

**Cleveland County Board of Commissioners**  
**September 4, 2018**

The Cleveland County Board of Commissioners met in a regular session on this date, at the hour of 6:00 p.m. in the Commission Chamber of the Cleveland County Administrative Offices.

**PRESENT:** Eddie Holbrook, Chairman  
Johnny Hutchins, Commissioner  
Ronnie Whetstine, Commissioner  
Doug Bridges, Commissioner  
Brian Epley, County Manager  
Tim Moore, County Attorney  
Phyllis Nowlen, Clerk to the Board  
Elliot Engstrom, Senior Staff Attorney  
Kerri Melton, Assistant County Manager  
Allison Mauney, Human Resources Director  
Chris Green, Tax Administrator  
Perry Davis, Emergency Management Director/Fire Marshall  
Lorie Poston, E-911 Communications Director  
Jason Falls, LeGrand Center Director  
Carol Wilson, Library Director  
Betsy Harnage, Register of Deeds

**ABSENT:** Susan Allen, Vice-Chair

**CALL TO ORDER**

Chairman Holbrook called the meeting to order and Tax Administrator Chris Green provided the invocation and led the audience in the Pledge of Allegiance.

**AGENDA ADOPTION**

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Bridges and unanimously approved by the Board to, *approve the agenda.*

**CITIZEN RECOGNITION**

No citizen registered to speak.

**CONSENT AGENDA**

**APPROVAL OF MINUTES**

The Clerk to the Board included the Minutes of the *August 7, 2018 regular meetings*, in Board Members packets.

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and passed unanimously by the Board to, *approve the minutes as written.*

**TAX COLLECTOR'S MONTHLY REPORT**

The Tax Collector provided Commissioners with the following detailed written report regarding taxes collected during *July 2018.*

TOTAL TAXES COLLECTED JULY 2018				
YEAR	AMOUNT-REAL	AMOUNT-VEHI.		
DEF REV	\$71,935.02	\$0.00	\$71,935.02	
2018	\$3,170,980.37	\$0.00	\$3,170,980.37	
2017	\$166,486.21	\$0.00	\$166,486.21	
2016	\$25,257.42	\$0.00	\$25,257.42	
2015	\$9,479.51	\$0.00	\$9,479.51	
2014	\$4,742.90	\$0.00	\$4,742.90	
2013	\$4,394.64	\$313.58	\$4,708.22	
2012	\$926.42	\$736.07	\$1,662.49	
2011	\$728.54	\$398.61	\$1,127.15	
2010	\$789.93	\$54.82	\$844.75	
2009	\$678.09	\$138.49	\$816.58	
2008	\$259.02	\$41.58	\$300.60	
				DEFERRED REV
				\$71,935.02
TOTALS	\$3,456,658.07	\$1,683.15	\$3,458,341.22	
DISCOUNT	(\$15,841.52)			(\$195.23)
INTEREST	\$20,804.22	\$868.67	\$0.00	\$4,298.33
TOLERANCE	\$40.89	(\$0.84)		(\$0.51)
ADVERTISING	\$600.27	\$1,315.08		
GARNISHMEN	\$3,444.40			
NSF/ATTY	\$25.00			
LEGAL FEES	\$2,609.89			
TOTALS	\$3,468,241.22	\$3,866.06	\$3,472,107.28	\$76,037.61
MISC FEE	\$10.35		\$0.00	
TAXES COLL	\$3,468,251.57	\$3,866.06	\$3,472,117.63	
	\$71,935.02	\$0.00		
	\$3,396,316.55	\$3,866.06	\$3,400,182.61	

TOTAL UNCOLLECTED TAXES JULY 2018			
	AMOUNT-REAL	AMOUNT-VEHI.	COMBINED AMT
2018	\$72,045,919.48	\$0.00	\$72,045,919.48
2017	\$1,218,988.41	\$0.00	\$1,218,988.41
2016	\$603,145.57	\$0.00	\$603,145.57
2015	\$318,211.26	\$0.00	\$318,211.26
2014	\$275,481.53	\$0.00	\$275,481.53
2013	\$159,005.10	\$67,055.17	\$226,070.27
2012	\$112,259.02	\$76,396.75	\$188,655.77
2011	\$82,484.60	\$57,257.16	\$139,741.76
2010	\$73,554.88	\$54,077.52	\$127,632.40
2009	\$73,118.77	\$51,066.40	\$124,185.17
2008	\$54,325.31	\$62,274.53	\$116,599.84
2007	\$0.00	\$0.00	\$0.00
	\$74,916,493.91	\$368,137.83	\$75,284,631.54

### **TAX ABATEMENTS AND SUPPLEMENTS**

The Tax Assessor provided Commissioners with a detailed written report regarding tax abatements and supplements during **July 2018**. The monthly grand total of tax abatements was listed as (\$24,922.58) and monthly grand total for tax supplements was listed as \$30,070.29.

### **REGISTER OF DEEDS: BUDGET AMENDMENT (BNA #004)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.419.4.810.00		Register of Deeds/Contributions-Donations	\$1,800.00	
010.419.5.790.00		Register of Deeds/Contributions-Donations	\$1,800.00	

**Explanation of Revisions:** Budget donation from Historic Shelby Foundation to be used for archival/restoration of ROD books.

### **PLANNING DEPARTMENT: BUDGET AMENDMENT (BNA #005)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
010.410.4.310.00		Planning & Zoning/Federal Govt Grants	\$15,000.00	
010.491.5.490.00		Planning & Zoning/Professional Services	\$15,000.00	

**Explanation of Revisions:** Budget grant award from NC Office of Archive and History. These are federal Historic Preservation Funds that are passed through the state to county. Funds are to be used for Historic Survey Update. Grant award is \$15,000 with county match of \$10,000 that was already in place in county budget.

**HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #006)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.548.4.310.54		Carolina Access/State Grants	\$25,000.00	
012.546.5.490.54		Carolina Access/Salaries	\$25,000.00	

**Explanation of Revisions:** To record \$25,000 in Community Care of North Carolina grant to support Practice Transformation Network (PTN).

**HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #007)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.546.4.350.58		Carolina Access/State Grants	\$1,800.00	
012.546.5.121.00		Carolina Access/Salaries	\$1,800.00	

**Explanation of Revisions:** To record \$1,800 Community Care of North Carolina grant from Duke University to be used for salaries/fringe for Sickle Cell.

**HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #008)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.540.4.310.40		WIC/Client Services	\$956.00	
012.540.5.910.40		WIC/Client Services	\$956.00	

**Explanation of Revisions:** Budget \$956 from the North Carolina Department of Health & Human Services and Nutrition Services Branch to record a special time-limited fund to WIC for two new Laser Jet printers.

**HEALTH DEPARTMENT: BUDGET AMENDMENT (BNA #009)**

**ACTION:** Commissioner Hutchins made a motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board to, ***approve the following budget amendment:***

<u>Account Number</u>	<u>Project Code</u>	<u>Department/Account Name</u>	<u>Increase</u>	<u>Decrease</u>
012.538.4.350.00		Maternity/State Grants	\$70,000.00	
012.538.5.121.00		Maternity/Salaries	\$70,000.00	
012.539.4.350.00		Family Planning/State Grants	\$13,500.00	
012.539.5.121.00		Family Planning/Salaries	\$13,500.00	
012.537.4.350.00		Child Health/State Grants	\$13,500.00	
012.537.5.121.00		Child Health/Salaries	\$13,500.00	
012.538.4.350.00		Maternity/State Grants	\$15,000.00	
012.538.5.490.00		Maternity/Professional Services	\$15,000.00	

**Explanation of Revisions:** Budget \$112,000 to record grant monies received from NC Office of Rural Health, Central Management & Support to be distributed to Alliance for Health for travel and equipment. Also, to be used for Maternity, Family Planning and Child Health for prenatal care existing salaries.

**REMOVAL OF SERVICE WEAPON FOR RETIRED LIEUTENANT LAROY SHANE LEDBETTER**

Sheriff Alan Norman requested retiring Lieutenant Laroy Shane Ledbetter be presented his departmental service weapon. Lieutenant Ledbetter retired on September 1, 2018, after 26 years of full time law enforcement service with the Cleveland County Sheriff's Office. The service weapon requested to be removed from inventory is a Glock 9mm, Model 17, serial number BDKT-830 and County asset number 201216.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the request to remove the service weapon from County inventory and issue to retired Lieutenant Laroy Shane Ledbetter.*

**REMOVAL OF SERVICE WEAPON FOR RETIRED LIEUTENANT WILLIAM FREDELL**

Sheriff Alan Norman requested retiring Lieutenant William Fredell be presented his departmental service weapon. Lieutenant Fredell will retire on October 1, 2018, after 23 years of full time law enforcement service with the Cleveland County Sheriff's Office. The service weapon requested to be removed from inventory is a Glock 9mm, Model 17, serial number BDKT-771 and County asset number 201191.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the request to remove the service weapon from County inventory and issue to Lieutenant William Fredell.*

**REMOVAL OF SERVICE WEAPON FOR RETIRED LIEUTENANT TRACY O. CURRY**

Sheriff Alan Norman requested retiring Lieutenant Tracy O. Curry be presented his departmental service weapon. Lieutenant Curry will retire on October 1, 2018, after 12 years of full time law enforcement service with the Cleveland County Sheriff's Office. The service weapon requested to be removed from inventory is a Glock 9mm, Model 17, serial number BDKT-905 and County asset number 201180.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the request to remove the service weapon from County inventory and issue to Lieutenant Tracy O. Curry.*

**HEALTH DEPARTMENT REVENUE POLICY UPDATE**

After conducting a review and on-site monitoring, the Health Department's third-party independent consultant has recommended several changes to be made to the Health Department's Financial Policy. These changes included several Medicaid and Medicare compliance updates made at the federal level which contain Medicaid changes to County Special Family Planning prescription drugs along with overall Medicaid changes to reimbursement rates. The Cleveland County Health Board has reviewed and approved these policy changes. A revised Financial Policy aligns the Health Department with current standards and guidelines for both Medicare and Medicaid compliance.

<b>CLEVELAND COUNTY DEPARTMENT OF PUBLIC HEALTH</b>		<b>GUIDELINE/ PROCEDURE: Financial Eligibility/Fee Collection Policy</b>		<b>MANUAL: Board of Health</b>	
				<b>SUBJECT: Financial Eligibility/Fee Collection Policy</b>	
<b>NAME OF GUIDELINE</b>	<b>APPROVED BY:</b> Health Director, Cleveland County Boards of Health and County Com's.	<b>EFFECTIVE DATE:</b> 2/1/99	<b>VERSION:</b> FINAL	<b>PAGE</b> 1 OF 13	
<b>CCHD Financial Eligibility/ Fee Collection Policy</b>	<b>PREPARED BY:</b> Alisa Leonard Tracy Barrett	<b>DATE LAST REVISED:</b> 7/1/18		<b>DATE LAST REVIEWED:</b> 7/1/18	

**1.0 Policy:**

Fees for Health Department services are authorized under NC General Statutes 130A-39 provided: (1) they are in accordance with a plan (Medicaid rate plus 25% unless cost is more than Medicaid rate, then cost plus 25%) recommended by the Health Director and approved by the Boards of Health and County Commissioners, and (2) unless they are not otherwise prohibited by law.

Public health services are increasingly expensive to provide. The Health Department serves the public interest best by assuring that all legally mandated public health services are made available and by providing as many recommended and requested public health services as possible for those citizens with greatest need. In the past, the concept of public health services has been that they are free to all. However, economic conditions have made it necessary for public health agencies to try to recoup some of the cost of services whether it is from the patient or another third-party payer. Fees have become necessary to support the provision of services and maximize Health Department revenues. The entire population benefits from the availability of subsidized public health services; therefore, fees are considered appropriate.

Fees charged to an individual for Health Department program services will be charged at an established rate that has been approved by the Health Director, Board of Health and the Board of County Commissioners. Individuals may qualify for a sliding fee scale discount based upon income. Services will not be denied based solely on the inability to pay. All staff members involved in collection of fees for service shall consistently follow the established guidelines for fee collection through the statements addressed in this document and shall hold all client information confidential.

The Cleveland County Health Department provides services without regard to religion, race, national origin, creed, gender, parity, marital status, age or contraceptive preference.

**2.0 Programs Affected:**

All clinical services should follow these guidelines.

**3.0 Definitions:**

None

Financial Eligibility-Fee Collection Policy/rg

A pregnant woman is counted as two in determining a family size unless it is in conflict with the clients cultural, religious, and/or beliefs. Pregnant women expecting twins can be counted as three.

A foster child assigned by the Department of Social Services is a family of one with income considered to be paid to the foster parent for support of the child.

Definition of a New Patient

A new patient is a patient who has not received any professional services from a physician/qualified health care professional in the Health Department within the past 3 years for a billable visit that includes some level of evaluation and management service coded as a preventive service using 99381-99387 or 99391-99397, or an evaluation and management service using 99201-99205 and 99211-99215. If the patient's only visit to the Health Department is WIC or immunizations without one of the above codes, it does not affect the designation of the client as a new client – the client can still be NEW.

Identification Requirements - Also see HIPAA Policy/Procedure for Verification of Identification, Merging Records and Name Changes

Each patient should establish identity by providing a form of identification such as a Birth certificate, social security card, driver's license, military identification, passport, visa, green card, etc.

Residency Requirements

Residency requirements may vary according to the type of service provided and the program criteria. In determining residency, the interviewer should consider where the patient, or parent of a minor patient, resides at the time of service and where they intend to make their permanent home.

Program Residency Criteria:

General Clinic, Immunizations, Sexually Transmitted Diseases, Tuberculosis, Pharmacy, Family Planning, Communicable Disease, Breast and Cervical Cancer Control Program (BCCCP), HIV/AIDS: No residency requirement.

Eye Clinic, Diabetic Clinic, Glaucoma/Diabetic Screening, Care Coordination for Children, Pregnancy Care Management, Postpartum & Newborn Home Visits: must be Cleveland County resident.

Maternal Health Clinic, Dental Clinic, Child Health Clinic, Women, Infants and Children's Program: must be resident of North Carolina.

Documentation of Income

Patients will be asked to provide documentation of income. WIC and BCCCP patients will be required, per program guidelines, to provide documentation of income prior to receiving services. Eye Clinic and Glaucoma/Diabetic Screening patients will also be required to provide documentation of income to establish eligibility for services. No

Financial Eligibility-Fee Collection Policy/rg

**4.0 Procedure:**

PROGRAM GUIDELINES

Specific program guidelines should always be used to determine residency, income requirements, sliding fee scale discounts, patient charges and other program eligibility requirements. Health department staff should always be alert regarding changes in program guidelines.

FINANCIAL ELIGIBILITY

The financial eligibility determination process is designed to assess a patient's ability to pay for services rendered by the Cleveland County Health Department. By having a written policy, screening procedures are consistent and standardized for all interviewers. Eligibility for services is determined by residency, family size and income information. Financial eligibility must be determined prior to or at the time the patient receives new services and should be updated annually or when there is a change.

Definition of Family/Economic Unit

There are two different methods to determine a family unit: Purchase of Care and Economic Unit.

The Purchase of Care method must be used in the Breast and Cervical Cancer Control Program. Purchase of Care defines the family unit as one or more of the following criteria:

- a) Related to the patient by blood, marriage or adoption
- b) Live in the same household with the patient
- c) Share a common source of income.

The Cleveland County Health Department uses the Economic Unit to define a family. A family is defined as a group of related or non-related individuals who are living together as one economic unit. Individuals are considered members of a single family or economic unit when their production of income and consumption of goods are related. Also, groups of individuals living in the same house with other individuals may be considered a separate Economic Unit. (Example: Some patients live in a setting with a number of family members, sometimes distantly related that make up the household. If they share daily expenses such as food, rent, utilities, etc, they constitute one Economic Unit. If the patient indicates that they share the expenses, and if confidentiality is not a factor, then the members of the Economic Unit would be considered as family members.)

Financially dependent relatives under the age of 19 with no income who live in the patient's household may also be counted as family members. Persons living in the household 18 years and older that are self-supporting should be considered as a family of one.

Teens and others seeking "confidential" services, regardless of age and depending on the reason for the confidential visit (i.e., parents are not aware of visit, domestic violence, etc.), should be considered as a family unit of one and income determined on the basis of the patient's resources alone.

Financial Eligibility-Fee Collection Policy/rg

other patients will be refused services when presenting for care based on lack of documentation; however, if documentation is not provided, the patient should be informed (Declaration of Income-Attachment 1) at the time of service delivery that they are responsible for the full amount of the fees for services rendered. The patient will be allowed to provide documentation within five business days in order to base the previous 100% charge to a sliding fee. If no documentation is produced, then the charge stands at 100% for that visit. Family Planning patients who choose not to provide documentation of income must sign a release stating that they are choosing not to participate and agree that they will be charged the full fee for services if information is not provided within five business days. Once income is documented, it may be used for multiple programs.

Acceptable forms of income documentation are:

- a) Paycheck stub
- b) W-2 form, copy of complete tax return and attachments from the most recent calendar year
- c) A written statement from the patient's employer when no other documentation is available.
- d) Bank statement

When documentation of income has been verified the interviewer should enter the information on the Household tab in the Patagonia Electronic Health Record (EHR). Previous income history can be viewed on the Sliding Fee tab in the Declaration of Income area.

Patients that say they have applied for Medicaid should also be income screened in the event that Medicaid is not approved. They should be informed at the time of the visit what charges they will be responsible for if Medicaid is not approved. If their Medicaid application is approved and is retroactive to the date of service, charges will be changed from private pay and Medicaid will be billed

Documentation of income will not be required for mandated services such as Sexually Transmitted Diseases, Tuberculosis, Communicable Diseases and state supplied Immunizations since no charge will be assessed to the patient for these services, or for School Based Health center services since they are covered under a contract with the school system.

The Employment Security Commission database may be used to verify income of applicants.

Determination of Gross Income

Gross income is the total of all cash income before deductions for income taxes, employee's social security taxes, insurance premiums, bonds, etc. For self-employed applicants (both farm and non-farm) this means net income after business expenses. In general, gross income includes:

- a) Salaries and wages including overtime pay, commissions, fees and tips
- b) Earnings from self-employment
- c) Public Assistance money
- d) Unemployment compensation

Financial Eligibility-Fee Collection Policy/rg

- e) Alimony Work First and child support (cannot be counted for Family Planning patients) payments received
- f) Military allotments including re-enlistment and jump pay
- g) All Social Security benefits
- h) Veteran's Administration benefits
- i) Supplemental Security Income (SSI benefits)
- j) Retirement and pension payments
- k) Worker's compensation
- l) Regular contributions from individuals not living in the household
- m) Income tax refunds
- n) Allowances paid to the patient for basic living expenses such as housing and utilities
- o) All other sources of cash income except those specifically excluded
- p) Educational stipends in excess of the cost of tuition and books.
- q) Lawn maintenance and housekeeping, as a business
- r) Christmas bonuses, prize winnings

The following sources of income should be excluded from sources of income:

- a) Irregular income that children earn from babysitting, mowing lawns, etc.
- b) Inheritances
- c) WIC vouchers
- d) Food stamps
- e) Payments under the Low-Income Energy Assistance Act
- f) School lunches
- g) Rent or fuel received in lieu of wages
- h) Military/in-kind housing assistance
- i) Life insurance proceeds or one-time settlements. On the other hand, if a liability settlement is to be paid in regular installments, this money would be counted as income
- j) Gifts
- k) Proceeds from sale of an asset
- l) Payments received under the Jobs Training Partnership Act
- m) Payments to volunteers under T 7 (VISTA) and T II (RSVP, foster grandparents and others) of the Domestic Volunteer Service Act of 1973.

#### Zero Income

If the patient reports zero income or very little income, the interviewer should question the patient further and must include an explanation of how the family is meeting the financial demands of basic daily living. In most cases, a statement of zero income would only be acceptable when the applicant lives on income from sources such as food stamps, etc. A third party, such as Employment Security Commission, landlord or whoever is assisting patient with household expenses, should verify income of a patient (Attachment 2). If the stated income is found to be untrue, the patient may be responsible for charges incurred based on the applicable sliding fee scale.

Family Planning patients who report they have no income are not required to provide a statement of zero income but may be asked how they pay for living expenses. Income of persons who support the client financially may be verified.

#### Verification of Income

#### Laboratory Fees

When laboratory specimens are sent out to a reference lab for analysis, the reference lab should be given information for the purpose of billing of the third-party Medicaid and Medicare payers for analysis of the specimen. Self-pay and Commercial insurance will be billed at our negotiated rates with reference lab, and the sliding fee will be used where required. Patients should be informed at the time of the clinic visit that a specimen is being sent to an outside lab for analysis. They should also be informed that they could receive an invoice from the reference lab if their third-party payer does not cover the entire charge.

When laboratory specimens are collected and analyzed at the patient's request rather than program protocol, the patient may be assessed an additional fee for this service and as such be responsible for the full charge.

#### Immunizations

Vaccines provided by the State to local health departments for administration shall be administered at no cost to the patient (NC General Statute 130A-133(b)). However, a fee for other immunizations requested, but not required, such as vaccines for foreign travel or rabies will be charged to the patient along with an administration fee to cover cost of supplies used and staff time. If a patient has any form of third-party reimbursement, the payer must be billed, unless confidentiality is a barrier. Medicaid will be billed as the payer of last resort.

Vaccines that are required for employment of Cleveland County employees will be charged to County departments based on cost of the vaccine. No administration fee will be assessed to the departments.

#### Medical Record Fees – Also see Policy/Procedure to Release/Obtain Patient Information

In accordance with the NC General Statutes 90-411, a charge to cover the costs incurred for searching, handling, copying, and mailing medical records to the patient or the patient's designated representative may be administered. The maximum fee for each request shall be seventy-five cents per page for the first 25 pages, and fifty cents per page for pages 26 through 100, and twenty-five cents per page in excess of 100 pages, provided that the health care provider may impose a minimum fee of up to ten dollars. A fee shall not be imposed for request of copies of medical records made on behalf of an applicant for Social Security or Supplemental Security Income disability. The policy of the Cleveland County Health Department is not to impose a record fee for copies for continuation of care. The medical record fee may be adjusted according to a change in legislation.

#### Returned Check Fee

As allowed by North Carolina General Statute 25-3-506, if a check is returned for non-sufficient funds (NSF) a \$25.00 service charge will be assessed. Notification of the returned check will be made by a personal telephone call or certified mail. The patient's original fee will be reinstated until collection is made for the returned check and NSF fee. Payment should be made by cash or money order. Once the NSF has been paid, the original check will be returned to the patient. If payment is not received in 30 days,

Each patient will be required to sign a Financial Eligibility Declaration of Income Form (Attachment 1) verifying that the financial information supplied to the interviewer is true and accurate. This statement will also include an authorization giving the Cleveland County Health Department the right to verify this information and authorize payment of benefits to Cleveland County Health Department. A Financial Eligibility Declaration of Income Form should be completed at each income screening. The Financial Eligibility Form should be signed and dated by the patient and initialed by the interviewer. The Financial Eligibility Declaration of Income Form will become part of the patient record.

Note: If a patient is considered "confidential," it will be documented in Patagonia Health record.

#### Computation of Income

The family's gross income must be used to determine eligibility of services at the time of the application for services. Gross family income, or income before deductions, is computed by adding money earned by family members during a 12-month period. Income review of the previous 12 months may be performed by the following methods:

- a) If there has been a change in employment, add the actual income earned during the previous six months and projected income for the future six months
- b) If employment has been continuous, use income from the previous 12 months. The previous 12 months period is calculated based on the date the applicant signed the income statement or the first date of program covered services, whichever is earlier.
- c) Following the initial financial eligibility determination, the patient should be asked if their financial status has changed at each subsequent visit. If no change has occurred, income should be reviewed annually or according to program guidelines.

#### SLIDING FEE SCALE

The sliding fee scale is an alternate fee scale that is developed by the North Carolina Division of Public Health so that a patient's inability to pay is not a barrier to receive services. A schedule of discounts to fees charged is required for individuals with family incomes between 101% and 200% or 250% of the Federal poverty level. The Federal poverty level used for Family Planning is 250%. Fees must be waived for individuals with family incomes below 100% of the Federal poverty level and are determined by the Local Health Director. The sliding fee scale is used for most health department fees; however, the percent of discount may vary according to program guidelines established by the North Carolina Division of Public Health.

#### FEES

Fees are subsidized by grants, private donations, state and federal funds, and local contributions. The Cleveland County Health Department will determine fees based upon cost of services and are equal to or greater than the Medicaid rate. For non-mandated services, flat rate fees may be established for a service based on cost without discrimination to all patients. Fees will be approved by the Cleveland County Board of Health and Cleveland County Board of County Commissioners and giving the Local Health Director the latitude to adjust fees if changes occur in cost or in the Medicaid/Medicare rates. If necessary, in order to provide efficient continuity of care, the Health Director may approve a new fee for current CPT code/HCPCS procedures that are ordered by clinicians. Clients will be given a receipt when fees are paid at each visit, a statement of fees assessed for services and balance owed.

further follow-up will be done by the Cleveland County Finance Department. Exception: Notification of returned checks for Family Planning patients will be discussed with the patient during a clinic visit in order to avoid breach of confidentiality and conflict with guidance from the Office of Population Affairs for recipients of Title X funds.

#### SOURCES OF REIMBURSEMENT

Sources of reimbursement should be reviewed with the patient at each visit. An "Authorization for Assignment of Benefits" A Declaration of Income (Attachment 1) statement should be signed and dated at the initial visit and updated and signed annually thereafter or whenever there is a change in income. If there is a change in the insurance provider or other third-party reimbursement the insurance tab should be updated in Patagonia.

#### Private Pay

Patients with a household income above the 100% pay level of the sliding fee scale must be responsible for the full amount of the charges rendered.

#### Insurance/Medicare

Patients with a third-party source of coverage such as Insurance or Medicare should disclose this information and give a copy of their card to the interviewer. Bills will be submitted to these sources for payment. Co-payments will be the responsibility of the patient and will not be discounted since they are part of the patient's insurance plan. If there is a balance after the insurance has paid, other than the co-payment, the patient who qualifies will be responsible for the balance after the sliding fee scale adjustment. Third parties that are authorized, or legally obligated, to pay for clients at or below 100% of the Federal Poverty Level Billed will not have any discount applied to charges.

Patients should be asked if the Health Department is in-network or out-of network with their particular insurance plan. Patients with private insurance in which we are an out-of network provider will be encouraged to use them in-network provider. All patients with private insurance should sign a Private Insurance Advance Notice Form (Attachment 3). However, if services are provided to patients in which the Health Department is out-of-network or not listed as the primary provider, the patient will be responsible for the fee based on the sliding fee scale, if applicable.

Claims for payment of services provided will be filed with insurance companies for patients that have private insurance. If the claims are denied or left pending, the Health Department will research and refile claims as appropriate. After this, if the claim is not paid/resolved, the patient will be billed for the service based on the appropriate sliding fee scale.

Patients that present with Medicare coverage should be notified that if Medicare does not cover the service, the patient will be responsible for the expense. The employee should also explain to the patient why the service may be denied for coverage. An Advanced Beneficiary Notice (ABN) should be completed and signed by the patient. A copy of the form should be given to the patient and a copy kept scanned in the medical record (Attachment # 3).

If a Family Planning patient gives consent to bill insurance, the clerk should explain that an Explanation of Benefits will be sent to the address listed with the insurance company. Patients should always sign Informed Consent form. Family Planning patients will not be charged more in copayments, deductibles or other fees than they should pay according to the sliding fee scale.

#### Medicaid

~~Medicaid recipients who request services are exempt from income eligibility guidelines.~~ However, All Maternity patients shall be referred to the eligibility specialist for evaluation and documentation. Maternal Health patients that are income screened and determined to have Presumptive Eligibility for Medicaid, will have Medicaid coverage for approximately two months (depending upon when they are screened during the month). Patients should be informed that if they do not officially apply for Medicaid at the Department of Social Services, they will be responsible for charges after Presumptive Eligibility ends. However, patients are not required to apply for Medicaid.

For those patients who have both private insurance and Medicaid, the private insurance is considered to be primary. After receipt of the explanation of benefits and payment from the insurance carrier, the balance may be filed for Medicaid payment.

Medicaid eligible patients will not be responsible for charges not covered denied by Medicaid payments.

#### Grants

Some grants are designed to pay for specific fees such as medical and dental fees. When patients meet the criteria of the grant, funding may be transferred from the grant revenue to cover the fee charged to the patient.

### COLLECTIONS

The policy of the Cleveland County Health Department is to comply with North Carolina governmental regulations (North Carolina Administrative Code .0205/NC General Statute 130a-124), which require that all funds collected, must be budgeted and expended to further the objectives of the program that generated the income.

#### Clinic Visit

Clerical personnel will have the primary responsibility to inform patients of all charges incurred during clinic visit. Patients should be informed of the specific items that make up the charge such as office visit, lab work, supplies, etc. Clinicians may also disclose charges to patients in order to emphasize the importance of payments. Full payment will be solicited verbally and expected at the time service is rendered. Patients will be informed of their entire account status at each clinic visit or contact. At the clinic visit, statement information given to the patient will include full charges, sliding fee amounts, payments on accounts and the total balance due.

The receipt of payments that are not insurance co-payments for the current service will be posted to the oldest outstanding charge.

Medicaid patients that are determined to be chronic pill abusers may not be charged for replacement pills. However, these patients may be limited to one package of pills per visit to prevent continued abuse.

#### Expensive Forms of Contraception

Local health departments must assess their resources to determine the contraception methods that they can offer. Title X requires that all projects offer a broad range of acceptable and effective medically approved family planning methods and services either on site or by referral. If resources are limited, an alternative, less expensive form of contraception may be offered. If the patient persists in her request for expensive forms of contraception that are not available, she may be given a prescription and list of providers who offer the requested method of contraception. It should be made clear that if the patient chooses to access one of these providers, she will be doing so at her own expense.

Title X funded providers must not discriminate on the basis of a patient's ability to pay. The choice of contraceptive method should be based on what is best for each individual patient taking into consideration the preferences of the patient. However, as previously mentioned, the provider may have to substitute a less expensive method due to the agency's financial situation.

Family Planning patients who are unable to pay, for good cause, for Family Planning services may have fees waived by the Nursing Director or Financial Services Director.

### SPECIAL SCHOOL HEALTH ISSUES

According to regulations governing school health services, local health departments may bill Medicaid for Medicaid-covered services even though they may also be provided to non-Medicaid eligible children for free. However, all other third parties liable for services will be billed as required by law.

When school employees are seen for a billable service in one of the school-based health centers, their third-party insurance source should be billed. Co-payments, co-insurance and deductibles not paid by the third party, will be billed to the school staff member just as other health department clinic services are billed.

### COMMUNITY ORGANIZATION FOR DRUG ABUSE PREVENTION (CODAP)

CODAP services for the Student Options Begin with Intervention and Recovery (SOBIR) Program is funded primarily by the United Way of Cleveland County, Inc. They encourage delivery of service regardless of ability to pay. Therefore, a sliding fee scale was developed for the SOBIR Program. Annual income and the number of residents in a household are accepted based on declaration from the parent/guardian of the student in the program (see attachments 8 & 9). Also, see SOBIR Program Policy.

### RESTRICTION OF SERVICES

As mentioned previously in the Financial Eligibility section, patients should be screened to determine financial eligibility at the time of the initial clinic visit. During the initial visit, if full pay is not rendered, expectations of reimbursement by the patient should be discussed and the

### Statements

Patients with an active account will be mailed a computer-generated statement on every other month basis (Attachment 5).

Statements for confidential services will not be mailed to patients who have requested no contact by mail; however, discussion of payment of outstanding debts shall occur at the time service is rendered.

### Debt Set-Off

As authorized by North Carolina General Statutes, Chapter 105A, the Cleveland County Health Department will utilize the North Carolina Government Debt Set-Off Program as an avenue to enhance collections and reduce accounts receivable. Amounts that are 90 days past due and \$50.00, or greater, will be sent a letter with their final statement. Patients will be encouraged to resolve their past due amount before the debt set-off is submitted for collection. A payment plan or contract can be negotiated based on when and how often patients receive regular income, how much they earn, and how much they owe. The contract should be discussed with the patient and a copy of the signed contract Patient Payment Agreement that shows the patient's pledge for payment should be given to him/her (see Attachment 7). Each patient should be informed that he/she is expected to make a good faith effort toward payment of these fees. If payment is not received after 120 days, the health department will enter the client information into a debt set off program through a clearinghouse to the North Carolina Department of Revenue for collection by applying the past due amount against any income tax refund, or lottery winnings, to which the patient may be entitled. Specific policies and procedures of the Debt Set-Off Program to notify patients of the debt set-off and their right of appeal (Attachment 6) will be followed. Once the debt has been sent to the Clearinghouse, Cleveland County Health Department will no longer accept payments for that debt.

### SPECIAL FAMILY PLANNING ISSUES

Since the Cleveland County Health Department receives funding from Title X, local family planning programs must address patient preferences and concerns, contain costs while assuring quality care, and assure compliance with Title X Guidelines. Medicaid reimburses the Cleveland County Health Department for 340B drugs per NC Medicaid and Health Choice state policy, which states that "providers billing for 340B drugs shall bill the cost that is reflective of their acquisition cost. Providers shall indicate that a drug was purchased under a 340B purchasing agreement by appending the "UD" modifier on the drug detail." Medicaid does not collect rebates on claims from the Cleveland County Health Department.

#### Chronic Pill Abusers

Patients must take responsibility for their own birth control supplies. If a patient has been established as a chronic abuser of supplies (has had replacement pills given three times), and is a non-Medicaid client, one of the following options may be utilized:

- a) Provide the patient with foam and condoms
- b) Provide the patient with a prescription for the pills

patient should sign a contract agreeing to pay for the cost of services not covered by another source. If, on subsequent visits, the patient is found to be in breach of contract and refuses to make a good faith effort to pay even a small portion of the bill without good cause, service denials or restrictions may be applied unless restricted by State and Federal regulations. The Cleveland County Health Department's policy will be to review a patient's account when his/her account reaches \$200.00 and no payment has been made in three months. Service restrictions will be considered on a case-by-case basis. Family Planning services will not be subjected to any variation in quality of services or denied/restricted due to inability/unwillingness to pay, amount of outstanding balance, nor will they be required to meet with the health director as an attempt to collect the past due amount. Maternal Health patients who are already in the clinic may not be denied services as this would be considered abandonment.

### BAD DEBT/WRITE-OFF POLICY

Delinquent accounts \$49.99, or smaller, will be written off at the end of each fiscal year, 12 months after the last date of Health Department service with no payments received. Anything \$50.00, or above, will be dealt with through debt-set off procedures. Bad debts, which are determined to be uncollectible for reasons such as; bankruptcy or death, will be written off upon notification that the account is uncollectible; death certificate or bankruptcy papers. Items that are not eligible for bad debt write off, i.e.; patients without social security numbers will also be written off at this time. At no time will a patient be notified that their account has been written off as a bad debt.

An itemized list of uncollectible outstanding patient balances will be prepared at the end of the fiscal year for the Chief Financial Officer's review, and upon approval, fees may be written off as a bad debt. However, patients should never be informed that a debt has been written off.

The accounts receivable system shall indicate the written off amount of the account.

### DONATIONS

Voluntary donations from patients are permissible. However, patients will never be pressured to make donations, and donations must not be a prerequisite for the provision of services or supplies. Donations should be budgeted and expended for the purpose requested by the patient.

The receipt of a donation does not result in the waiver of the billing/charging requirements set forth above. There is no schedule of donations, bills for donations, or any other implied coercion for donations.

### GRIEVANCE PROCEDURES

If a patient is unsatisfied with the services rendered or billing of said services, the patient should be referred to the Nursing Supervisor/Nursing Director for conflict resolution. If billing is in question, it may be necessary for them to consult with the accounting staff. The next course of action for the patient is appeal to the Health Director.

### CONFIDENTIALITY

The confidentiality of patient information is of utmost concern to all Health Department staff. All employees are required to sign a statement assuring patient confidentiality. Employees who do not have a "need to know" or to access patient records are informed that it is not their right to

view this information and are prohibited from doing so. With the passage and implementation of the Health Insurance Portability and Accountability Act (HIPAA) of 1996 (Federal Register 45 CFR, Part 160 & 164), health care providers have addressed many issues such as electronic transactions, medical records security and patient rights. Health Department employees are expected to comply with HIPAA regulations relating to privacy and confidentiality. The Cleveland County Health Department will continue to address these issues and have implemented necessary changes to comply with the regulations effective April 14, 2003.

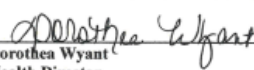
Original Approved 2/1/99  
 Revised 11/9/99  
 Revised 2/1/03  
 Revised 3/9/05  
 Revised 10/24/05  
 Revised 6/1/06  
 Revised 5/07  
 Revised 9/10/07  
 Revised 1/8/08  
 Revised 5/15/08  
 Revised 11/9/10  
 Revised 11/10/11  
 Revised 7/1/12  
 Reviewed 11/13/12  
 Revised 11/12/13  
 Revised 10/14/14  
 Revised 11/10/15  
 Revised 11/8/16  
 Revised 7/1/18

5.0 **Appendices (Attachments):**

1. Declaration of Income Statement
2. Third Party Confirmation Letter
3. Private Insurance Advance Notice
4. Advanced Beneficiary Notice (ABN)
5. Monthly Statement
6. Debt Set-Off Notification
7. Patient Payment Agreement
8. SOBIR Agreement
9. SOBIR Sliding Fee Scale

6.0 **Legal Reference/Reference:**

1. NC General Statute 130A-39
2. NC General Statute 130A-133(b)
3. Title V Guidelines
4. NC General Statute 90-411
5. NC Administrative Code .0205 c
6. NC General Statute 105A
7. Title X Guidelines
8. Federal Register 45 CFR, Part 160 & 164
9. NC General Statute 25-3-506

  
 Dorothea Wyant  
 Health Director

  
 Tom Spurling  
 Chairperson, Cleveland County Board of Health

  
 Elliott Engstrom  
 County Attorney

  
 Eddie Holbrook, Chair  
 Cleveland County Board of Commissioners

  
 Shane Fox  
 Finance Director

History of Revisions:

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the Health Department Revenue Policy Update.*

**AMENDMENT TO T5 AT KINGS MOUNTAIN VII INCENTIVE AGREEMENT**

The T5 at Kings Mountain VII Incentive Agreement was approved by the Board of Commissioners in July, 2015. Since that time, the property where this building is located has been subdivided. The current address for the building is now 121 Riverside Court. T5 is asking this administrative change be made to clarify the correct address.

**ACTION:** Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, *to approve the amendment to T5 at Kings Mountain VII Incentive Agreement.*



**FIRST AMENDMENT TO INCENTIVE AGREEMENT**

This FIRST AMENDMENT TO INCENTIVE AGREEMENT (this "Amendment") is made as of September 4, 2018, by and between CLEVELAND COUNTY, a body politic and corporate and political subdivision of the State of North Carolina ("County"), and T5@KINGS MOUNTAIN VII, LLC, a Delaware limited liability company ("Company").

**WITNESSETH:**

WHEREAS, County and Company entered into that certain Incentive Agreement, dated as of July 21, 2015, for that certain building located at 131 Riverside Court, Kings Mountain, North Carolina (as amended, modified and/or supplemented, the "Agreement") that was part of a greater 43-acre parcel (the "Original Property");

WHEREAS, subsequent to the Agreement, the Original Property was partitioned in October 2015, and Company owns that certain portion commonly known as 121 Riverside Court, Kings Mountain, North Carolina (the "New Property");

WHEREAS, County and Company have agreed to amend the Agreement to correct the address of the building owned by Company on the New Property in accordance with the terms and conditions set forth herein; and

WHEREAS, all capitalized terms used in this Amendment not otherwise defined herein shall have the meanings ascribed to them in the Agreement.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Company agree as follows:

1. **TSVII Project.** The definition of the "Project" in the third paragraph in the recitals of the Agreement is hereby deleted and replaced with the following:

"WHEREAS, the Company (itself or through its affiliates, assignees or tenants) contemplates the expansion and/or equipping of a building located at 121 Riverside Court, Kings Mountain, North Carolina (the "Project"); and,"

2. **Ratification.** Except as modified hereby, the Agreement shall remain in full force and effect, and is hereby ratified and confirmed in all respects. To the extent there is any conflict between the terms of this Amendment and the Agreement, the terms of this Amendment shall govern.

3. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall constitute an original and all of which when taken together shall constitute one and the same instrument. An executed facsimile or pdf of this Amendment may be relied upon as having, and shall be deemed to have, the same force and effect as an original.

4. **Applicable Law.** This Amendment shall be construed and governed by the laws of the state where the Property is located without regard to conflicts of laws principles.

[Signatures on the following page]

IN WITNESS WHEREOF, each County and Company has caused this Amendment to be executed and delivered in its name by a duly authorized officer or representative.

**COUNTY:**

CLEVELAND COUNTY

By: Eddie Holbrook  
Name: Eddie Holbrook  
Title: Chairman

**ATTEST:**

By: Phyllis Nowlen  
Name: Phyllis Nowlen  
Title: Clerk to the Board

**COMPANY:**

T5@KINGS MOUNTAIN VII, LLC,  
a Delaware limited liability company

Designated by:  
By: Peter S. Marin  
Name: Peter S. Marin  
Title: President

**ATTEST:**

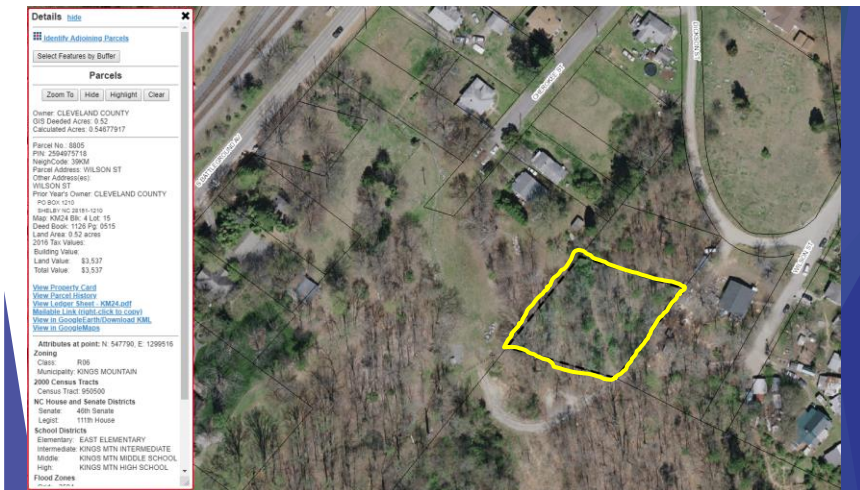
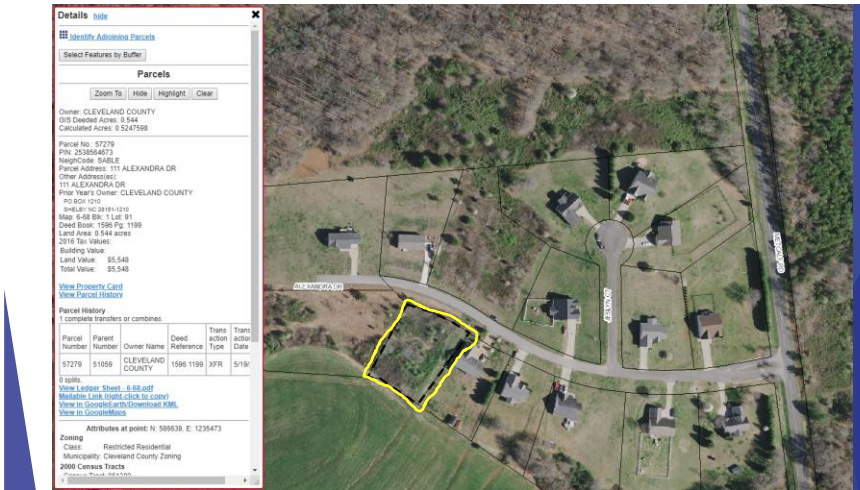
By: FRANCIS A. LYLES, JR.  
Name: FRANCIS A. LYLES, JR.  
Title: CHIEF BUSINESS OFFICER

**REGULAR AGENDA**

**SALE OF COUNTY OWNED PROPERTY POLICY AND GUIDELINES**

Chairman Holbrook recognized Elliot Engstrom, Senior Staff Attorney to present the sale of County owned property policy and guidelines. Mr. Engstrom explained, most of the properties the County has acquired have been through foreclosures where the taxes have not been paid on those properties. The County Attorney's office and Tax Administrator have developed a new policy for the sale of county-owned properties. The new policy will provide greater flexibility to the County in disposing of county-owned property than its predecessor. The previous policy limited the County to selling foreclosed properties by sealed bid. The new policy allows the County to use any statutorily-authorized process to dispose of County property. This includes sale by sealed bid, public auction, negotiated offer, and exchange of property.

Parcel Number	Owner Name	Deed Reference	Trans. Type	Trans. Date
26693	CLEVELAND COUNTY NORTH CAROLINA	1670 1450	XFR	12/31



## First Item - New Policy for Sale of County-Owned Properties

### State statute on sale of County-owned properties (G.S. 160A-266)

- ▶ Offers many options including...
  - ▶ Sale by sealed bid
  - ▶ Negotiated offer and upset bid
  - ▶ Public auction
  - ▶ More options listed in General Statutes

### Current County Policy - Two Issues

- ▶ **Issue # 1:** Current policy says that County will only use sealed bid process to sell properties obtained through tax foreclosure.
- ▶ **Solution # 1:** Provide that the County may use any statutorily-authorized process to sell County properties.

### Current County Policy - Two Issues

- ▶ **Issue # 2:** Says that to be accepted, a bid *must* total more than the County's investment in the property.
- ▶ **Solution # 2:** Place no minimum on what bid amount the County may accept.
  - ▶ Remember, County can still reject the high bid at the end of a bidding process.

### Recommended New Policy

- ▶ Clarifies that County may use any statutorily-authorized process to sell property.
- ▶ Places no limit on bids County must accept/reject (under statute, County is still always free to reject the high bid).
- ▶ Provides a simplified sealed bid process for when the County decides to sell property by sealed bid.

### Questions about new policy?

### Action Requested

- ▶ Adopt the new Cleveland County Policy and Guidelines for Sale of County-Owned Property

Chairman Holbrook opened the floor to the Board for questions and discussion. Commissioner Hutchins stated this was a good policy and felt it was time to revise the current policy in place. Commissioner Whetstone

inquired about the advertisement requirements. Mr. Engstrom explained the statutes regarding advertisement; stating the County must advertise any time there is to be a sale of County owned property.

**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Whetstine and unanimously approved by the Board to, ***approve the sale of County owned property policy.***

**CLEVELAND COUNTY POLICY AND GUIDELINES FOR SALE OF COUNTY-OWNED PROPERTY**

**Purpose:** The purpose of this policy is to establish a system that will promote a fair and effective means for anyone to buy real or personal property owned by Cleveland County. This policy supersedes any past policy for the sale of county-owned properties.

**Authority:** Cleveland County hereby adopts this policy under the authority granted by N.C.G.S. § 153A-176.

**Severability:** Any provision of this policy found to contradict state law will be considered void, with the rest of the policy remaining in force.

**Cleveland County reserves the right to use any statutorily-authorized process to dispose of County property. The following sealed bid policy applies only when the County chooses to dispose of property using the sealed bid process pursuant to N.C.G.S. § 160A-266(a)(2) and N.C.G.S. § 160A-268.**

**Sealed Bid Policy (N.C.G.S. § 160A-268)**

**I. Overview of Bid Process**

1. Cleveland County (the "County") may choose to advertise for sealed bids on real property which the County has obtained through a property tax foreclosure proceeding and which are identified by a parcel identification number.<sup>1</sup>
2. Bids may be submitted at any time after the Board of Commissioners resolves to advertise for sealed bids. However, the advertisement shall begin not less than 30 days before the date fixed for opening bids.
3. All bids must be submitted to the County paralegal, and the bidder will be required to pay to the County a bid deposit in the amount of five percent (5%) of the proposed bid.
4. All bids will be date and time stamped upon receipt by the County paralegal.
5. The property shall be advertised in a newspaper of local circulation as a "Public Notice for Sale of County Property." Such notice shall state that sealed bids are being accepted and at the end of thirty (30) days either (1) the highest responsive, responsible bidder will be awarded the property or (2) the County will reject all bids. If more than one high bid in the same amount is received, the County will either accept the first bid received or reject all bids. All funds for closing must be paid in cash or certified funds.
6. The successful high bidder will be responsible for all advertisement fees. Should the successful bidder fail to complete said transaction, the cost of advertising shall be

<sup>1</sup> The County also retains the power to receive bids prior to advertisement pursuant to N.C.G.S. § 160A-269.

deducted from the bidder's deposit amount prior to the issuance of a refund of the bid deposit.

7. The County reserves the right to withdraw property from sale at any time prior to the approval of a bid by the Board of Commissioners.
8. The County reserves the right to reject all bids at any time.
9. The County shall open all bids on the first business day following the thirtieth (30<sup>th</sup>) day of the sealed bid period.
10. The highest bid shall go before the Board of Commissioners for acceptance of the offer and authorization of sale within thirty (30) days of identifying the high bid.
11. Upon approval of sale by the Board of Commissioners, the bidder shall pay his or her bid to the County in its entirety, including the cost of advertisement, recording fees, and excise tax (if any). All deposits must be in the form of certified funds or cash and must accompany the offer.
12. After the bidder has made payment to the County for the entire amount of his or her bid, advertisement cost, recording fees, and excise tax (if any), the County shall have recorded and deliver to the bidder a Quitclaim Deed.

**II. Responsibilities of Parties**

1. It is the bidder's responsibility to have a title search completed prior to placing his or her bid.
2. After obtaining the parcel identification number, the bidder shall submit his or her bid to the County paralegal. The bidder must identify the property by the parcel identification number.
3. The bidder shall submit at the time of offer funds for deposit. Such funds shall consist of a bid deposit in the amount of five percent (5%) of the bid. All deposits must be in the form of certified funds.
4. All bids must be submitted within thirty (30) days from the date of publication of the initial bid.
5. A bid will only be considered when submitted as provided in paragraphs one (1) through six (4) of this section.
6. Following the advertisement and opening of bids, the highest bid from a responsible bidder shall go before the Board of Commissioners for acceptance and authorization of sale. If the Board accepts the bid and approves the sale, the bidder shall be required to pay the entire bid price, recording fees, excise stamps (if any), and advertisement cost

to the County before receiving a Quitclaim Deed. The County shall be responsible for recording the deed. It is the bidder's responsibility to pay stamps (excise tax), if any, and recording fees.

7. The successful bidder **only** will be notified within seventy-two (72) hours of the acceptance of the bid. Bidders requesting results of a bid must forward a written request along with a self-addressed, stamped envelope to:

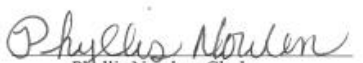
Paralegal  
Cleveland County Government  
P.O. Box 1210  
Shelby, NC 28151

8. The County will return the certified checks of all unsuccessful bidders within five (5) business days.
9. Full payment is due within five (5) business days of notice of an acceptance of Bid. The winning bidder will receive a telephone call and an email, fax, or letter with payment and pick-up instructions.
10. All property is sold "AS IS."
11. By submission of a bid, the bidder acknowledges acceptance of these terms and conditions.
12. The County shall forward the deed to the successful bidder upon the successful bidder's payment of the entire bid amount plus the County's costs for advertisement, recording fees, and excise tax (if any). All funds must be certified funds or cash and deposited through the County Finance Office.

**This Policy and Guidelines for Sale of County-Owned Property is hereby approved, this the 4th day of September 2018.**

  
Eddie Holbrook, Chairman  
Cleveland County Board of Commissioners

ATTEST:

  
Phyllis Nowlen, Clerk  
Cleveland County Board of Commissioners

**RESOLUTION AUTHORIZING SALE OF COUNTY OWNED PROPERTY BY PUBLIC AUCTION**

Mr. Engstrom continued with the resolution authorizing the sale of county owned property by public auction.

The resolution will allow the County to dispose of properties that the County currently owns but from which it derives no value. Public auction is a statutorily-authorized method of disposing of such properties. By disposing of the properties together in a single public auction, the County will limit its advertising fees. Staff proposes the auction be held in the Commissioners' Chambers on October 10, 2018. This will allow County staff sufficient time to advertise the public auction as required by statute.

**Item # 2: Resolution Authorizing Sale by Public Auction (G.S. 160A-270)**

**Why sell by auction?**

- ▶ Certain properties have little to no value except to a small number of people.
- ▶ Sealed bid process for such properties is cumbersome and expensive.
- ▶ Auction best utilizes County resources to dispose of several properties at once.

**Timeline**

- ▶ County publishes notice of auction sometime before September 10.
- ▶ Auction conducted at 10 a.m. on Wednesday, October 10 in the Commissioners' Chambers.
- ▶ High bid for each parcel will be reported to this Board at its October 16 meeting.
- ▶ Board will then vote on whether to accept/reject the high bid for each parcel.

**Action Requested**

- ▶ Pass the resolution authorizing sale of the listed properties by public auction on October 10.

Chairman Holbrook opened the floor to the Board for questions and discussion. Commissioner Bridges inquired if upset bids will be used during the auction. Mr. Engstrom clarified participants will be able to outbid each other however when the auction has concluded there will be no upset bidding.

**ACTION:** Commissioner Whetstine made the motion, seconded by Commissioner Hutchins and unanimously approved by the Board to, ***approve the resolution authoring the sale of County owned property by public auction.***



## Resolution

Number 11-2018

### Resolution Authorizing Auction Sale Pursuant to N.C.G.S. § 160A-270

WHEREAS, Cleveland County owns 20 parcels of land indicated on Attachment A that are surplus to its needs; and

WHEREAS, N.C.G.S. § 160A-270 permits the County to sell real property at public auction upon approval of the Board of Commissioners and after publication of a notice announcing the auction; and

NOW THEREFORE, BE IT RESOLVED, the Board of Commissioners of Cleveland County resolves that:

1. The Board of Commissioners authorizes the sale at public auction of the 20 parcels of land indicated on Attachment A.
2. The auction will be conducted at 10:00 A.M., Wednesday, October 10, 2018, in the Commissioners' Chambers at the Cleveland County Administrative Building, located at 311 E. Marion Street, Shelby, NC 28150.
3. The terms of the sale are that the buyer must present at the auction a bid deposit of five percent (5%) of the amount of the bid, either in cash or with a certified check. This deposit will be held by the County until either the Board of Commissioners rejects the high bid for the property or, if the Board of Commissioners accepts the high bid, the closing of the sale. The deposit will be forfeited to the County if the high bidder refuses to close the sale after the bid has been approved by the Board of Commissioners.
4. After the auction, the high bid for each parcel shall be reported to the Board of Commissioners. The council will accept or reject the bid within 30 days after the bid is reported to it. No sale may be completed until the Board of Commissioners has approved the high bid.



5. The County reserves the right to withdraw any listed property from the auction at any time before the auction sale of that property.

Adopted this 4th day of September 2018.

Eddie Holbrook, Chairman  
Cleveland County Board of Commissioners

ATTEST:

Phyllis Nowlen, Clerk  
Cleveland County Board of Commissioners



### ATTACHMENT A Parcels Available for Public Auction

PARCEL <sup>1</sup>	LOCATION
18744	504 Oakland Dr, Shelby
22052	281 Light Oak Circle
22600	Strip: 10x50, Hudson St.
26535	Carver St., Shelby
26530	Lincoln Drive, Shelby
8805	Off Wilson St., Kings Mountain
7924	Campbell St., Kings Mountain
11857	1206 S. Battleground, Kings Mountain
24924	1409 Hunter Valley Rd. Shelby
13347	106 Myers St., Kings Mountain
8460	107 Myers St., Kings Mountain
8450	108 Myers St., Kings Mountain
44093	109 Myers St., Kings Mountain
71395	509 Oakland Dr. Shelby
27395	Carver St., Shelby
27398	Carver St., Shelby
27699	111 Lilly St, Shelby
19956	1021 Toms St, Shelby
20706	1113 Withers St, Shelby
21069	Pinecone Ln

<sup>1</sup> Properties can be viewed by Parcel ID number at <https://www.webgis.net/nc/Cleveland/> or at the Cleveland County Mapping Department, located at 311 E. Marion Street, Shelby, NC 28150.

## CLEVELAND COUNTY LIBRARY

Chairman Holbrook called Carol Wilson, Library Director to the podium to present the library's annual report and a resolution naming the Cleveland County Library System. She stated the library is currently being remodeled thanks to grants and endowments received. In 2017 a new, smaller eight seat meeting room was refashioned from an old computer storage room at the library.

# The World at Your Fingertips

Cleveland County Library System Annual Report

## Progress continues in refurbishing the Main Library



## What still needs to be done...

- The Plaster Meeting Room needs a complete makeover, but new appliances have already been placed in the adjoining kitchen
- Handicapped access needs to be added to the doors to the children's room
- Handicapped access needs to be improved at the main entrance
- To date the refurbishment of the Main Library has cost the county only \$7,000 plus the time of the Maintenance Department. The rest of the money is from gifts

## Student Access Project

- This project is a partnership with Cleveland County Schools to provide all of the digital content available at the Cleveland County Library System and Mauney Memorial Library to all students and staff. Pinnacle Academy will also become users this Fall.
- Students use their Student IDs or Lunch numbers to gain access.

Resources available:  
 NC LIVE - 89 databases on all subjects  
 NC KIDS - Thousands of children's books  
 World Book Web - Online encyclopedia  
 Tutor. Com - Homework help for all ages  
 BookFLIX - Interactive fun with Pre-K to 3rd grade books.  
 Mango Languages - Learn to speak - even Pirate!  
 Test Prep - ACT, GRE, ASVAB, etc.

## BLANTON ENDOWMENT

- The yearly income from this endowment provided the equipment to separate our public and staff computers into two networks
- This will make the County's infrastructure more secure and will allow needed software to be available to the public.

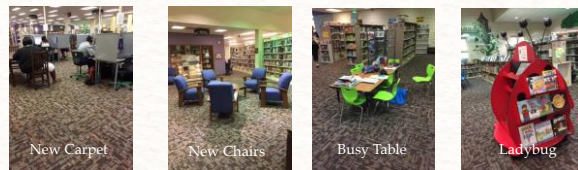
"Thank You" County Commissioners and Administration for your continuing support!



## Fiscal Year 2017-2018

- The Cleveland County Memorial Library, Spangler Branch Library and the Outreach Program reach over 43,000 citizens of Cleveland County.
- The Library System provided 186,172 items for check out from our in-house collections and 94,875 downloads from our digital resources.
- 140,137 people visited our libraries in the last year. 10,295 came to the libraries for programs and 7,257 attended our programs held in the communities of the county.
- 836 non-library sponsored meetings were held in our three meeting rooms at the main library and 6,689 people attended those meetings.

## Improvements already made...



# New Service to Students

## Edge Grant

- Received \$8,000 from the Library Services and Construction Act
- Purchased a flatbed scanner that will help digitize documents and photographs
- Purchased two robust PCs to allow patrons to create their own digital content
- Added Affinity software to new computers ( does the same as PhotoShop)
- Added Foxit software to all public computers which allows people to manipulate and edit PDF files

## Working in the Community

- Main Library is now the first stop on the West End free transportation route that helps those in need get rides to important sites around the county such as the Human Services Campus
- Workforce Development classes were held twice a week from June 2017 to April 2018. Taught by instructor from Community College. New administration there has decided to stop providing the instructor. We are looking to contract with an instructor to resume the classes.

Chairman Holbrook opened the floor to the Board for questions and discussion. Commissioner Hutchins inquired if there was a precaution in place to prevent any misuse of the library computers and Wi-Fi. Ms. Wilson advised there are multiple measures and firewalls in place.

The County added the Library as a County department in 2005. Prior to that, the library was a nonprofit corporation named the Cleveland County Memorial Library. The library has frequently been referred to by other names (Cleveland County Library System, Cleveland Memorial Library System, etc.), but the County has never formally recognized a name change. Currently the Libraries are operated as County Departments- the Cleveland Memorial Library in Shelby and the Spangler Branch in Lawndale. The Library Board has recommended designating the name as the **Cleveland County Library System**. Recognizing Cleveland County's library department as a library system will provide clarity to County employees, members of the public, and potential supporters as to the organization of Cleveland County's library. Specifically, naming the overall system the Cleveland County Library System will clarify that the County's library has multiple branches, those being the Cleveland County Memorial Library and the Cleveland County Library – Spangler Branch.

"Cleveland County  
Grows Greater"



**Resolution**

Number 10-2018

**Resolution Naming the Cleveland County Library System**

**WHEREAS**, the General Assembly has found that the availability of library services is a proper concern of local governments; and

**WHEREAS**, Cleveland County operates a public library system to collect and preserve knowledge; and

**WHEREAS**, prior to the County's taking over of the library, the library was a nonprofit corporation named the Cleveland County Memorial Library (SOS ID # 0029787); and

**WHEREAS**, Cleveland County's library system now occupies more than one physical location or branch; and

**NOW THEREFORE, BE IT RESOLVED**, the Board of Commissioners of Cleveland County resolves that:

1. The department of Cleveland County that operates the county's library system shall heretofore be known as the "Cleveland County Library System";
2. The branch of the Cleveland County Library System located at 104 Howie Drive, Shelby, NC 28150 shall be known as "Cleveland County Memorial Library";
3. The branch of the Cleveland County Library System located at 112 Piedmont Drive, Lawndale, NC shall be known as "Cleveland County Library System – Spangler Branch."

**Adopted this 4th day of September 2018.**

  
Eddie Holbrook, Chairman  
Cleveland County Board of Commissioners

ATTEST:

  
Phyllis Nowlen, Clerk  
Cleveland County Board of Commissioners



**ACTION:** Commissioner Bridges made the motion, seconded by Commissioner Hutchins and unanimously approved by the Board to, ***approve the Resolution Naming the Cleveland County Library System.***

**COMMISSIONER REPORTS**

**Commissioner Bridges** – talked about solutions to help with the littering in the County.

**Commissioner Whetstine** – attended an ASR Grains summit and reviewed some of the farming information that was given during the seminar.

**Commissioner Hutchins** – spoke about the North Carolina Association of County Commissioners (NCACC) conference that was held last week in Hickory.

**Chairman Holbrook** – has attended several economic development meetings over the last several weeks and advised there may be several big projects coming to Cleveland County.

**ADJOURN**

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Whetstine, and unanimously adopted by the Board, ***to adjourn the meeting.***

The next meeting of the Commission is scheduled for ***Tuesday, September 18, 2018 at 6:00 p.m. in the Commissioners Chamber.***

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*Eddie Holbrook, Chairman  
Cleveland County Board of Commissioners*

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*Phyllis Nowlen, Clerk to the Board  
Cleveland County Board of Commissioners*