle designed and manufactured for operation on a golf course for sporting or recreational purposes and that is not capable of exceeding speeds of 20 mph. G.S. 20-4.01(12a).

(2) Driver's license: A valid license issued to operate a motor vehicle issued by North Carolina or any other state.

(3) Financial responsibility: Liability insurance coverage on a golf cart in an amount not less than required by North Carolina law for motor vehicles operated on public highway in the State of North Carolina.

(4) Operator: Only persons over 16 years of age and holding a current and valid driver's license may operate a golf cart in the Town of Burgaw.

Rules and regulations.

This ordinance is to establish guidance in the interest of public safety. Golf carts hereinafter:

(a) Golf carts may be driven on town roads only from 6:00 a.m. to 9:00 p.m.

(b) Golf carts must be equipped with two operating headlights (one on each side of the front of the golf cart) and two operating taillights (one on each side of the rear of the cart) which are visible from 500 feet, rear vision mirror and a rear triangle reflector of the same type required by North Carolina law. If the cart does not have mechanical operating directional turn signal indicators, then hand signals are required for turns. Seat belts are required for all passengers.

(c) Golf cart drivers must present a current and valid driver license in their name and have it on their person while operating the cart.

(d) Golf cart drivers will stay to the far right of the traveled portion of the road and yield the right-of-way to vehicles and pedestrians.

(e) All applicable state and municipal laws shall be adhered to, including the possession and use of alcoholic beverages and illegal drugs or any substance which impairs judgment. In addition, no golf cart containing any open container of alcohol shall be operated on public roads.

(f) The number of occupants in a golf cart shall be limited to the number of persons for whom individual seating is installed and provided on the golf cart and the operator and all occupants shall be seated in the golf cart. No part of the body of the operator or occupant shall extend outside the perimeter of the golf cart while the golf cart is in motion and no passengers shall be carried on the part of the golf cart designed to carry golf bags.

(g) The operator of the golf cart shall comply with all traffic rules and regulations adopted by the State of North Carolina and the Town of Burgaw which governs the operation of motor vehicles.

(h) Golf carts shall not be operated on sidewalks or rights-of-way.

(i) Golf carts shall not be operated on private property, without the permission and consent of the property owner.

(j) No golf cart may be operated on any Town of Burgaw street with a posted speed limit of greater than 35 mph. However, carts may cross over roads that have a posted speed limit of greater than 35 mph as per G.S. 160A-300.6.

(k) Children must be properly seated while the golf cart is in motion and may not be transported in a negligent manner.

(l) The Town of Burgaw requires that the golf cart be covered under an auto liability policy with the same minimum coverage as required for an automobile in North Carolina. The person registering the golf cart is required to furnish a copy of the insurance policy as proof of compliance prior to receiving the registration.

Disqualified vehicles: All-terrain vehicle, four-wheel utility vehicles (except in active farm use), go-karts, and other similar utility vehicles, which are not manufactured for operation on a golf course, and/or a golf cart that has been modified so that it no longer meets the definition of golf cart may not be registered as a golf cart under this article, nor shall such vehicles be operated on public roads, streets and highways within the town, unless such vehicles are registered and permitted under the motor vehicle laws of North Carolina. An exception can be authorized during special events and presentations within the town (i.e., parades and special events) by the chief of police. Police, Public Safety, and Town of Burgaw Maintenance vehicles are also exempt.

Inspection and fees.

For the purpose of this section, the inspection by the chief of police, or his/her designee, will cover the following safety requirements and every cart operating on Town of Burgaw streets must have the following safety equipment:

(1) Permits/stickers issued to operators/owners of golf carts by the Burgaw Police Department.

(2) All carts must meet the requirements or minimum standards of safety equipment as set forth in previous section.

(3) To obtain a permit/sticker each owner must have proof of ownership, current liability insurance, and sign a waiver of liability, releasing the Town of Burgaw, its employees, and affiliates from all liability that may arise as a result of operating a cart inside the Town of Burgaw. A current waiver of liability must be on file with the Burgaw Police Department and must be renewed annually. A copy of these documents must be in the golf cart at all times while in operation on public roads.

(4) Permits/stickers can be purchased annually and are valid from January 1 to December 31. Permits/stickers must be attached to the bottom of the driver's side wind shield, of the golf cart, at all times. Such stickers will identify the golf cart as registered and are nontransferable to other golf carts or golf cart owners. The fee, for the yearly permit/sticker, set by the board of commissioners, is $25.00 or adjusted through the annual fee schedule. The fee shall be paid to the Town of Burgaw.

(5) Lost or stolen permit/stickers are the responsibility of the owner. A police report must be filed in the event of a lost or stolen permit/sticker. The chief of police will have the discretion in determining whether a permit/sticker may be re-issued in this instance. If no record can be found of a previous application, or the receipt of a permit/sticker, the chief of police may direct the applicant to reapply, and resubmit any and all fees necessary, before a replacement permit/sticker is issued.

(6) Any person who operates a golf cart in the Town of Burgaw and fails to receive and properly display a Town of Burgaw permit/sticker will be subject to all applicable state laws, in addition to being in violation of this chapter and subject to fines.

(7) Cart owners must complete an approved registration form, waiver of liability form and provide a copy of the proof of current liability insurance prior to the cart being inspected. The completed forms and proof of insurance will be maintained by the Burgaw Police Department. Owners must maintain proof of insurance throughout the registered period.

(8) The Burgaw Chief of Police retains the right to refuse to issue and/or revoke any permit/sticker for any cart at any time for any reason that he/she feels is appropriate to ensure the safety and well-being of the citizens of the Town of Burgaw (i.e., inspection failure, failure to maintain insurance, ordinance violations and license status revoked).

(9) Gold cart owners are not required to register their golf cart through the Town of Burgaw if they have the cart registered, with a license tag, through the North Carolina Division of Motor Vehicles.

Penalty.

Any act constituting a violation of this chapter or a failure to comply with any of its requirements shall subject the offender, upon conviction, guilty of a misdemeanor.

Enforcement.

It shall be the policy of the Burgaw Police Department to issue a verbal warning, written warning, or North Carolina State Uniform Citation against any person the officer has probable cause to believe has violated this ordinance.

Adopted this the 13th day of August 2024.

Attest: ______________________________ Signed:____________________________

Kristin J. Wells, Town Clerk G. Olivia Dawson, Mayor

RESOLUTION 2024-22
RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, the Bipartisan Infrastructure Law (BIL) of 2021 and North Carolina General Statute (NCGS) 159G have authorized the making of loans to aid eligible, drinking-water system owners in financing the cost of inventorying and replacing lead service lines; and

WHEREAS, the North Carolina Department of Environmental Quality has offered a Drinking Water State Revolving Fund – Lead Service Line Replacement (DWSRF-LSLR) loan in the amount of $53,950 to conduct the Water Service Line Inventory with 120Water, hereafter referred to as the “Project”; and

WHEREAS, the Town of Burgaw intends to conduct said Project in accordance with a scope of work that was approved by the North Carolina Division of Water Infrastructure.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF BURGAW:

That the Town of Burgaw does hereby accept the DWSRF-LSLR loan offer in the amount of $53,950 and

That the Town of Burgaw does hereby give assurance to the North Carolina Department of Environmental Quality that they will adhere to all applicable items specified in the standard “Conditions” and “Assurances” of the Department’s funding offer, awarded in the form of a repayable load and principal forgiveness; and

That James Gantt, Burgaw Town Manager, and successors so titled, is hereby authorized and directed to furnish such information, as the appropriate State agency may request, in connection with such application or the Project; to make the Assurances as contained above; and to execute such other documents as may be required in connection with the application; and

That the Town of Burgaw has complied substantially or will comply substantially with all Federal, State and local laws, rules, regulations, and ordinances applicable to the Project, and to Federal and State grants and loans pertaining thereto.

Adopted this the 13th day of August 2024.

Attest: ________________________________ Signed:____________________________
Kristin J. Wells, Town Clerk G. Olivia Dawson, Mayor

ORDINANCE 2024-20

AMENDING FISCAL YEAR 2024-2025 ANNUAL BUDGET
Change to Schedule of Fees

WHEREAS, the Town of Burgaw Board of Commissioners passed an ordinance adopting a budget for FY 2024-2025 on June 26, 2024; and

WHEREAS, the request to amend the Schedule of Fees is requested by the Town of Burgaw Fire Marshal to make changes and additions to fees and citations; and

WHEREAS, the Schedule of Fees in the budget ordinance will need to be amended to reflect these changes in the Fire Marshal's section.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT:

The FY 2024-2025 Schedule of Fees be altered to reflect the following changes as attached.

(See attachment)

Adopted this the 13th day of August 2024.

Attest: ______________________________ Signed: ______________________
Kristin J. Wells, Town Clerk G. Olivia Dawson, Mayor

Fire Marshal

In order to preserve and protect public health and safety, and to satisfy the requirements of North Carolina General Statute 160A-424, the Town of Burgaw will be conducting Fire Prevention inspections and construction plan review on all commercial buildings within the town limits and, it's ETJ, on an annual basis.
The purpose of these periodic inspections is to identify activities and conditions in buildings, structures and on premises that pose dangers of fire, explosion or related hazards.

Fire prevention, inspections and permits:

New Business and Multi-Family Permit and Inspection

Plan Review and Additions	$50.00 + $0.06 sq ft
Additions, Upfit & Shell	$50.00 + $0.06 sq ft
Compressed Gas	$ 75.00
Hazardous Materials Install, Repair, Abandon Plan Review	$50.00 + $0.06 sq ft
Industrial Ovens - Install	$ 75.00
Any other special function requiring fire inspection or approval	$ 50.00
ALE Inspection	$ 50.00
Fireworks	$ 200.00

All commercial and multi-family properties will be permitted and inspected during the plan review and construction phases to verify compliance with the NC Fire Code.

Fire Suppression and Notification System Permit and Inspection

Sprinkler System	$100 + $0.04 sq ft
Sprinkler Upfit	$ 100.00
Sprinkler Inspection (Alteration No Permit)	$ 50.00
Fire Alarm / Notification System	$50.00 + $0.02 sq ft
Fire Alarm Upfit	$ 50.00
Fire Alarm Inspection (Alteration No Permit)	$ 50.00
Other Suppression System	$100 + $0.04 sq ft
Standpipe System Install/Modify	$ 75.00
Hood System and fixed fire suppression testing	$100.00 + $0.02 sq ft
Tanks, Pumps, Backflow Preventers and Piping	$ 100.00
Above Ceiling Inspection	$ 50.00
Spray Booth, Rooms Dip Operations	$ 100.00
Gate Installation (Plan review & Inspection)	$ 100.00

A permit and inspection is required before any fire suppression and/or notification system is installed, removed, or altered.

Special/Hazardous Use Permit

Temporary kiosk or display	$ 10.00
Special Assembly	$ 30.00
Cooking Event	$ 30.00
All tents meeting the permit requirements under Chapter 24 of the North Carolina Fire Code (>800sqft)	$ 25.00

~~Any Other Required Use Permit Defined in the NC Fire Code~~	~~$~~	~~30.00~~	
See Operational Permitting/Inspection Fee Schedule			
Flammable/Combustible Liquid Storage Tanks (Above and Below Ground)			
Installation	$	100.00	per tank
Removal	$	75.00	per tank
Pipe Inspection and Pressure Test	$	50.00	
Inspections			
Annual Inspection	No-charge		
Foster Home Inspection	No-charge		
Day Care Inspection	No-charge		
ABC Inspection	$	75.00	
Re-Inspection for Non-Compliance			
1st Re-inspection	No-charge		
2nd Re-inspection	No-charge		
3rd Re-inspection	$	50.00	& Civil Citation $100
Other Fire Charges			
Unauthorized Burning	$	100.00	
Key holder's Failure to Respond on Fire Alarm	$	100.00	
Hazardous Event Standby	$	50.00	per hour
i.e. Pyrotechnics, Open Burning, etc.			
After Hours Inspections			
Any inspection on Holiday, Weekend or after 4pm on normal working day	$	50.00	
Fire Code Violation			
CIVIL CITATION First time offence (non-life safety)	$	100.00	per day
CIVIL CITATION Second time offence (non-life safety)	$	250.00	per day
CIVIL CITATION Third time offence (non-life safety)	$	300.00	per day
Life Safety offence	$	250.00	per day
Parking or Obstruction of a Fire Lane	$	100.00	
Occupying a Building without C/O or CC	$	250.00	per day
False Fire Alarm Commercial	$	60.00	per response after 2nd within 30 days
False Fire Alarm Residential	$	150.00	per response after 2nd within 30 days

Life Safety Code Violations

(Violation of any of the following code requirements renders a citation action)

1. Overcrowding - $100.00 per person – Occupancy of a building in excess of the posted occupant load as defined in Section 1004 of the NC Fire Code.

2. Blocked Exit - $200.00 per day – Any obstruction in the required width of a means of egress. (A means of egress is the continuous and unobstructed path of vertical and horizontal egress travel from any point in a building or structure to a public way, consisting of three separate and distinct parts: the exit access, the exit, and the exit discharge.)

3. Spraying Operation Not Complying to Code - $100.00 per day – Spraying flammable or combustible finishes without a properly installed spray booth or approved spraying area.

4. Fire Alarm System Inspection/Maintenance - $100.00 per day – Failure to have the required annual maintenance test conducted of the fire alarm system(s), all deficiencies corrected, and to have required documentation of test(s) available to the fire code official on site.

5. Fire Suppression System Inspection/Maintenance - $100.00 per day – Failure to have the required annual maintenance test conducted of all the fire suppression system(s), all deficiencies corrected, and to have required documentation of test(s) available to the fire code official on site.

6. Unauthorized Storage - $100.00 per day – The storage of flammable, combustible or hazardous liquids or materials improperly stored and/or without a permit.

7. Emergency Lighting Inspection/Maintenance - $50.00 per day – Failure to provide documentation and/or to conduct the required emergency lighting tests set forth in Section 604.6 of the NC Fire Code.

8. Fire Extinguisher Inspection/Maintenance - $50.00 per day – Failure to properly maintain and service required portable fire extinguishers.

9. Use of Non-Approved Heating Appliances - $50.00 per day – The use of non-listed heating appliances and/or use in an unapproved manner or location.

Operational Permitting/Inspection Fee Schedule

Aerosol	$	75.00	each
Alcohol Licensing Inspection	$	75.00	each
Amusement Buildings	$	50.00	< or = 30 days
Aviation Facilities	$	75.00	each
Battery Systems	$	50.00	each
Carbon Dioxide Systems	$	75.00	each
Carnivals/Fairs (Tent/Air Supported Structure not included)	$	50.00	per event
Cellulose Nitrate Film	$	75.00	each
Combustible Dust Producing Operations	$	75.00	each
Combustible Fibers	$	75.00	each
Compressed Gases	$	75.00	each
Covered Mall Building	$	100.00	31 days to 1 year
Covered Mall Building	$	75.00	< or = 30 days
Cryogenic Fluids	$	75.00	each
Day Care or Group Home	$	75.00	1-49 capacity
Day Care or Group Home	$	120.00	50-150 capacity
Day Care or Group Home	$	175.00	>150 capacity
Dry Cleaning Plants	$	75.00	each
Exhibits and Trade Shows	$	50.00	< or = 30 days
Exhibits and Trade Shows - After Hours Inspection	$	80.00	per trip
Explosives	$	150.00	< or = 30 days
Explosives	$	300.00	> 30 days
Explosives Division 1.1, 1.2, 1.3	$	200.00	< or = 30 days
Explosive Blasting	$	50.00	per event
Explosives Transporting Division 1.1, 1.2, ,1.3	$	200.00	per trip
Explosives Division 1.4, 1.5	$	100.00	< or = 90 days

Flammable & Combustible Liquids Class I	$ 65.00	5-25 gallons
Flammable & Combustible Liquids Class I, II	$ 250.00	26-1000 gallons
Flammable & Combustible Liquids Class I, II, III	$ 450.00	>1000 gallons
Flammable & Combustible Change in Contents	$ 75.00	each
Floor Finishing	$ 50.00	each
Operation of Fuel Dispensing Facility	$ 75.00	each
Tank Removal (Above or Below Ground)	$ 100.00	per tank
Tank Installation (Above or Below Ground)	$ 100.00	per tank
Tank Testing (Above or Below Ground)	$ 75.00	per tank
Tank Abandonment (Above or Below Ground)	$ 50.00	per tank
Fruit & Crop Ripening	$ 50.00	each
Fumigation & Thermal Insecticidal Fogging	$ 50.00	each
Gate	$ 50.00	per gate
Hazardous Materials Industrial	$ 75.00	< 2,500 occupancy sq ft
Hazardous Materials Industrial	$ 100.00	2,501-10,000 occ sq ft
Hazardous Materials Industrial	$ 200.00	10,001-40,000 occ sq ft
Hazardous Materials Industrial	$ 300.00	>40,000 occ sq ft
High Piled Storage	$ 75.00	each
Hot Work Operations/Cutting & Welding	$ 50.00	< or = 30 days
Industrial Ovens	$ 75.00	each
Lumber Yards/Woodworking Plants	$ 75.00	each
Liquid or Gas Fueled Vehicles/Equipment (Interior Static Display)	$ 50.00	< or = 30 days
Magnesium	$ 75.00	each
Combustible Storage - Miscellaneous	$ 75.00	each
Open Flames & Candles	$ 50.00	each
Place of Assembly (Church Sanctuary no fee)	$ 75.00	50-99 capacity
Place of Assembly (Church Sanctuary no fee)	$ 125.00	100-300 capacity
Place of Assembly (Church Sanctuary no fee)	$ 175.00	301-500 capacity
Place of Assembly (Church Sanctuary no fee)	$ 250.00	>500 capacity
Other Permits Required by Fire Code	$ 75.00	each
Private Hydrant Systems	$ 75.00	each
Private School	$ 75.00	each
Pyrotechnic Special Effects Material - Indoors	$ 200.00	each event
Pyrotechnic Special Effects Material - Outdoors	$ 150.00	each event
Pyroxylin Plastics	$ 75.00	each
Repair Garage/Service Station <5000 Sq. Ft.	$ 75.00	<5,000 occupancy sq. ft.
Repair Garage/Service Station >5000 Sq. Ft.	$ 125.00	>5,000 occupancy sq. ft.
Rooftop Heliports	$ 75.00	each
Spraying or Dipping, Flammable Finishes	$ 75.00	each
Storage of Scrap Tires/Byproducts	$ 75.00	each
Tent/Canopies/Air Supported Structures	$ 25.00	each event
Tent/Canopies/Air Supported Structures (Excess of 15,000 Sq. Ft.)	$ 75.00	each tent/each event up to 90 days
Tent/Canopies/Air Supported Structures - After Hours/Holiday	$ 50.00	each event (includes tent < 14,999 sq ft)
Tire Rebuilding Plants	$ 75.00	each
Waste Handling/Junkyard, Waste Facility	$ 75.00	each
Wood Products	$ 75.00	each

Town of Burgaw
ITEM REPORT

Item: 7EI

DATE OF MEETING: August 13, 2024 **DEPARTMENT OF ORIGIN:** Parks, Recreation, & Tourism	**DATE SUBMITTED:** 08/08/2024 **SUBMITTED BY:** Kristin Wells, Town Clerk

AGENDA ITEM DESCRIPTION:
Street Closure Requests for Town Events

SUMMARY STATEMENT:

Autumn Fest Road Closures Request
October 19, 2024 from 10 AM to 6 PM
Courthouse Square

Closure Request:

- Fremont Street from Wright Street to Walker Street from 12 AM to 12 PM on Saturday, October 19, 2024
- Wright Street from Fremont Street to NC Highway 53 from 12 AM to 7 PM on Saturday, October 19, 2024
- Courthouse Avenue from Wright Street to the Alley Way from 12 AM to 7 PM on Saturday, October 19, 2024

Fall Concerts Road Closure Request
October 11 and 25 from 6 PM to 8 PM
Dees Park

Closure Request:

- Courthouse Avenue from Wright Street to the Alley Way from 5 PM to 9 PM on Friday, October 11, 2024 and Friday, October 25, 2024

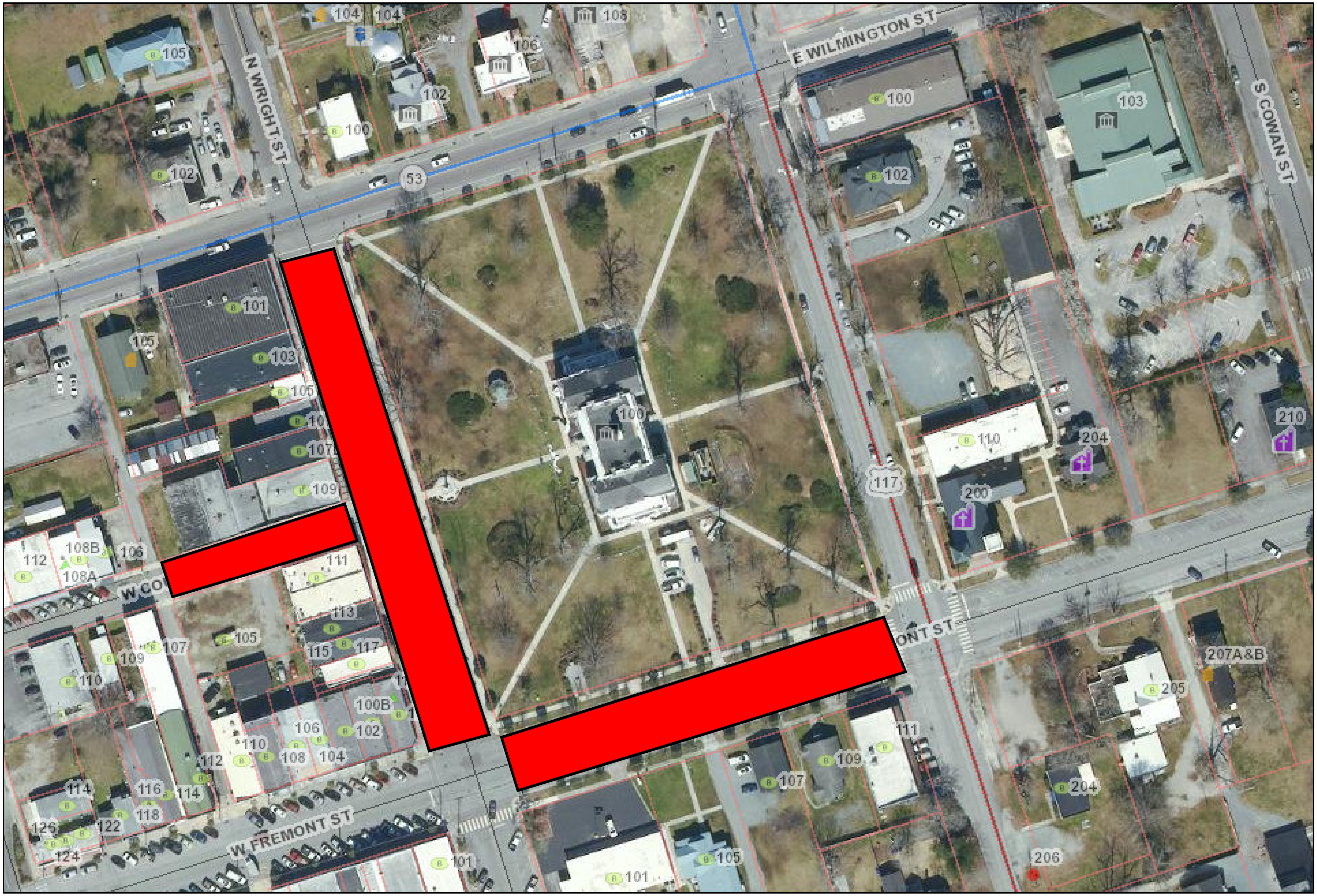
STAFF RECOMMENDATION AND REQUESTED ACTION:

FINANCIAL IMPACT INCLUDING FUNDING SOURCE:

FINANCE DIRECTOR COMMENTS:

ATTACHMENTS (IF ANY): Autumn Fest Road Closures, Fall Concert Road Closures

Autumn Fest Road Closures



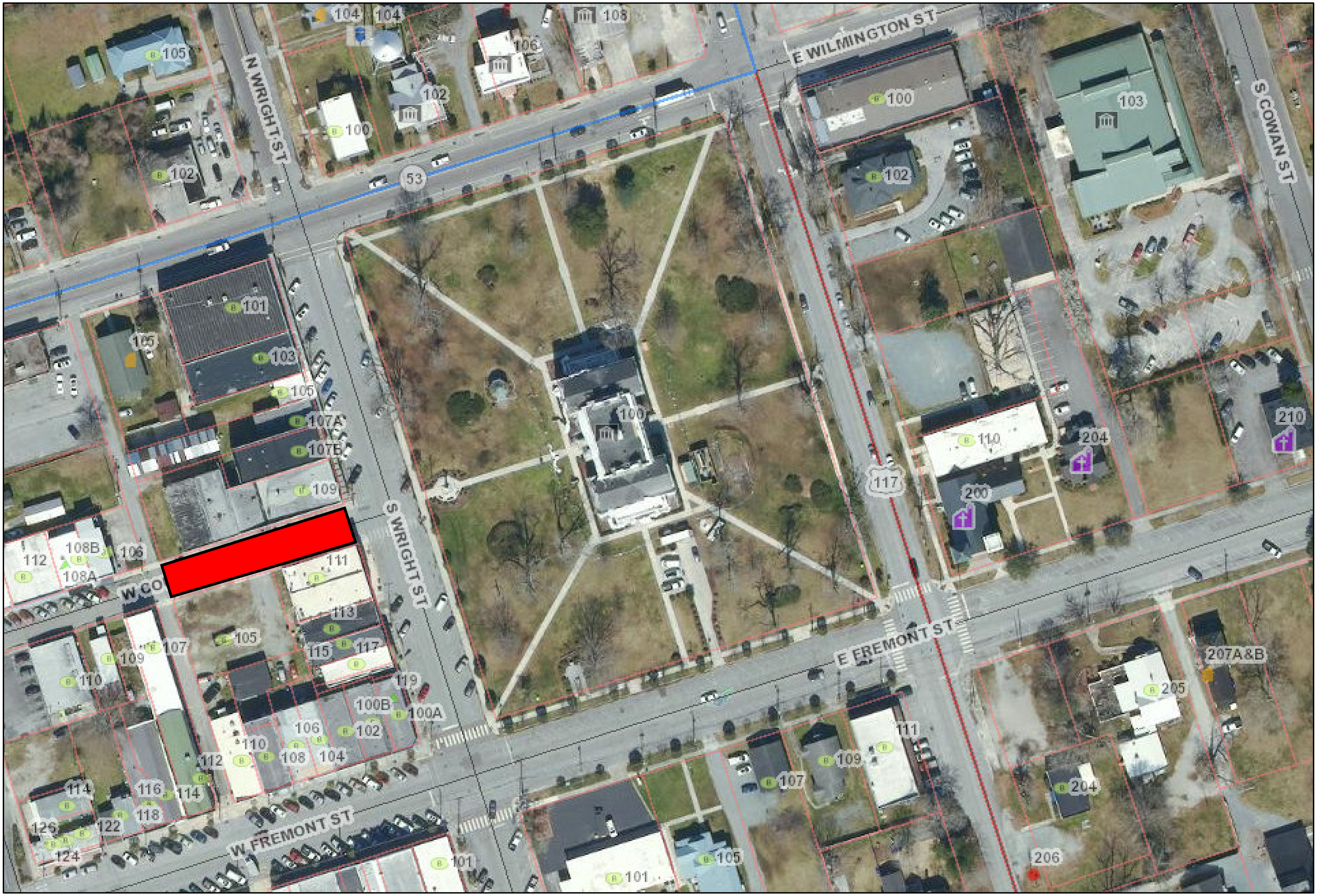
August 2, 2024

1:1,488

0 0.0125 0.025 0.05 mi

0 0.02 0.04 0.08 km

Fall Concert Road Closures



August 2, 2024

1:1,488

0 0.0125 0.025 0.05 mi

0 0.02 0.04 0.08 km

CASE SUMMARY — Proposed Mural

Board of Commissioners — August 13, 2024

Ron Meredith, 910-663-3451, rmeredith@burgawnc.gov

Board of Commissioners	**8/13/2024; Scheduled**

Request

Request	To install a mural on the north-facing side of a building at located at 101 S. Wright Street.	
Applicant	Johny Westbrook Burgaw Antique Place	oldfinds@intrstar.net 910-604-1191

REQUEST

The proposal is for a wall mural on the northern-facing side of the structure located at 101 S. Wright Street. The structure is identified on the National Register of Historic Places in the Burgaw Historic District as a contributing building. Murals are brought before the Board of Commissioners to provide an opportunity for the public to see and speak on the proposal. With protections in place related to freedom of speech and its relationship to the arts, this item should be approved or denied based on meeting applicable standards of the Unified Development Ordinance (UDO). Below is a table describing whether the proposal and accompanying items meet the standards of applicable code sections, specifically the mural ordinance.

M - Meets Standard	**D** – Does Not Meet Standard	**A** – Not Applicable or Not a Prerequisite for Approval

Code requirement	M / D / A	Does Not Meet Standard
Section 9.26.6.C Illumination		
(2) External lighting directed toward a sign shall be shielded so that it illuminates only the face of the sign and does not shine directly into or cause glare onto a public right-of-way or any adjacent properties. In addition, such lighting shall be shielded to prevent the direct view of the light source from any residence, residential district, or public right-of-way	A	Will be required to show fixture types
Section 9.26.6.F Wall Mural Standards		
Murals shall be subject to wall sign requirements if any component of advertisement for the current business is incorporated.	M	Proposal does not contain current business advertisement
Murals of any size are permitted on the rear and side facades of a structure. Murals on the primary façade of a structure are limited to 15% of the total façade area, exclusive of other sign area percentages. For the purposes of this section, a primary façade shall be any side of a building facing the street to which it is addressed.	M	Mural proposed on side of building

Murals cannot be located on the outward side of a fence facing the street to which the primary structure is addressed but are permitted on all other outward facing sides and all internal sides.	M	Proposed Mural faces a street but not the one the building is addressed on
Murals shall not extend beyond the actual face of a façade on which the murals are placed.	M	Mural proposed to sit within exterior boundaries of wall face
Any damage or disrepair of materials used for the mounting of murals to a wall will be subject to Section 9.26.6.C Maintenance.	A	Upkeep of sign materials will be subject to sign maintenance requirements
Restoration of an historic mural that can be demonstrated to have existed previously shall be permitted, regardless of placement. Murals that have been permitted by a temporary zoning compliance permit may not be restored under the provisions of this section.	A	No restoration of an historic mural is proposed.
On buildings listed on the National Register of Historic Places, collectively or individually, sand, high-pressure water blasting, and treatments that cause damage to historic building materials, whether for surface preparation or maintenance purposes, shall not be permitted if the building is listed as a contributing resource.	A	Building is a contributing resource. Building owners must comply
Applications for a sign permit for a mural shall be signed by the building owner and shall include a maintenance plan. All sign permits for a mural must be submitted for approval by the Town Board of Commissioners.	M	Building owner has signed the application and a maintenance plan is provided.

This proposal meets all applicable or prerequisite requirements of the Town's sign ordinance.

If approved, the approval from the Board of Commissioners is related to the wall mural and the concept. Items such as lighting, materials used, etc., must gain approval from the Planning Department and the Building Inspections Department prior to installing the wall mural and any materials, items, lighting, etc., related to the wall mural.

ACTIONS TO DATE

Board of Commissioners	**8/13/2024; Scheduled**

BURGAW.NC
Good Town Great Roots

Town of Burgaw – Planning Department
WALL MURAL APPLICATION
109 N. Walker St. • Burgaw, NC • 28425 • 910.663.3452

APPLICANT INFORMATION

Name: BURGAW ANTIQUEPLACE	Phone: 910.258-7870
Address: 105 S. WRIGHT ST.	Email: oldfinds@intrstar.net

PROPERTY AND OWNER INFORMATION

Owner Name: JOHN L. WESTBROOK		Phone: 910-604-1141
Address: 410 E. FREMONT ST.		Email: oldfinds@intrstar.net
PIN:	Zoning:	Downtown Fire District: Yes / No

Please fill out the following information for each proposed sign. For sign regulation information refer to Section 9.26 of the Town of Burgaw Unified Development Ordinance or contact the Planning Department at 910-663-3452.

☐ Mural to be placed on rear or side wall SIDE / NORTH WALL
Materials to be Used: ALUMINUM

OR

☐ Mural to be placed on front facade		
Total Wall Area (square feet): 3,600	Total Mural Area: ±390	% of front façade 10%
Materials to be Used: ALUMINUM		

The guideline attached to this application outlines items necessary to include with your application. These items will also provide adequate information for the public and the Town's Commissioners. Board of Commissioner approval of this application is related to the overall concept. Applicants for wall murals must receive documented approval from both the Planning and Building Inspections Department prior to installation.

I attest that all information above and attached plan(s)are accurate and correct to the best of my knowledge.

Applicant Signature: John L. Westbrook **Date:** 7/16/24

Owner Signature (if not applicant): SAME **Date:** _________

FOR OFFICE USE ONLY

Verified and accepted by: [signature] **Date:** ____________

Rev. 20230731

NOT CORRECT COLORS. MY PRINTER WAS MESSED UP.

From: Jill Edwards
Sent: Thursday, July 18, 2024 11:32 AM
To: John Westbrook
Subject: Trying again
Importance: High

Hi John,
Let me try this again. I'll copy and paste the info into this new thread instead of re-forwarding what I sent yesterday.

Hi John,
Here are some specs on the aluminum that is hopefully enough information to get the ball rolling and get approval.

- Standard 0.04" thickness
- 0.08" thickness is also available
- Metal with a smooth glossy finish
- Rated for indoor and outdoor use
- Long term - rated for 5-7 years outdoors
- Square corners or rounded corners
- Can be washed with soap / water but no harsh chemicals. There is a liquid gloss coating that protects the ink.

***It actually can be a contour cut shape so if you wanted to cut around the logo like you had mentioned, that can be done but will increase the cost.
***If the graphic has no background behind it and is just negative space, that area will be filled white. In other words, the aluminum will not be showing through any negative space on the sign.

Thank You!

Jill Edwards
jill@copycatprintshop.net
910-799-1500

How did we do? We'd love to hear about your Copycat experience! Click Here to leave us a Google Review.

Thank You!

Jill Edwards
jill@copycatprintshop.net
910-799-1500

How did we do? We'd love to hear about your Copycat experience! Click Here to leave us a Google Review.


Burgaw, NC
BURG
28425
ATLANTIC COAST
HOME OF THE NC BLUEBERRY FESTIVAL

BURGAW, NC
Good Town Year Round

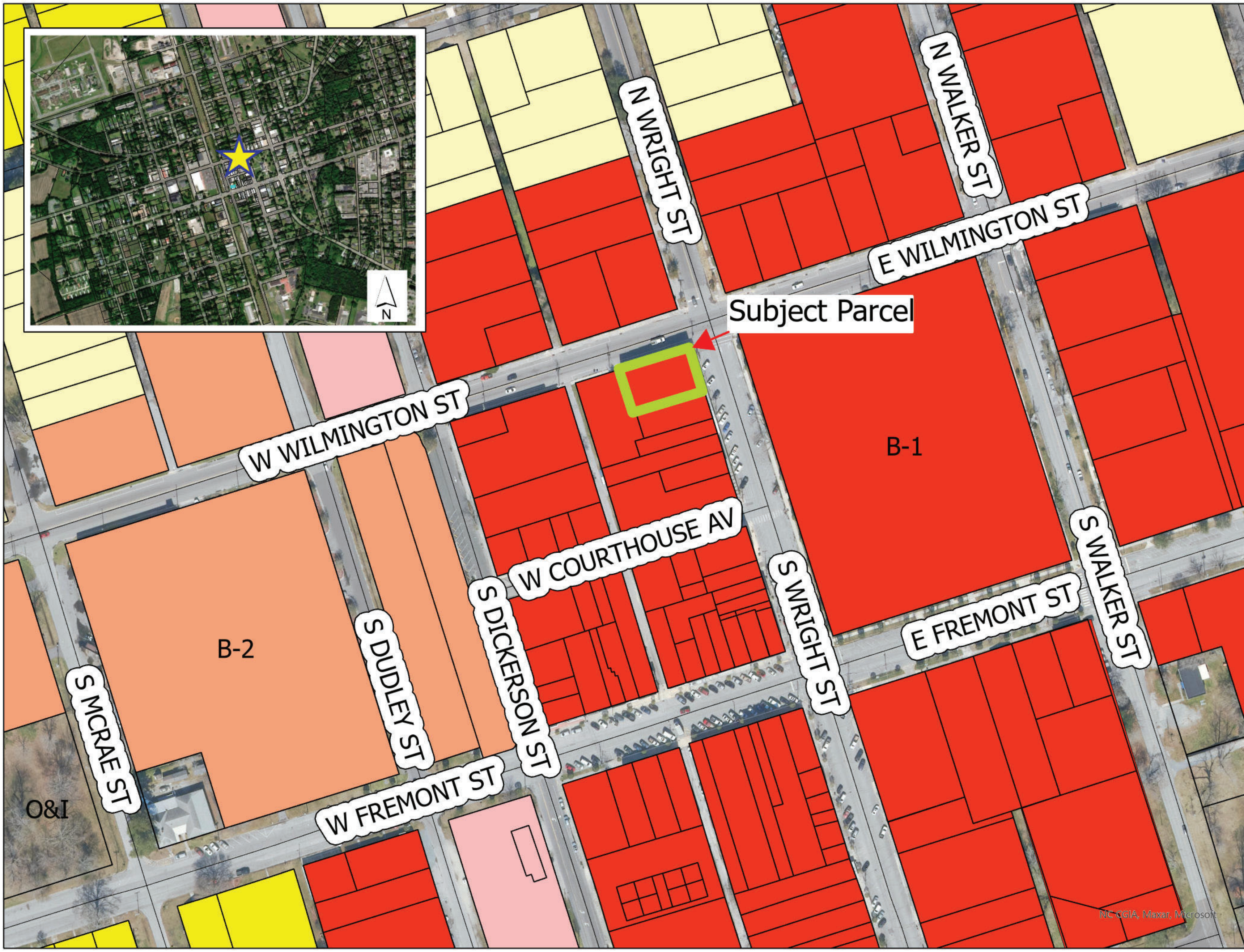
Mural Application

Project:
101 S Wright St Mural Proposal

Map Type:
Aerial Map

N

0 50 100 Feet
Updated: 20240112



Mural Application

Project:
101 S Wright St Mural Proposal

Map Type:
Zoning Map

N

0 50 100 Feet

Updated: 20231019


Burgaw, NC
28425
HOME OF THE NC BLUEBERRY FESTIVAL
20 ft.
15 ft.


15X20
70ft
105ft
N

RESOLUTION 2024-23

RESOLUTION ADOPTING MURAL REQUEST AT 101 S. WRIGHT STREET

WHEREAS, the applicant, John Westbrook, has requested the Town of Burgaw approve the proposal for a mural on the north-facing side of a building located at 101 S. Wright Street.

WHEREAS, Planning Staff has reviewed the proposal for consistency with the Town of Burgaw, Unified Development Ordinance and has presented those findings to the Town of Burgaw Board of Commissioners; and

WHEREAS, the Town of Burgaw Board of Commissioners reviewed the Staff Report at their August 13, 2024, meeting and found the proposal to be consistent with the Town of Burgaw Unified Development Ordinance; and

NOW THEREFORE BE IT RESOLVED BY THE TOWN OF BURGAW BOARD OF COMMISSIONERS THAT the proposed mural is consistent with the Town of Burgaw's Unified Development Ordinance standards for murals that enhance and maintain the community's character.

Adopted this 13th day of August 2024.

Attest: ______________________________ Signed: ______________________________

Kristin J. Wells, Town Clerk G. Olivia Dawson, Mayor