

**AMENDED AGENDA
REGULAR MEETING
CITY COUNCIL, CITY OF ASHEBORO
THURSDAY, MAY 8, 2014, 7:00 PM**

1. Call to order.
2. Silent prayer and pledge of allegiance.
3. Presentation to P. Bryan and Sallie Thomas of the Asheboro Pride Award for Cetwick.
4. Presentation by Tammy O'Kelley, Director, Randolph County Tourism Development Authority, of a resolution in support of NC film tax credits.
5. Consent Agenda:
 - (a) Approval of the minutes of the regular meeting of the City Council that was held on April 10, 2014.
 - (b) Acknowledgement of the receipt of the minutes of the Asheboro ABC Board's meeting on April 7, 2014.
 - (c) Acknowledgement of the receipt and acceptance, without amendment, of the operational hours proposed by the Recreation Services Superintendent for the city-owned pools during the 2014 season.
 - (d) Approval of audit contract for fiscal year ending June 30, 2014.
6. Trevor Nuttall will present the following Community Development Division items:
 - (a) Zoning Case RZ-14-04: A legislative hearing on the application filed by Carol Burrow (Agent for Richard S. Stockner) to rezone property located at 609 and 617 NC Hwy. 42 North from R10 and R7.5 (Medium-Density Residential) to OA6 (Office-Apartment)
[The applicant has submitted a request to have this case continued to the council's regular meeting on June 5, 2014.]
 - (b) Subdivision Case SUB-12-01: Consideration of final plat certification for Old Town Village, Section II, Phase II
 - (c) Report on planned resurfacing projects by NCDOT.
 - (d) Annual report summarizing 2013 Planning Board activities.

- (e) Announcement of Zoning Administrator Justin Luck's receipt of a full tuition scholarship to attend the Subdivision Practice course at the University of North Carolina School of Government.
7. Consideration of a request by Meridith Moon to amend Code of Asheboro Section 91.05 (Maximum Number of Dogs on Premises).
 - (a) Staff report
 - (b) Presentation by Ms. Moon
 8. Public Comment Period
 9. Presentation by Michael Leonard, PE, of the annual report from the Asheboro Airport Authority.
 10. Presentation by City Manager of statutorily prescribed county-wide reappraisal of property in 2014.
 11. Report on City of Asheboro departmental recipients of 2013 Safety Awards.
 12. Upcoming events:
 - Asheboro Housing Authority Annual Meeting, Tuesday, May 13, 2014, at 6:00 PM.
 - Ethics for Municipal Elected Officials live webinar Wednesday, May 14, 2014, 10:00 AM to 12:00 Noon in the council chambers.
 - Budget workshop Tuesday, May 20, 2014, 5:30 PM.
 - Town Hall Day at General Assembly Wednesday, June 4, 2014.
 - Regular city council meeting and budget public hearing Thursday, June 5, 2014.
 - Budget adoption Thursday, June 26, 2014, 12:00 Noon.
 13. Discussion of items not on the agenda and adjournment.

RESOLUTION NUMBER _____

CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA

**DECLARATION OF THE CITY COUNCIL'S SUPPORT FOR EXTENDING
NORTH CAROLINA'S FILM TAX CREDIT**

WHEREAS, the film production incentive legislation, which is codified in Section 105-130.47 of the North Carolina General Statutes, is set to sunset on December 31, 2014; and

WHEREAS, states who have reduced or eliminated their respective film incentive programs experienced a dramatic drop in production within their borders; and

WHEREAS, North Carolina has established itself as one of the top filming destinations in the world as a result of its current 25% refundable tax credit incentive for film productions as well as the state's established film industry infrastructure; and

WHEREAS, the film production workforce has more than doubled in the last six years with an average of more than 25,000 job opportunities being available each year since the passage of the current incentive, an increase of more than 16,000 from years prior to adoption of the current incentives; and

WHEREAS, the film industry is responsible for 8,481 direct jobs and \$206.7 million in wages in North Carolina, including both production and distribution-related jobs, with more than 3,000 of the jobs production-related; and

WHEREAS, more than 4,000 highly skilled film professionals reside in the state of North Carolina; and

WHEREAS, the state's film industry supports more than 1,000 small businesses and retail operations throughout the state; and

WHEREAS, film production has contributed to jobs and increased economic activity in more than 50 North Carolina counties, including Randolph County; and

WHEREAS, spending by production companies in the state has exceeded \$1 billion over the past six years and is averaging in excess of \$292 million per year since the passage of the current incentive, a 265 percent increase from the yearly average from years prior to its adoption; and

WHEREAS, film industry spending has a direct impact on tourism and tourism related business in the state, including spending on lodging and at restaurants and attractions in addition to showcasing North Carolina's scenic beauty and destinations; and

WHEREAS, the sunset of the current 25 percent refundable tax credit incentive would effectively decimate the state's film industry as it has in other states; and

WHEREAS, without a state incentive program in North Carolina, opportunities for projects in the state, and particularly in the Piedmont Triad, will be lost as productions will go to states with stronger, more competitive incentive programs resulting in a loss of tax revenues for our county and region;

NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Asheboro, North Carolina does hereby declare its support for North Carolina's Film Tax Credit and the current state tax policy that has caused this industry to grow in our state; and

BE IT FURTHER RESOLVED that the Asheboro City Council hereby calls upon our representatives in the North Carolina General Assembly to extend North Carolina's Film Tax Credit sunset date for five years through December 31, 2019.

This Resolution was adopted in open session by the Asheboro City Council during a regular meeting that was held on the 8th day of May, 2014.

David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

**REGULAR MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, MUNICIPAL BUILDING
THURSDAY, APRIL 10, 2014
7:00 p.m.**

This being the time and place for a regular meeting of the Asheboro City Council, a meeting was held with the following elected officials and staff members presented:

- David H. Smith) – Mayor Presiding
- Talmadge S. Baker)
- Clark R. Bell)
- Edward J. Burks)
- Linda H. Carter) – Council Members Present
- Michael W. Hunter)
- Walker B. Moffitt)
- Charles W. Swiers)

John N. Ogburn, III, City Manager
 Holly H. Doerr, CMC, NCCMC, City Clerk/Paralegal
 David J. Hutchins, Public Works Director
 Leigh Anna Johnson, Public Information Officer
 Michael L. Leonard, P.E., City Engineer
 Ralph W. Norton, Chief of Police
 Trevor L. Nuttall, Community Development Director
 Deborah P. Reaves, Finance Director
 James O. Smith, Police Captain
 Jeffrey C. Sugg, City Attorney
 Jody P. Williams, Assistant Chief of Police

1. Call to order.

A quorum thus being present, Mayor Smith called the meeting to order for the transaction of business, and business was transacted as follows.

2. Silent prayer and pledge of allegiance.

After a moment of silence was observed in order to allow for prayer or meditation, Mayor Smith asked everyone to stand and repeat the pledge of allegiance.

3. Consent Agenda:

Upon motion by Mr. Burks and seconded by Mr. Baker, Council voted unanimously to approve the following consent agenda items.

- (a) The minutes of the City Council’s special meeting on February 20, 2014.**
- (b) The minutes of the City Council’s regular meeting on March 6, 2014.**
- (c) The receipt of the minutes of the Asheboro ABC Board’s meetings on February 3, 2014 and March 3, 2014.**

[Copies of the documents received from the Asheboro ABC Board are on file in the City Clerk’s office.]

(d) The award of contracts for the supply of chemicals to the City of Asheboro Water and Wastewater Treatment Plants for the period from April 16, 2014 to April 15, 2015 to the following vendors:

- Bid by Chemtrade Chemicals U.S., LLC to supply liquid alum at \$285.00/ton.**
- Bid by UNIVAR USA to supply liquid caustic at \$430.00/ton.**
- Bid by Key Chemicals, Inc. to supply fluosilicic acid at \$429.00/ton.**
- Bid by JCI Jones Chemicals to supply sodium hypochlorite at \$0.57/gallon.**

[A copy of the bid summary prepared by the Water Resources Director is on file in the City Clerk’s office.]

(e) Budget ordinances:

(i) Ordinance to amend the general fund.

04 ORD 4-14

ORDINANCE TO AMEND THE GENERAL FUND FY 2013-2014

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Revenue line item be increased / (decreased):

<u>Account #</u>	<u>Description</u>	<u>increase / (decrease)</u>
10-350-0200	US Justice Funds DEA	427,000
10-399-0000	Fund Balance Allocation	726,233
	Total Increase / Decrease	1,153,233

Section 1: That the following Expense line item be increased / (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>increase / (decrease)</u>
10-420-0800	Unemployment Insurance 2013-2014	68
10-440-0800	Unemployment Insurance 2013-2014	851
10-450-0800	Unemployment Insurance 2013-2014	690
10-480-0800	Unemployment Insurance 2013-2014	805
10-490-0800	Unemployment Insurance 2013-2014	1,668
10-510-0800	Unemployment Insurance 2013-2014	21,236
10-530-0800	Unemployment Insurance 2013-2014	12,845
10-540-0800	Unemployment Insurance 2013-2014	532
10-545-0800	Unemployment Insurance 2013-2014	920
10-550-0800	Unemployment Insurance 2013-2014	3,106
10-555-0800	Unemployment Insurance 2013-2014	4,137
10-565-0800	Unemployment Insurance 2013-2014	5,368
10-575-0800	Unemployment Insurance 2013-2014	900
10-580-0800	Unemployment Insurance 2013-2014	4,650
10-585-0800	Unemployment Insurance 2013-2014	224
10-590-0800	Unemployment Insurance 2013-2014	1,267
10-615-0800	Unemployment Insurance 2013-2014	528
10-620-0800	Unemployment Insurance 2013-2014	3,115
10-625-0800	Unemployment Insurance 2013-2014	537
10-640-0800	Unemployment Insurance 2013-2014	5,643
10-410-5800	Workers Compensation Insurance	10
10-440-5800	Workers Compensation Insurance	253
10-550-5800	Workers Compensation Insurance	5,000
10-585-5800	Workers Compensation Insurance	45
10-590-5800	Workers Compensation Insurance	502
10-410-0704	Fringe- Insurance	7,333
10-420-0704	Fringe- Insurance	1,833
10-440-0704	Fringe- Insurance	2,750
10-450-0704	Fringe- Insurance	1,833
10-480-0704	Fringe- Insurance	1,000
10-490-0704	Fringe- Insurance	6,417
10-510-0704	Fringe- Insurance	87,083
10-530-0704	Fringe- Insurance	49,500
10-540-0704	Fringe- Insurance	2,750
10-545-0704	Fringe- Insurance	2,750
10-550-0704	Fringe- Insurance	10,083
10-555-0704	Fringe- Insurance	17,417
10-565-0704	Fringe- Insurance	20,167
10-575-0704	Fringe- Insurance	3,667
10-580-0704	Fringe- Insurance	20,167
10-585-0704	Fringe- Insurance	917
10-590-0704	Fringe- Insurance	4,583

10-615-0704	Fringe- Insurance	1,833
10-620-0704	Fringe- Insurance	8,250
10-625-0704	Fringe- Insurance	1,833
10-640-0704	Fringe- Insurance	20,167
10-510-3500	Small Equipment	387,000
10-510-7400	Capital Outlay	40,000
10-580-7400	Capital Outlay	247,000
10-615-8100	Principal on Debt	42,000
10-615-8200	Interest on Debt	1,800
10-620-0400	Professional Services	30,000
10-620-1503	Maintenance & Repair- bldg	6,000
10-620-1507	Maintenance & Repair- bldg	3,200
10-630-1501	Maintenance & Repair- bldg	38,000
10-640-1504	Maintenance & Repair -bldg	11,000
	Increase / (Decrease)	1,153,233

Adopted this 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

(ii) Ordinance to amend the water & sewer fund.

05 ORD 4-14

ORDINANCE TO AMEND THE WATER & SEWER FUND FY 2013-2014

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to adjust for changes in revenues and expenditures in comparison to the current fiscal year adopted budget, and;

WHEREAS, the City Council of the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Revenue line item be increased (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>increase / (decrease)</u>
30-385-0100	Proceeds from Lease Purchase	(1,757,000)
30-399-0000	Fund Balance Allocation	92,773
	Increase / Decrease	(1,664,227)

Section 2: That the following Expense line item be increased (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>increase / (decrease)</u>
30-720-0800	Unemployment insurance 2013-2014	932
30-810-0800	Unemployment insurance 2013-2014	1,585
30-820-0800	Unemployment insurance 2013-2014	1,892
30-830-0800	Unemployment insurance 2013-2014	2,985
30-840-0800	Unemployment insurance 2013-2014	2,186
30-850-0800	Unemployment insurance 2013-2014	3,521
30-860-0800	Unemployment insurance 2013-2014	658
30-870-0800	Unemployment insurance 2013-2014	2,544
30-880-0800	Unemployment insurance 2013-2014	1,470
30-820-5800	Workers Compensation Insurance	1,000
30-720-0704	Fringe- Insurance	4,000
30-810-0704	Fringe- Insurance	8,000
30-820-0704	Fringe- Insurance	8,000
30-830-0704	Fringe- Insurance	12,000
30-840-0704	Fringe- Insurance	9,000

30-850-0704	Fringe- Insurance	15,000
30-860-0704	Fringe- Insurance	2,000
30-870-0704	Fringe- Insurance	11,000
30-880-0704	Fringe- Insurance	5,000
30-830-0400	Professional Services	32,000
30-820-4500	Contracted Services	(757,000)
30-830-7400	Capital Outlay	(1,000,000)
	Transfer to Project 72	
30-830-7200	(Economic Development Fund)	(32,000)
	Increase / Decrease	(1,664,227)

Adopted this 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

(iii) Ordinance to amend the Sunset Theatre capital project fund.

06 ORD 4-14

ORDINANCE TO AMEND SUNSET THEATRE PROJECT (FUND #67) FY 2013-2014

WHEREAS, the current adopted budget for the Sunset Theatre Project is in the amount of \$2,748,570, and;

WHEREAS, the budget as adopted requires amendment relating to accounting for additional campaign contributions received, payment of debt service in the General Operating Fund instead of payment in the project fund and changes in expenditures associated with the purchase of furnishings, audio visual equipment and decorations once the construction renovation was completed, and;

WHEREAS, The City Council of the City of Asheboro desires to amend the budget as required by law to account for these changes in comparison to the current adopted budget, and;

WHEREAS, the City of Asheboro wants to be in compliance with all generally accepted accounting principles, and;

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ASHEBORO, NORTH CAROLINA:

Section 1: That the following Revenue line item be increased:

<u>Account #</u>	<u>Revenue Description</u>	<u>Increase</u>
67-370-0000	Campaign Contributions	110,540
	Total	110,540

Section 2: That the following Expense line item be increased / (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>Increase / (Decrease)</u>
67-870-0010	Furnishings	26,000
67-870-0020	Audio Visual Equipment	28,000
67-870-0000	Miscellaneous	12,000
67-880-0000	Construction	25,000
67-890-0000	Contingency	(24,260)
67-830-0000	Contribution to GF- Debt service	43,800
	Total	110,540

Adopted this 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk

- (f) **An ordinance amending the Downtown Farmers' Market regulations to clarify the types of vendor information that must be collected and displayed in furtherance of maintaining a proper daily registration list.**

ORDINANCE NUMBER 07 ORD 4-14
CITY COUNCIL OF THE CITY OF ASHEBORO

Downtown Farmers' Market Regulations

WHEREAS, the City of Asheboro Cultural Services Department has been tasked with operating the Downtown Farmers' Market (the "Market"), and the Cultural Services Department utilizes the City of Asheboro Cultural and Recreation Services Policy Manual as the manual that contains the rules and regulations applicable to the facilities operated by the department on behalf of the city; and

WHEREAS, Section 98.01 (Adoption by Reference) of the Code of Asheboro provides that the City of Asheboro Cultural and Recreation Services Policy Manual (the "Manual") has been adopted by the Asheboro City Council by reference and made a part of the Code of Asheboro; and

WHEREAS, within the Manual, Article XI contains the regulations governing the operation of the Market; and

WHEREAS, with the enactment of Session Law 2013-414, the North Carolina General Assembly amended Section 66-255 of the North Carolina General Statutes in a manner that requires the maintenance of a daily registration list of vendors at the Market as well as requiring vendors to make certain documentation available for posting and inspection; and

WHEREAS, due to these legislative changes, the applicable Market rules and regulations must be amended to reflect the changes in state law; and

WHEREAS, the proposed amendments to the regulations governing the operation of the Downtown Farmers' Market are attached hereto as EXHIBIT 1 and are hereby incorporated into this ordinance by reference as if copied fully herein; and

WHEREAS, the Asheboro City Council concurs with the recommendations received from the staff members in the Cultural Services Department;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

Section 1. Article XI of the City of Asheboro Cultural and Recreation Services Policy Manual is hereby rewritten to provide as specified in EXHIBIT 1. All articles, sections, and provisions of the said manual that are not expressly modified by EXHIBIT 1 will continue in full force and effect without alteration.

Section 2. All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 3. This Ordinance shall be in full force and effect upon and after the 11th day of April, 2014.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 10th day of April, 2014.

/s/ David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

EXHIBIT 1

ARTICLE XI. DOWNTOWN FARMERS' MARKET

SECTION 11.1 OPERATION AND CONTROL

The Downtown Farmers' Market (hereinafter referred to as the "Market") and the facility in which it is operated shall be administered by the City of Asheboro Cultural Services Department in a manner that will provide the citizens of Asheboro and Randolph County with an opportunity for a quality experience. The Asheboro City Council's primary goals and expectations for the Market are as follows: (1) The creation and maintenance of a permanent, safe space for local farmers to sell their goods and thereby increase awareness of the important continuing role of agriculture in Randolph County and the lives of the municipality's citizens; (2) The provision of opportunities for elementary school children to learn about local agricultural activities; and (3) The provision of opportunities for citizens to purchase farm fresh goods.

Subject to the general managerial authority of the Recreation Services Superintendent, the Program Assistant (Cultural Services) shall function as the Market Coordinator with supervisory authority and operational responsibility for the Market. For purposes of implementing and interpreting the policies and regulations applicable to the Market, the Program Assistant (Cultural Services) will be referred to as the Market Coordinator. The Market Coordinator is responsible for maintaining the good order of the Market and operating the Market in a manner that furthers, consistent with all applicable laws and the best interests of the City of Asheboro, the City Council's above-stated goals and expectations.

In the interest of operational efficiency, the Market Coordinator is authorized to utilize one or more city employees within either the Cultural Services Department or the Recreation Services Department as his or her on-site designee(s) with full authority to exercise and perform the powers and duties of the Market Coordinator when the Coordinator is unavailable to directly exercise the powers and duties specified herein. Any actions taken by such a designee are subject to final review and approval by the Market Coordinator.

SECTION 11.2 HOURS OF OPERATION

- A. The operational hours of the Market shall be set by the Recreation Services Superintendent (hereinafter referred to as the "Superintendent") on the basis of the availability of vendors and consumers that wish to sell and buy produce/goods that are eligible for sale at the Market. Unless issues of supply and demand lead the Superintendent to conclude otherwise, the Market shall be open between 7:00 a.m. and 1:00 p.m. on Tuesday, Thursday, and Saturday of each week during the months of May to October.
- B. Notwithstanding any other provision found within the adopted Market rules, the Superintendent is hereby granted the authority to exercise his or her professional judgment and adjust the Market's days and hours of operation when the available evidence, including by way of illustration and not limitation the impact of the weather on the availability of agricultural goods as well as the feedback received from vendors and consumers, leads to the conclusion that the Market's operating hours should be increased or decreased. Prior to the opening day of a new Market season or whenever a change in operating days and hours occurs during the season, written notice of the Market's days and hours of operation shall be transmitted by the Superintendent to the city's elected officials and chief executive officer no less than one (1) week in advance of the date upon which such a change in operational times becomes effective.

SECTION 11.3 DAILY FEES CHARGED TO VENDORS

If an individual or agricultural operation is found by the Market Coordinator to be eligible to participate in the Market as a vendor, the approved vendor will be required to pay a daily fee for the privilege of selling authorized items in an assigned space or spaces (a maximum of two spaces may be assigned to a vendor) during the Market's operational hours. This daily fee must be paid by each approved vendor on each day that the vendor is assigned a space or spaces at the Market. These daily fees for Market participants are non-refundable. Consequently, a vendor will not receive a refund of any fees if the Market Coordinator reassigns a vendor to a different space at the Market or orders the vendor to leave the premises due to a violation of the rules established for the operation of the Market.

The amount of the daily fee charged to and collected from approved vendors by the Market Coordinator is the amount established by the Asheboro City Council in the adopted Schedule of Deposits, Fees, and Charges Administered by the Cultural and Recreation Services Departments. This schedule of deposits, fees, and charges may be revised at any time and in the sole discretion of the Asheboro City Council.

SECTION 11.4 SUPPLEMENTAL OPERATIONAL RULES AND REGULATIONS

- A. The Market Coordinator shall enforce the rules and regulations specified herein on each day of the Market's operation. The Market Coordinator's regulatory duties specifically include, without limitation, daily inspection of the entirety of the items offered for sale at the Market in order to verify that each vendor is offering for sale only those items that fall within the scope of the certification listed in the posted Grower's Certification that was presented by the vendor as a prerequisite for obtaining permission to participate in the Market. The satisfactory completion of the prescribed daily inspections and the compliance or noncompliance of each vendor shall be documented by the Market Coordinator on a daily inspection form. The initials of staff on the daily inspection form shall signify, at a minimum, the payment of the required daily fee and compliance with the Grower's Certification.

In addition to conducting daily inspections and documenting these inspections on a daily inspection form, the Market Coordinator shall also maintain a daily registration list of all vendors selling or offering goods for sale at the Market. At the discretion of the Market Coordinator, the daily registration list and daily inspection form may be combined into a single document or maintained as separate stand-alone forms. At a minimum, any document utilized as the daily registration list must be maintained by the Market Coordinator for no less than two years and must be made available, at any time, when requested by any law enforcement officer or a duly authorized agent of the Secretary of Revenue. These requirements pertaining to the daily registration list must be strictly enforced in order for the city to remain in compliance with Section 66-255 of the North Carolina General Statutes.

Pursuant to the applicable statutory provisions, the entries on the prescribed daily registration list must clearly and legibly show each vendor's name, permanent address, and certificate of registration number. The certificate of registration number to be shown on the daily registration list pertains to the certificate of registration that, in compliance with Section 66-252 of the North Carolina General Statutes, must be obtained from the Department of Revenue before a vendor may engage in business. Along with providing the certificate of registration number for the daily registration list, each vendor must exhibit a valid certificate of registration for visual inspection by the Market Coordinator when the daily registration list is prepared, and each vendor must keep the certificate of registration conspicuously and prominently displayed so as to be visible for inspection by patrons of the vendor at the location where the vendor's goods are offered for sale.

By way of clarification and not as a limitation on the city's enforcement options, and with one exception, no vendor will be allowed to set up or remain on the premises of the Market if the vendor fails to fully and unequivocally comply with the requirements found in the two immediately preceding paragraphs and this paragraph. The one exception pertains to those vendors, who acting in good faith and at their own risk, wish to claim an exemption from the requirement to possess and display a valid certificate of registration on the basis of the exemptions to Article 32 of Chapter 66 of the North Carolina General Statutes that are found in Section 66-256 of the North Carolina General Statutes. If a vendor wishes to claim this exemption, the vendor must verify in writing on each daily registration list the continuing assertion of this claim of exemption that brings the risk of legal consequences if the assertion of an exemption is not found to be valid by the controlling legal authorities. While the city will allow a vendor claiming such an exemption to participate in the Market without displaying a certificate of registration, there are no exemptions or exceptions from the requirement to accurately and fully complete the prescribed form by providing the requested information on the daily registration list (if the exemption is claimed, the word "Exemption" must be written in the space for the certificate of registration number). Each and every vendor, without exception, must actively and fully cooperate with the completion of the daily registration list if the vendor wishes to be allowed to participate in the Market and remain on the premises of the Market. By way of illustration and not limitation, the term actively and fully cooperating with the completion of the daily registration list means that the signature used to verify a vendor's continuing claim of exemption from the requirement to post a certificate of registration is personally placed on each daily registration list by the person who completed the application to be a vendor at the Market or by a person who has been previously identified in the application or in a supplement to the application as a

member of the family or company offering goods grown or made by the family or company for sale at the Market.

- B. All goods offered for sale by a vendor must be grown or made by the person, family, or company selling the product at the market. Only home grown or home processed products from the following counties may be sold: Randolph, Alamance, Chatham, Davidson, Forsyth, Guilford, Moore, Montgomery, Richmond and Stanley. The specific types of products that may be sold at the Market are more specifically described in subsection J.
- C. The Market Coordinator is authorized to designate and adjust on an as-needed basis vehicular and pedestrian traffic flow patterns designed, to the fullest extent that is practical and reasonable for the Market Coordinator, to facilitate the creation of a safe and inviting environment for Market participants. This broad authorization includes, without limitation, the authority and duty to assign a space or spaces to an eligible vendor on a daily basis. Subject to the guidelines established within this subsection for receiving priority consideration during the parking space assignment process, eligible vendors will be assigned spaces on a first come, first serve basis.

No space or combination of spaces at the Market can be utilized by a vendor without the express permission of the Market Coordinator. Subject to the rules stated herein, the Market Coordinator is expressly authorized and directed to assign spaces to vendors in a manner designed to facilitate for visitors an enjoyable and rewarding market experience that specifically includes a safe and efficient flow of pedestrian and vehicular traffic on the premises of the Market. The assignment and reassignment of spaces by the Market Coordinator can continue throughout the course of the market day when deemed necessary by the Market Coordinator to maintain the good order of the Market and to maintain the safe flow of pedestrians and motor vehicles.

When assigning vendors to spaces at the Market, priority shall be given to vendors who have excellent rule compliance and attendance records at the Market. This space assignment priority system shall be utilized, without limitation, to determine which vendors are assigned to the spaces located under the shelter (hereinafter referred to as the "Preferred Area") at the Market facility. Regardless of a vendor's attendance record or any other evaluative factor prescribed herein, a vendor that has been found, at any point in time, to be in violation of one or more of the regulations established for the operation of the Market, including without limitation facilitating or in any way encouraging the impeding of a traffic flow pattern established within the Market by the Market Coordinator, will not be assigned a space in the Preferred Area unless and until all vendors with an unblemished compliance record have been assigned their spaces at the time of the official opening of the Market for business.

The space assignment priority system described herein will be used by the Market Coordinator to hold spaces in the Preferred Area for those vendors whose attendance and compliance with Market rules have enabled the vendors to obtain priority assignment status. Assigned spaces in the Preferred Area will be held for designated vendors with priority status until the Market's opening time. Vendors are to arrive no sooner than one hour before the designated time that the Market opens to obtain access to their assigned space. Once the Market has officially opened, the Market Coordinator is authorized to relocate and reassign vendors without regard to any sort of priority assignment system for the remainder of the day. Once a vendor is properly placed by the Market Coordinator in a space, such a vendor will not be asked to relocate to another location during the course of the day so long as he or she complies with the entirety of the Market rules and is located in the Preferred Area. Overflow areas are not to be used if space is available for a vendor in the Preferred Area.

When spaces are assigned during the opening month of the season, the attendance component of the evaluation process shall be based on the vendor's attendance record during the immediately preceding market season. Subsequent to the initial assignment of spaces at the beginning of the current season, the vendors' attendance record throughout the course of the then current season as well as the level of continuing compliance with Market rules will be reviewed in order to determine if the existing space assignment priorities are to be retained or adjusted.

Regardless of the space assignment priority a vendor might otherwise enjoy at the Market, the maximum number of spaces a vendor can be assigned on any single day is two spaces. If a vendor who has been assigned two spaces for use during the day fails to fully and properly utilize both spaces at any time during the market day, the Market Coordinator, in his or her sole discretion, may order the vendor to immediately consolidate his or her products into a single assigned space. The previously

underutilized or improperly utilized space may then be reassigned by the Market Coordinator to another vendor.

If a vendor declines to accept the space(s) initially assigned by the Market Coordinator, such a vendor will not be eligible for the assignment of a space in the Preferred Area until the Market Coordinator has completed the assignment of spaces for all of the vendors who did not reject the Market Coordinator's initial assignment decision. Any vendor who refuses to accept the final space assignment decision of the Market Coordinator shall be asked to leave the Market premises.

- D. Each vendor authorized to sell at the Market is responsible for the safety and security of the vendor's products as well as for providing the vendor's own tables and other display items. Excess produce must be removed from the market and not dumped in market facility trash containers.
- E. In order to be a vendor at the Farmers' Market, a prospective vendor must submit a properly completed application and the appropriate fees in good funds to the designated city staff member. Furthermore, the Market Coordinator may request additional information and/or documentation from potential applicants in order to research any question(s) that may arise in regard to the applicant's eligibility to be approved as a vendor at the Market. An application to be a vendor at the Market will not be approved until the Market Coordinator is provided with the requested information and is able to resolve all concerns about the applicant's eligibility to be a vendor.
- F. Staff shall review and approve each application. Applications should be received at least two weeks before the vendor plans to begin selling at the Market.
- G. All growers must have received a "Grower's Certification" from their local cooperative extension service agent. In order to be deemed valid and in compliance with these rules and regulations, a Grower's Certification must be dated as having been issued on or after April 1 of the market season during which the grower is currently offering goods for sale at the Market. Additionally, each grower must post his or her Grower's Certification for public inspection at the grower's assigned space while selling at the Market.
- H. All vendors shall display a sign bearing their name and address. This sign shall be prominently displayed by the vendor while selling at the market. The sign shall be provided by the city.
- I. Prices must be posted for all items to be sold.
- J. Subject to the controlling provision within these regulations that any and all agricultural items offered for sale at the Market must be within the scope of the posted Grower's Certification, products that can be sold include:
 - a. Vegetables grown from seeds, sets, or seedlings;
 - b. Fruits, nuts, or berries;
 - c. Plants grown from seed, seedling transplant, or cutting;
 - d. Bulbs;
 - e. Eggs;
 - f. Meats;
 - g. Dairy products;
 - h. Honey;
 - i. Cut or dried flowers;
 - j. Straw;
 - k. Preserves, pickles, relishes, jams, and jellies produced at home by the seller;
 - l. Baked goods and any other low-risk packaged foods that are produced at home by the seller subsequent to a successful Home Processor Inspection conducted by the North Carolina Department of Agriculture and Consumer Services (hereinafter referred to as "NCDACS"); and
 - m. Any other commodity or product that comes directly from the farm without any additional processing beyond the customary process used to harvest the commodity or product, or in the case of edible products is made with a primary ingredient that comes directly from the farm, so long as such items are reasonably determined by the Recreation Services Superintendent or his designee to fall within the range of commodities or goods produced by the agricultural sector of the economies in the counties of Randolph, Alamance, Chatham, Davidson, Forsyth, Guilford, Moore, Montgomery, Richmond and Stanley.
- K. No low-acid canned foods such as green beans, corn, peas, carrots, etc. may be sold. In addition, no canned tomato products may be sold.

- L. All products must be of top quality.
- M. All food must meet NCDACS and local health regulations. Members selling prepared foods must provide verification of current NCDACS inspection, specifically including the Home Processor Inspection for items produced in the home, when submitting their application.
- N. Food items must be labeled prior to sale with at least the following information:
 - a. Product name;
 - b. Manufacturer's name and address;
 - c. Net weight of the product in ounces/pounds and the gram weight equivalent;
and
 - d. Complete list of ingredients in order of predominance by weight.
- O. Only standard canning jars with new rings and lids may be used.
- P. Home baked cakes, pies, cookies, and breads may be sold except cream pies.
- Q. All goods marketed as certified goods and/or mandated by any lawful authority to be subjected to an inspection program prior to entering the market place must be validated by the vendor offering the goods for sale as compliant with the applicable legal authorities. This validation shall be accomplished by the display at the vendor's assigned space of documentation evidencing the advertised or mandated certification. Additionally, a copy of any such posted documentation must be provided to the Market Coordinator before the goods referenced in the certification are offered for sale.
- R. No live animals may be sold or given away at the market.
- S. No pets are allowed at the Market. Service animals are not deemed to be pets and are allowed at the Market. A service animal is any guide dog, signal dog, or other animal individually trained to provide assistance to an individual with a disability.
- T. Any vendor selling meat, dairy, poultry, or other animal products that are regulated by the NCDACS and/or USDA are responsible for satisfying any regulatory requirements prior to selling of product. Vendors must file a copy of Department of Agriculture Form MP-2 (Registration of Poultry and Meat Handlers) with the Market Coordinator and keep a copy of this license with them at all times while selling at the market. Vendors also must inform the Staff of any change in licensing status immediately upon receiving notice of a change. All products must be stored in a new or like new condition refrigerator or freezer.
- U. Scales should be the type that can be or is approved and certified by the NCDACS.
- V. Any complaints, disputes, or violations of the rules shall be directed to the Market Coordinator for resolution.
- W. Neither the City of Asheboro nor its elected officials, officers, employees, agents or representatives, shall be responsible, in either an official or individual capacity, for loss through theft or otherwise of private property at the market. The Farmers' Market shall not be responsible for personal injuries or damages to individuals or personal property arising out of the actions or conduct of guests, invitees, or any type of third party not directly affiliated with the City of Asheboro.
- X. Each vendor shall be responsible for their own records, taxes, and compliance with all applicable regulations.
- Y. Without limitation as to additional enforcement actions that may be taken as deemed appropriate by city officials in light of the nature of a specific offense, the following enforcement protocols will be utilized when goods are displayed/offered for sale in violation of these rules and regulations during a particular season:
 - a. 1st Offense = A verbal warning will be issued to the offending vendor, and the goods displayed/offered for sale in violation of the rules and regulations must be immediately removed from the view of any member of the public. Goods subject to a verbal or written removal order cannot be sold at the market facility. Any vendor who refuses to comply with an order from a Market Coordinator to remove goods from display will be asked to leave the premises and will be guilty of trespassing if this order to leave the premises is not obeyed within the amount of time reasonably necessary to load all of the vendor's displayed items for

transport. No vendor ordered to leave the facility due to a violation of the adopted rules and regulations is entitled to a refund of any fees that he or she may have paid in order to participate in the Market.

- b. 2nd Offense = Upon discovery of a second violation of any of the rules and regulations prescribed for the Market, a vendor will be ordered to immediately leave the facility with the entirety of his or her goods. Such a vendor will not be permitted to sell any goods at the Market for a period of three (3) consecutive market days, inclusive of the date on which the second offense was discovered.
- c. 3rd Offense = Upon discovery of a third violation of any of the rules and regulations prescribed for the Market, a vendor will be ordered to immediately leave the facility with the entirety of his or her goods. Such a vendor will not be permitted to sell any goods at the Market for the remainder of the current season.

SECTION 11.5 VENDOR FEEDBACK

Market meetings shall be held before and after the Market season. The purpose of the meetings shall be to give Market participants the opportunity to voice their opinions and make suggestions of the operation of the market. Other meetings may be held on an as needed basis. The Recreation Services Superintendent shall preside at all meetings.

SECTION 11.6 FARMERS' MARKET FACILITY

1. Except as authorized in Subsection J(m) of Section 11.4 of this Article, no alcoholic beverages or controlled substances, other than those prescription medications lawfully in the possession of an individual, are permitted on the premises of the facility. In order to remain within the exception to the general prohibition of alcoholic beverages on the facility's premises, the retail sale of unfortified wine pursuant to Subsection J(m) of Section 11.4 shall be conducted in strict compliance with all applicable federal, state, and local laws, ordinances, and regulations.
2. No pets, other than service animals, are allowed.
3. No flea market items may be sold or displayed at any time.
4. Yard sales may not be held at the Facility.
5. Rental of the facility must be approved by the Cultural Services Department.
6. Security deposit and rental fees shall be set by City Council.
7. Vendors requiring electricity shall provide their own extension cords properly rated to meet their electrical requirements.
8. No items may be attached to any area of the Market structure, trees, etc.
9. Holding an event at the Market facility without authorization shall subject the event to immediate termination and other enforcement actions as deemed appropriate by the Recreation Services Superintendent.

(g) A resolution awarding a service side arm to a retiring Asheboro police officer.

06 RES 4-14

RESOLUTION AWARDING A SERVICE SIDE ARM TO A RETIRING OFFICER OF THE ASHEBORO POLICE DEPARTMENT

WHEREAS, effective June 1, 2014, Master Police Officer Brenda Carol McMasters will begin her retirement from employment with the Asheboro Police Department after rendering honorable and invaluable service to the City of Asheboro and its citizens since the date of her initial employment with the Asheboro Police Department on May 19, 1999; and

WHEREAS, pursuant to and in accordance with Section 20-187.2 of the North Carolina General Statutes, the Asheboro City Council wishes to recognize and honor Officer McMasters for her valuable service to the city by awarding to her, at a minimal monetary cost, the service side arm issued to the officer at the time of her retirement;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro that, effective June 1, 2014, in consideration of the combination of Officer McMasters' dedicated service to the City of Asheboro and the payment to the City of Asheboro of one dollar (\$1.00), Brenda Carol McMasters is to be awarded, upon a determination by the Chief of Police that Ms. McMasters is not ineligible to own, possess, or receive a firearm under the provisions of federal or North Carolina law, ownership of her city-issued service side arm (a Glock 23 Generation 4 with serial no. SFS974 and three magazines).

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting that was held on the 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

4. **Community Development Division items:**

- (a) **Zoning Case RZ-14-01: A legislative zoning hearing continued from the March meeting to consider the application filed by H.R. Gallimore (Agent for Bernard F. Phillips) to rezone property located at 1743 and 1745 East Salisbury Street from R10 (Medium-Density Residential) and R40 (Low-Density Residential) to B2 (General Commercial).**

Mayor Smith opened the public hearing on the following request.

The requested rezoning pertains to approximately 9.88 acres of land owned by Bernard F. Phillips and Glenda P. Norford and is located at 1743 and 1745 East Salisbury Street. The area included within this request is more specifically identified by Randolph County Parcel Identification Numbers 7761723581 and 7761735006.

Mr. Nuttall presented the Community Development Division staff's analysis of the request submitted by Mr. H.R. Gallimore, who is the agent for the property owner, to rezone the above-described property from R10 (Medium-Density Residential) and R40 (Low-Density Residential) to B2 (General Commercial). Mr. H.R. Gallimore was available to answer questions. No other individuals asked to be heard during the course of this hearing.

The staff report noted that the property is located outside of the city's corporate limits, and that connection to city water and sewer service requires annexation of the property. The area in which the property is located includes a mix of industrial, commercial, and residential uses. East Salisbury Street is a state-maintained minor thoroughfare at this location. Placing the property in a B2 zoning district would allow all uses permitted by right in the B2 district.

The Planning Board concurred with the following Community Development Division staff's analysis and recommended approval of the requested rezoning:

"The request is consistent with the proposed land use map, which envisions commercial uses along this portion of East Salisbury Street. In addition, the requested B2 district is compatible with adjacent commercial and industrial land uses."

There being no further comments and no opposition from the public, Mayor Smith transitioned to the deliberative phase of the public hearing.

Upon motion by Mr. Bell and seconded by Ms. Carter, Council voted unanimously to adopt the recommendation/analysis of the Community Development Division staff and the Planning Board and approved the requested rezoning as well as adopting the following consistency statement that was initially proposed in the staff report:

After considering of the above factors (the excerpt from the staff report that is quoted above), the zoning map amendment will allow a reasonable use of the property and ensure consistency with the Land Development Plan.

- (b) **Zoning Case RZ-14-02: A legislative zoning hearing continued from the March meeting to consider the application filed by H. R. Gallimore (Agent for Bernard F. Phillips) to rezone property located at the western corner of East Salisbury Street and Coleridge Road from R7.5 (Medium-Density Residential) to B2 (General Commercial).**

Mayor Smith opened the public hearing on the following request.

The requested rezoning pertains to approximately 1.21 acres of land owned by Bernard F. Phillips and Glenda P. Norford and is located at the western corner of East Salisbury Street and Coleridge Road. The area included within this request is more specifically identified by Randolph County Parcel Identification Number 7761327507.

Mr. Nuttall presented the Community Development Division staff's analysis of the request submitted by Mr. H.R. Gallimore, who is the agent for the property owner, to rezone the above-described property from R7.5 (Medium-Density Residential) to B2 (General Commercial). Mr. H.R. Gallimore was available to answer questions. No other individuals asked to be heard during the course of this hearing.

The staff report noted that the property is located within the city's corporate limits and all city services are available. East Salisbury Street and Coleridge Road are both state-maintained minor thoroughfares at this location. Surrounding land uses include commercial, multi-family, and single-family residential land uses. Placing the property in the B2 zoning district would allow all uses permitted by right in the B2 district.

The Zoning Ordinance Statement of Intent (Section 210) states that the B2 district "*is intended to serve the convenience goods, shoppers goods retail and service needs of the motoring public, both local and transient. This district should always be located with access directly to major or minor thoroughfares, never local streets.*"

The Planning Board concurred with the following Community Development Division staff's analysis and recommended approval of the requested rezoning:

"The request is consistent with the proposed land use map, which envisions commercial uses being designated at key intersections along East Salisbury Street, such as Coleridge Road, where the subject property is located. Furthermore, since the adoption of the Land Development Plan map, additional commercial uses have been developed in this immediate vicinity along East Salisbury Street at other nearby intersections, making the requested B2 district compatible with surrounding land uses."

There being no further comments and no opposition from the public, Mayor Smith transitioned to the deliberative phase of the public hearing.

Upon motion by Mr. Bell and seconded by Mr. Burks, Council voted unanimously to adopt the recommendation/analysis of the Community Development Division staff and the Planning Board and approved the requested rezoning as well as adopting the following consistency statement that was initially proposed in the staff report:

After considering the above factors (the excerpt from the staff report that is quoted above), the zoning map amendment will allow a reasonable use of the property and ensure consistency with the Land Development Plan.

(c) A report concerning applications submitted for an open seat on the Asheboro Redevelopment Commission.

Mr. Nuttall reported to the Council Members that only one individual, Ms. Ann C. McGlohon, had submitted her application for the open seat on the Asheboro Redevelopment Commission. This vacancy on the commission is attributed to the retirement of Ms. Martha Norman. Additionally, Mr. Nuttall recommended that the Council appoint Ms. McGlohon to the Redevelopment Commission for a five (5) year term, beginning on April 1, 2014 and expiring on April 1, 2019.

Upon motion by Mr. Baker and seconded by Mr. Swiers, Council voted unanimously to appoint Ms. Ann C. McGlohon to the Asheboro Redevelopment Commission for a five (5) year term beginning April 1, 2014 and ending on April 1, 2019.

(d) A report concerning the public workshop held on March 27, 2014 to inform the public about the proposed Vision Drive safety improvements.

Mr. Nuttall reported that six (6) citizens attended the public workshop held on March 27, 2014 and reviewed the maps pertaining to the proposed Vision Drive safety improvements. Overall, Mr. Nuttall informed the Council that positive comments have been received regarding the proposed improvements. The project is slated to begin late summer 2014.

(e) The recently updated brochure highlighting Asheboro as a state certified retirement community.

Mr. Nuttall presented the recently update brochure highlighting Asheboro as a North Carolina Certified Retirement Community. Within the brochure, citizens may read a

welcome message from Mayor Smith and learn top ten reasons to love Asheboro. The brochure will be distributed both locally and across the state. A copy is on file in the city clerk's office.

5. Public comment period.

Mayor Smith opened the floor for comments from the public.

There being no comments from the public, Mayor Smith closed the public comment period.

6. Annual report of the Asheboro Police Department.

Mr. Ralph W. Norton, Chief of Police, presented an overview of the Police Department's activities for 2013. Along with highlighting the department's statistics, Chief Norton highlighted that two (2) more community watch programs have been implemented since 2012, for a total of 16 community watch programs within the city.

A copy of the report presented by Chief Norton is on file in the City Clerk's office.

7. Public works items:

(a) Engineering items:

- (i) A resolution approving an agreement with the N. C. Department of Transportation under which the city will perform, with reimbursement from the state, routine and/or clean-up mowing of vegetation within the rights of way of certain state maintained streets within the city limits.**

Mr. Leonard presented and recommended adoption, by reference, of the aforementioned resolution.

Upon motion by Mr. Moffitt and seconded Mr. Bell, Council voted unanimously to adopt the following resolution by reference.

RESOLUTION NUMBER 07 RES 4-14
CITY COUNCIL OF THE CITY OF ASHEBORO

Right-of-Way Mowing Agreement with the North Carolina Department of Transportation

WHEREAS, the City of Asheboro (the "City") has found from past experience that it is in the overall interest of the City to perform, with reimbursement from the North Carolina Department of Transportation (the "NCDOT"), routine and/or clean-up mowing of vegetation within the rights-of-way of certain state-maintained roads so long as the sections of rights-of-way to be maintained are located within the Asheboro city limits; and

WHEREAS, the NCDOT is agreeable to engaging in the above-described contractual relationship if the City will execute a "TRAFFIC – CONSTRUCTION BY OTHERS AGREEMENT" (the "Agreement") prepared by NCDOT; and

WHEREAS, the proposed Agreement is attached to this Resolution as EXHIBIT 1 and is hereby incorporated into this Resolution by reference as if copied fully herein; and

WHEREAS, the City's professional staff has reviewed the terms and conditions of the Agreement and has provided a favorable report of the Agreement to the Council; and

WHEREAS, after considering the Agreement during a regular meeting that was held on April 10, 2014, the City Council has concurred with the staff's favorable opinion of the proposal;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro that the Agreement attached hereto as EXHIBIT 1 is hereby approved; and

BE IT FURTHER RESOLVED that the Mayor, City Clerk, and all other necessary City officials are authorized to execute and deliver the Agreement to the NCDOT.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting held on the 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

[Exhibit 1 that is referred to in the above-referenced resolution is attached to the original resolution on file in the City Clerk's office.]

(ii) An ordinance updating the parking regulations applicable to the downtown area.

Mr. Leonard presented and recommended adoption, by reference, of the above-referenced ordinance.

Upon motion by Mr. Bell and seconded by Mr. Baker, Council voted unanimously to adopt the following ordinance by reference.

ORDINANCE NUMBER 08 ORD 4-14
CITY COUNCIL OF THE CITY OF ASHEBORO

Parking Regulations in the Downtown Area

WHEREAS, Section 160A-296 of the North Carolina General Statutes provides that a city shall have general authority and control over all public streets, sidewalks, alleys, bridges, and other ways of public passage within its corporate limits; and

WHEREAS, Section 160A-301(a) of the North Carolina General Statutes provides that the "city may by ordinance regulate, restrict, and prohibit the parking of vehicles on the public streets, alleys, and bridges within the city;" and

WHEREAS, Section 160A-302 of the North Carolina General Statutes provides that "a city shall have authority to own, acquire, establish, regulate, operate, and control off-street parking lots, parking garages, and other facilities for parking motor vehicles, and to make a charge for the use of such facilities;" and

WHEREAS, during its regular meeting on March 6, 2014, the Asheboro City Council received a request from the Downtown Business Association to update on-street and off-street parking regulations in the downtown area; and

WHEREAS, with the exception of preferring a 3-hour durational parking limitation at Bicentennial Park over the requested 4-hour durational parking limitation, the governing board agreed with the requests presented by the Downtown Business Association's spokesperson during the Council's March 2014 regular meeting; and

WHEREAS, city staff members prepared detailed diagrams to serve as official parking plans that reflect the consensus about updating downtown area parking restrictions that emerged during the said March meeting; and

WHEREAS, these proposed official parking plans have been prepared by the City of Asheboro Engineering Department under job no. 14007 and consist of a total of 4 sheets (Sheet 1 of 4 = "Parking Plan For Bicentennial and Academy Street Lots;" Sheet 2 of 4 = "Parking Plan For Trade Street;" Sheet 3 of 4 = "Parking Plan For North Street;" and Sheet 4 of 4 = "Parking Plan For City Hall Parking Lots") that are attached to this Ordinance as EXHIBIT 1 and are hereby incorporated into this Ordinance by reference as if copied fully herein (these parking plans as shown on the attached total of 4 sheets shall be hereinafter collectively referred to as the "Parking Plans");

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro as follows:

Section 1. The Parking Plans submitted by city staff and attached hereto as EXHIBIT 1 are hereby approved and adopted, without modification, as official parking plans of the City of Asheboro.

Section 2. The city manager is hereby directed to cause the appropriate streets and municipal parking lots to be posted with signage and otherwise marked in accordance with the applicable laws and generally accepted industry standards so as to fully implement the Parking Plans attached to this Ordinance as EXHIBIT 1.

Section 3. The city clerk shall enter descriptions of the 2-hour time limits and the municipal parking lot restrictions shown by the Parking Plans in the appropriate schedules (Schedule 3 and Schedule 20, respectively) of Section 72.02 of the Code of Asheboro.

Section 4. All ordinances and clauses of ordinances in conflict with this Ordinance are hereby repealed.

Section 5. This Ordinance shall take effect and be in force from and after the date of its adoption.

This Ordinance was adopted by the Asheboro City Council in open session during a regular meeting held on the 10th day of April, 2014.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

[The Parking Plans referenced in the preceding ordinance are on file in the City Clerk's office.]

(b) Update on city operations and debris removal after the recent winter storm.

Mr. David Hutchins, the city's Public Works Director, utilized a visual presentation and highlighted that approximately 200 trees fell on city streets during the ice storm that occurred on March 7, 2014. Additionally, Mr. Hutchins reported to the Council that city crews worked approximately 5,207 hours cleaning approximately 1,950 tons of debris from city streets during March 7, 2014 until April 9, 2014.

In addition to his gratitude, Mayor Smith conveyed to Mr. Hutchins the positive comments he has received from citizens on the great work that the city crews have done in the past month in their diligence in cleaning the storm debris from city streets in such a timely manner.

A copy of the visual presentation utilized by Mr. Hutchins is on file in the City Clerk's office.

(c) Update on the recycling contract.

Mr. Hutchins reported that the curbside recycling has been successful and that city staff recommends that the contract with Asheboro Recycling Center be renewed. The Council Members indicated their general consent for city staff to prepare a contract based on the terms and conditions of the initial recycling agreement, to extend the city's contractual relationship with Asheboro Recycling Center. A formal proposal will be submitted for approval during a future meeting of the Council. No formal action was taken by the Council during this meeting.

8. Resolution authorizing the execution of an installment financing agreement with Branch Banking and Trust Company.

Ms. Reaves presented and recommended adoption, by reference, of the aforementioned resolution.

Upon motion by Mr. Burks and seconded by Ms. Carter, Council voted unanimously to adopt the following resolution by reference.

ASHEBORO CITY COUNCIL RESOLUTION NO. 08 RES 4-14

A Resolution Approving Financing Terms

WHEREAS, the City of Asheboro (hereinafter referred to as the "City") has previously decided to undertake a project for the financing of vehicles and equipment (this project shall be hereinafter referred to as the "Project"); and

WHEREAS, Section 160A-20 of the North Carolina General Statutes authorizes the City to finance the purchase of personal property by means of an installment contract that creates a security interest in the purchased property to secure payment of the purchase price to the entity supplying financing for the purchase transaction; and

WHEREAS, by means of adopting Resolution Number 38 RES 9-13 on September 12, 2013, the Asheboro City Council has previously stated its intent that, prior to the execution of any installment

financing agreement and consistent with the city's budget ordinance for fiscal year 2013-2014, a maximum of \$28,000.00 may be expended from the General Fund during the current fiscal year for certain vehicles and equipment referenced in the adopted Resolution of Intent and a maximum of \$414,000.00 may be expended during the current fiscal year from the Water and Sewer Fund for certain vehicles and equipment referenced in the adopted Resolution of Intent; and

WHEREAS, also by means of adopting Resolution Number 38 RES 9-13 on September 12, 2013, the Asheboro City Council has previously formally and explicitly declared the official intent of the City of Asheboro to fully reimburse, with loan proceeds from an installment financing agreement that is to be executed prior to the end of the 2013-2014 fiscal year, any and all expenditures from the General Fund and the Water and Sewer Fund for the purchase during the current fiscal year of the vehicles and equipment identified in the Resolution of Intent that are necessary to the provision of essential municipal services; and

WHEREAS, after searching for favorable financing rates and terms, the city manager and the finance director have presented a proposal for the financing of the above-referenced Project;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Asheboro as follows:

Section 1. The determination is hereby made that the City will finance the Project through Branch Banking and Trust Company (hereinafter referred to as "BB&T") in accordance with the proposal dated March 21, 2014. The amount financed shall not exceed \$365,000.00, the annual interest rate (in the absence of a default or a change in tax status) shall not exceed 1.79%, and the financing term shall not exceed 59 months from closing.

Section 2. All financing contracts and all related documents for the closing of the financing (hereinafter referred to as the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents and to take all such further action as they may consider necessary or desirable to carry out the financing of the Project as contemplated by the proposal and this Resolution.

Section 3. The finance officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. To the extent authorized by law and any applicable rules of professional conduct, the finance officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the finance officer shall approve, with the finance officer's release of any Financing Documents for delivery constituting evidence of such officer's final approval of the Documents' final form.

Section 4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

Section 5. In addition to the above-referenced and previously adopted Resolution of Intent (Resolution Number 38 RES 9-13), the City intends that the adoption of this Resolution will be a continuing declaration of the City's official intent to reimburse expenditures for the Project that is to be financed from the proceeds of the BB&T financing described above. The City intends that funds that have been advanced, or that maybe advanced, from the City's General Fund, or any other fund related to the Project such as the City's Water and Sewer Fund, for Project costs may be reimbursed from financing proceeds.

Section 6. All prior actions of City officers in furtherance of the purposes of this Resolution are hereby ratified, approved, and confirmed. All other resolutions (or parts thereof) in conflict with this Resolution are hereby repealed to the extent of any such conflict. This Resolution shall take effect immediately.

This Resolution was adopted by the Asheboro City Council in open session during a regular meeting of the governing board that was held on April 10, 2014.

/s/David H. Smith
David H. Smith, Mayor
City of Asheboro, North Carolina

ATTEST:

/s/Holly H. Doerr
Holly H. Doerr, CMC, NCCMC, City Clerk
City of Asheboro, North Carolina

9. **A Resolution entitled “Designation of Applicant’s Agent” as required by the N.C. Division of Emergency Management and U.S. Department of Homeland Security, Federal Emergency Management Agency, to request Federal and State funds in connection with the damaged caused by the winter storm disaster of Mach 6-7, 2014.**

Ms. Reaves presented and recommended adoption, by reference, of the aforementioned resolution.

Upon motion by Mr. Baker and seconded by Ms. Hunter, Council voted unanimously to adopt the Resolution entitled Designation of Applicant’s Agent that was provided by the North Carolina Division of Emergency Management. A copy of the original executed resolution is on file in the City Clerk’s office.

10. **Upcoming events that were announced by Mayor Smith:**

- **Business After Hours Event at the North Carolina Zoo on Thursday, April 17, 2014 from 5:30 until 7:00 p.m.**
- **Annual Identity Theft Prevention Program Committee meeting on Wednesday, April 30, 2014 at 9:00 a.m. in the Council Chamber.**
- **“No Tie Affair” event on Saturday, April 26, 2014 from 6:00 p.m. until 10:00 p.m. at JB and Claire Davis’ Cotopaxi Farm.**
- **The Mayor’s Prayer Breakfast on Thursday, May 1, 2014 at AVS Catering at 6:45 a.m.**
- **Ethics for Municipal Elected Officials live webinar on Wednesday, May 14, 2014 from 10:00 a.m. until 12:00 p.m.in the Council Chamber.**
- **Budget workshop on Tuesday, May 20, 2014 at 5:30 p.m.**
- **Town Hall Day at General Assembly on Wednesday, June 4, 2014.**
- **Regular city council meeting and budget public hearing on Thursday, June 5, 2014.**
- **Budget adoption on Thursday, June 26, 2014 at 12:00 p.m.**

There being no further business, the meeting was adjourned at 7:58 p.m.

Holly H. Doerr, CMC, NCCMC, City Clerk

David H. Smith, Mayor

Minutes of the meeting of the Asheboro Alcoholic Beverage Control Board held on April 7, 2014

The Asheboro ABC Board met on April 7, 2014, at 5:00 PM, in the Board office, 700 South Fayetteville Street, Asheboro, NC.

Present were Chair Brooke Schmidly, Board Member Steve Knight, Board Member Bob Morrison, General Manager Rodney Johnson (GM) and Store Manager Gene Fox. A quorum being present, the Chair called the meeting to order for the transaction of business and business transacted as follows:

The Chair inquired as to any known conflict of interest, appearance of a conflict of interest, or objections concerning agenda items before the Board; after the Chair and both Board members voiced having no conflict, and there being no objection, the agenda was adopted.

The Board reviewed and there being no objection, approved and signed the Minutes from the March 3, 2014, regular meeting.

Steve Knight and the GM reviewed Board finances and reported all finances remain consistent.

1st and 2nd Quarter 2014 Alcohol Education and Rehabilitation funds totaling \$9,999.99 have been disbursed to Asheboro High School and each Randolph County high school to fund Prom Promise programs. Each school received \$1,428.57 to support a multifaceted educational effort to not drink and drive.

ABC Commission Chairman Gardner has requested local boards reach out to law enforcement agencies under ABC contracts to discuss shared missions relating to underage drinking. The Asheboro ABC Board has such a contract with the Asheboro Police Department. The Board directed the GM contact Asheboro Police officials to review contractual agreements and ABC enforcement activities in the Board's jurisdiction.

The Board heard reports from the General Manager concerning the following issues:

1. The Change-Fund Report ending March 31, 2014, was reviewed with nothing remarkable noted.
2. Asheboro ABC sales statistics comparing:
 - March 2014 sales with the previous month indicate:
 - An overall + 7.3% change (all sales and tax collections)
 - March 2014 sales with sales from the same month last year indicate:

- Retail Sales -0.8%
 - Mixed Beverage Sales: -5.5%
 - Sales Tax Collections: -0.9%
 - Overall Collections: -1.4%
- February 2014 bottle sales with bottle sales from the same month last year indicate:
 - Retail Bottle Sales: +5.8%
 - Mixed Beverage Bottle Sales: -5.0%
 - Overall Bottle Sales: +5.0%

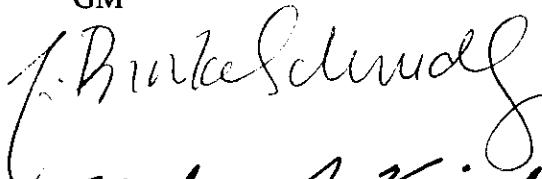
Charts reflecting sales histories were handed out to Board members for review and discussion.

The next regular Asheboro ABC Board meeting will be held Monday, May 5, 2014, at 5:30 p.m.

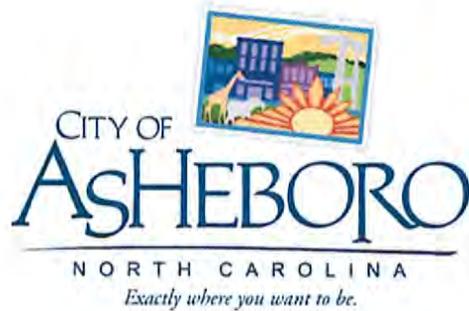
There being no further business, the meeting was adjourned.

Prepared by Rodney Johnson, GM, and Approved by the Board 5-5-14


GM







TO: John Ogburn, *City Manager*

FROM: Jonathan Sermon, *Recreation Services Superintendent*

DATE: April 30, 2014

SUBJECT: **Written notice to Council of proposed operational hours at City Swimming Pools**

The Cultural & Recreation Services Department is requesting to be placed on the council's consent agenda for the May 8th city council meeting to address the proposed operational hours at city-owned swimming pools for the 2014 season. Attached to this letter please find the proposed 2014 operational hours for both Memorial and North Asheboro Swimming Pools. This letter and attached schedule shall serve as the formal written notice to the Asheboro City Council as required each year by Article IX, Section 9.3 of the Cultural & Recreation Services Department policy manual.

Latoya Price, Cultural and Recreation Services - Aquatics Supervisor can be present at the council meeting to answer any questions concerning the proposed schedule if needed.

North Asheboro Pool Schedule

Sunday:

1:00pm – 6:00pm Public Open Swim

Monday:

9:00am – 11:30am Swimming Lessons

12:00pm – 6:00pm Public Open Swim

6:30pm – 7:30pm Swim Team Practice

Tuesday:

9:00am – 11:30am Swimming Lessons

12:00pm – 6:00pm Public Open Swim

7:30pm – 9:30pm Public Night Swim

Wednesday:

9:00am – 11:30am Swimming Lessons

12:00pm – 6:00pm Public Open Swim

6:30pm – 7:30pm Swim Team Practice

Thursday:

9:00am – 11:30am Swimming Lessons

12:00pm – 6:00pm Public Open Swim

7:30pm – 9:30pm Public Night Swim

Friday:

9:00am – 11:30am Swimming Lessons

12:00pm – 6:00pm Public Open Swim

Saturday:

10:00am – 11:00am Swim Team Practice

12:00pm – 6:00pm Public Open Swim

Note:

Some additional days may be used for swim team practice when not in conflict with regularly scheduled pool programming.

Memorial Pool Schedule

Sunday:

1:00pm – 6:00pm Public Open Swim

Monday:

11:00am – 1:00pm Public Lap/Adult Swim

1:00pm – 6:00pm Public Open Swim

6:30pm – 7:15pm Swimming Lessons

7:30pm – 9:30pm Public Night Swim

Tuesday:

11:00am – 1:00pm Public Lap/Adult Swim

1:00pm – 6:00pm Public Open Swim

6:30pm – 7:15pm Swimming Lessons

Wednesday:

11:00am – 1:00pm Public Lap/Adult Swim

1:00pm – 6:00pm Public Open Swim

6:30pm – 7:15pm Swimming Lessons

7:30pm – 9:30pm Public Night Swim

Thursday:

11:00am – 1:00pm Public Lap/Adult Swim

1:00pm – 6:00pm Public Open Swim

6:30pm – 7:15pm Swimming Lessons

Friday:

11:00am – 1:00pm Public Lap/Adult Swim

1:00pm – 6:00pm Public Open Swim

6:30pm – 7:15pm Swimming Lessons

Saturday:

12:00pm – 6:00pm Public Open Swim

Note:

Memorial Pool Staff will post a weekly schedule, identifying pool games and programming for swimmers to partake in throughout public open swim hours, Monday thru Friday.

CONTRACT TO AUDIT ACCOUNTS

Of City of Asheboro
 Governmental Unit and Discretely Presented Component Unit (DPCU) if applicable

On this 15 day of April, 2014,

Auditor: Maxton C. McDowell, CPA Auditor Mailing Address: _____

379 South Cox Street, Asheboro, N.C. 27203

Hereinafter referred to as The Auditor

and City Council (Governing Board (s)) of City of Asheboro

_____ : hereinafter referred to as the Governmental Unit (s), agree as follows:
 Governmental Unit (s)

1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2013, and ending June 30, 2014. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCU's, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
 2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).
- County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.
3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
 4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
 5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.**

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

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2014. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the Secretary of the LGC for approval.

Contract to Audit Accounts (cont.)

City of Asheboro

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

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

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] \$-0-

Audit \$29,500

Preparation of the annual financial statements \$3,000

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee. The 75% cap for interim invoice approval for this audit contract is \$ 24,375 **** NA if no interim billing**

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

Contract to Audit Accounts (cont.)

City of Asheboro

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

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

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

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

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

Contract to Audit Accounts (cont.)

City of Asheboro

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

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

Audit Firm Signature:

Maxton C. McDowell, CPA

Name of Audit Firm

By Maxton C. McDowell

Authorized Audit firm representative name: Type or print

Maxton C. McDowell

Signature of authorized audit firm representative

mcmcpa@triad.rr.com

Email Address of Audit Firm:

Date 4/24/14

Governmental Unit Signatures:

By David Smith, Mayor

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

DPCU Chairperson: Type or print name and title

Signature of Chairperson of DPCU if applicable

Date

Unit Signatures (continued):

By NA

Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson

Date

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

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

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

By Deborah Reaves

Governmental Unit Finance Officer: Type or print name

Finance Officer Signature

dreaves@ci.asheboro.nc.us

Email Address of Finance Officer

Date

(Pre-audit Certificate must be dated.)

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

Board Approval Date - Primary Government

N/A

Board Approval Date - DPCU



MAXTON McDOWELL

Certified Public Accountant

379 South Cox Street
Asheboro, North Carolina 27203
Phone: (336) 626-9970
Fax: (336) 626-5981

Member
American Institute of Certified
Public Accountants
North Carolina Association of
Certified Public Accountants

126 North Second Street
Albemarle, North Carolina 28001
Phone: (704) 983-5012
Fax: (704) 983-5109

April 15, 2014

Mr. David Smith, Mayor and
City Council of the City of Asheboro
146 N. Church Street
Asheboro, NC 27203

I am pleased to confirm our understanding of the services I am to provide for the City of Asheboro for the year ended June 30, 2014. I 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 entity's basic financial statements, of the City of Asheboro as of and for the year ended June 30, 2014. 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 the City of Asheboro'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, I will apply certain limited procedures to the City of Asheboro'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 my inquiries, the basic financial statements, and other knowledge I obtained during my audit of the basic financial statements. I will not express an opinion or provide any assurance on the information because the limited procedures do not provide me 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 Schedules
3. Other Postemployment Benefits Schedules

I have also been engaged to report on supplementary information other than RSI that accompanies the City of Asheboro's financial statements. I will subject the following supplementary information to the auditing procedures applied in my 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 I will provide an opinion on it in relation to the financial statements taken as a whole, in a report combined with my auditor's report on the financial statements:

1. Budgetary Comparison Schedule
2. Combining and Individual Fund Financial Statements and Schedules
3. Schedule of Expenditures of Federal and State Awards

The following other information accompanying the financial statements, which is required for a Comprehensive Annual Financial Report, will not be subjected to the auditing procedures applied in my audit of the financial statements, and for which my auditor's report will not provide an opinion or any assurance on that other information:

1. Introductory Information
2. Statistical Tables

Audit Objectives

The objective of my audit is the expression of opinions as to whether the City of Asheboro's basic financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America and to report on the fairness of the supplementary information referred to in the second paragraph when considered in relation to the financial statements taken as a whole. The objective also includes reporting on the City of Asheboro's:

- Internal control related to the financial statements and compliance with the provisions of applicable laws, regulations, contracts, grants, and agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*.
- Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996, OMB Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations* and the State Single Audit Implementation Act.

The *Government Auditing Standards* report on internal control over financial reporting 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 over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of internal control over financial reporting or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering internal control over financial reporting and compliance. The OMB Circular A-133 report on internal control over compliance will include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Both reports will state that the report is not suitable for any other purpose.

My audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; Single Audit Act Amendments of 1996; the provision of OMB Circular A-133; and the State Single Audit Implementation Act, and will include tests of the accounting records, a determination of major programs in accordance with OMB Circular A-133 and the State Single Audit Implementation Act, and other procedures I consider necessary to enable me to express such opinions. I will issue written reports upon completion of my Single Audit. My reports will be addressed to the mayor and City Council of the City of Asheboro. I will make reference to the Asheboro ABC Board's auditor's audit in my report on your financial statements. I cannot provide assurance that unmodified opinions will be expressed. Circumstances may arise in which it is necessary for me to modify my opinions or add emphasis-of-matter or other-matter paragraphs. If my opinions on the financial statements or the Single Audit compliance opinions are other than unmodified, I will fully discuss the reasons with you in advance. If, for any reason, I am unable to complete the audit or am unable to form or have not formed opinions, I may decline to express opinions or to issue a report as a result of this engagement, or may withdraw from this engagement.

Management Responsibilities

Management is responsible for making all financial records and related information available to me and for the accuracy and completeness of that information. Management is also responsible for providing me with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, (2) additional information that I may request for the purpose of the audit, and (3) unrestricted access to persons within the government from whom I determine it necessary to obtain audit evidence. Management is also responsible for identifying significant vendor relationships in which the vendor has responsibility for program compliance and for the accuracy and completeness of that information. Management is responsible for adjusting the financial statements to correct material misstatements and for confirming to me in the representation letter that the effects of any uncorrected misstatements aggregated by me 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.

Management is responsible for establishing and maintaining effective internal controls, including internal controls over compliance, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; following laws and regulations; and, that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and, ensuring that management is reliable and the financial information is reliable and properly recorded. Management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. Management is responsible for the selection and application of accounting principles; for the preparation and fair presentation in the financial statements of the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Asheboro and the respective changes in financial position and, where applicable, cash flows in conformity with accounting principles generally accepted in the United States of America; and for federal and state award program compliance with applicable laws and regulations and the provisions of contracts and grant agreements.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing me about all known or suspected fraud, or illegal acts affecting the government involving (a) management, (b) employees who have significant roles in internal control, and (c) others where the fraud or illegal acts could have a material effect on the financial statements. You are also responsible for informing me of your knowledge of any allegations of fraud or suspected fraud or illegal acts 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 City of Asheboro complies with applicable laws, regulations, contracts, agreements and grants; and for taking timely and appropriate steps to remedy any fraud, illegal acts, violations of contracts or grant agreements, or abuse that I may report. Additionally, as required by OMB Circular A-133, it is management's responsibility to follow up and take corrective action on reporting audit findings and to prepare a summary schedule of prior audit findings and a corrective action plan. The summary schedule of prior audit findings should be available for my review on September 1, 2014.

Management is responsible for the financial statements, schedule of expenditures of federal and state awards, and all accompanying information as well as all representations contained therein. Management is also responsible for identifying government awards programs and understanding and complying with the compliance requirements, and for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in accordance with the requirements of OMB Circular A-133. You are responsible for making all management decisions and performing all management functions relating to the financial statements, schedule of expenditures of federal and state awards, and related notes, and any other nonaudit services I provide and for accepting full responsibility for such decisions. As part of the audit, I will assist with

the preparation of your financial statements, schedule of expenditures of federal and state awards, and related notes. 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*. You will be required to acknowledge in the management representation letter my assistance with the preparation of the financial statements and the schedule of expenditures of federal and state awards, and related notes and that you have reviewed and approved them prior to their issuance and have full responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

You are responsible for the preparation of the other supplementary information, which I have been engaged to report on, in conformity with accounting principles generally accepted in the United States of America. You agree to include my report on the supplementary information in any document that contains and indicates that I have reported on the supplementary information. You also agree to present the supplementary information with the audited financial statements 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 my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for the presentation of the supplementary information in accordance with GAAP; (2) that you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP; (3) that 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 are responsible for the preparation of the schedule of expenditures of federal and state awards (including notes and noncash assistance received) in conformity with OMB Circular A-133. You agree to include my report on the schedule of expenditures of federal and state awards in any document that contains and indicates that I have reported on the schedule of expenditures of federal and state awards. You also agree to present the schedule of expenditures of federal and state awards with the audited financial statements OR make the audited financial statements readily available to users of the schedule of expenditures of federal and state awards no later than the date the schedule of expenditures of federal and state awards is issued with my report thereon. Your responsibilities include acknowledging to me in the written representation letter that (1) you are responsible for the presentation of the schedule of expenditures of federal and state awards in accordance with OMB Circular A-133; (2) that you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with OMB Circular A-133; (3) that the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes); and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal and state awards.

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

Audit Procedures – General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, my audit will involve judgement 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. I will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free from material misstatement, whether from errors, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. 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 I will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by me, even though the audit is properly planned and performed in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, I will inform you of any material errors and any fraudulent financial reporting or misappropriation of assets that comes to my attention. I will also inform you of any violations of laws or governmental regulations that come to my attention, unless clearly inconsequential. I will include such matters in the reports required for a Single Audit. My responsibility as auditor is limited to the period covered by my audit and does not extend to matters that might arise during any latter periods for which I am not engaged as auditor.

My 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, creditors, funding sources, and financial institutions. I will request written representations from your attorneys as part of this engagement, and they may bill you for responding to this inquiry. At the conclusion of my audit, I will also require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal and state awards; federal and state awards programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

Audit Procedures – Internal Controls

My audit will include obtaining an understanding of the entity and its environment, including internal control, sufficient to assess the risks of material misstatement of the financial statements and to the design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that I 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. My 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 my report on internal control issued pursuant to *Government Auditing Standard*.

As required by OMB Circular A-133, I will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that I consider relevant to preventing or detecting material noncompliance with compliance requirements, applicable to each of the City of Asheboro's major federal and state award programs. However, my tests will be less in scope than would be necessary to render and opinion on those controls, and accordingly, no opinion will be expressed in my report on internal control issued pursuant to OMB Circular A-133.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies. However, during the audit, I will communicate to management and those charged with governance internal

control related matters that are required to be communicated under professional standards, *Government Auditing Standards* and OMB Circular A-133.

Audit Procedures – Compliance

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

OMB Circular A-133 requires that I also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. My procedures will consist of tests of transactions and other applicable procedures described in the *OMB Circular A-133 Compliance Supplement* and the Audit Manual for Governmental Auditors in North Carolina, issued by the Local Government Commission, for the types of compliance requirements that could have a direct and material effect on each of the City of Asheboro's major programs. The purpose of those procedures will be to express an opinion on the City of Asheboro's compliance with requirements applicable to major programs in my report on compliance issued pursuant to OMB Circular A-133.

Audit Administration, Fees and Other

I understand that your employees will prepare all cash, accounts receivable, or other confirmations I request and will locate any invoices selected by me for testing.

At the conclusion of the engagement, I will complete the appropriate sections of the Data Collection Form that summarizes my audit findings. It is management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal and state awards, summary schedule of prior audit findings, auditor's reports, and a corrective action plan) along with the Data Collection Form to the designated federal clearinghouse and, if appropriate, to pass-through entities. I will coordinate with you the electronic submission and certification. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after the receipt of the auditor's report or nine months after the end of the audit period, unless a longer period is agreed to in advance by the cognizant or oversight agency for audits.

The audit documentation for this engagement is the property of Maxton C. McDowell, CPA and constitutes confidential information. However, pursuant to authority given by law or regulation, I may be requested to make certain audit documentation or individuals available to a grantor agency or its designee, a federal or state agency providing direct or indirect funding, or the U.S. Government Accountability Office for purposes of quality review of the audit, to resolve audit findings, or to carry out oversight responsibilities. I will notify you of any such request. If requested, access to such audit documentation will be provided under the supervision of Maxton C. McDowell, CPA personnel. Furthermore, upon request, I may provide copies of selected audit documentation to the aforementioned parties. These parties may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies.

The audit documentation for this engagement will be retained for a minimum of five years after the report release or for any additional period requested by the grantor agency. If I am aware that a federal and state awarding agency, pass-through entity, or auditee is contesting an audit finding, I will contact the parties contesting the audit finding for guidance prior to destroying the audit documentation.

City of Asheboro
April 15, 2014
Page Seven

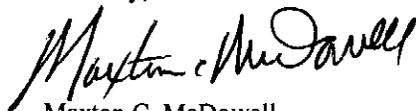
I expect to issue my reports no later than October 31, 2014. My fees for these services will be at standard hourly rates plus out-of-pocket costs (such as report production, typing, postage, travel copies, telephone, etc.) except that we agree that our gross fee, including expenses, will not exceed \$32,500. Standard hourly rates vary according to degree of responsibility involved and the experience level of the personnel assigned to your audit. My invoice for these fees will be rendered periodically as work progresses and are payable upon presentation. In accordance with firm policies, work may be suspended if your account becomes thirty days or more overdue and may not be resumed until your account is paid in full. If services are terminated due to nonpayment, you will be obligated to compensate for all time expended and to reimburse 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; I will discuss it with you and arrive at a new fee estimate before additional cost is incurred.

Government Auditing Standards require that, if requested by you, a copy of my most recent external peer review report and any letter of comment, and any subsequent peer review reports and letters of comment received during the period of the contract be provided to you. My 2012 peer review report accompanies this letter.

I appreciate the opportunity to be of service to the City of Asheboro and believe this letter accurately summarizes the significant terms of my engagement. If you have any questions, please let me know.

If you agree with the terms of this engagement as described in this letter, please sign and return the original and the enclosed copies.

Sincerely,



Maxton C. McDowell
Certified Public Accountant

RESPONSE:

This letter correctly sets forth the understanding of the City of Asheboro.

By: _____

Title: _____

Date: _____

System Review Report

July 23, 2012

To Maxton C. McDowell
and the Peer Review Committee of the North Carolina
Association of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Maxton McDowell, CPA (the firm) in effect for the year ended February 29, 2012. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

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

In our opinion, the system of quality control for the accounting and auditing practice of Maxton McDowell, CPA in effect for the year ended February 29, 2012, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Maxton McDowell, CPA has received a peer review rating of *pass*.

Bernard Robinson & Company, LLP

BERNARD ROBINSON & COMPANY, L.L.P.



**RZ-14-04: Request to rezone from R10/R7.5 (Medium-Density Residential) to
OA6 (Office-Apartment)**

(Richard S. Stockner/Carol Burrow, Agent)

Planning Board Recommendation and Staff Report

Planning Board Recommendation & Comments to City Council

NOTE: Have applicant Certify to Council mailings to all adjoining property owners.

Case # RZ-14
-04

Date 4/7/14 and 5/5/14 PB
5/8/14 City Council

Applicant Richard Stockner

Legal Description

The property of Iris B. Stockner, located at 617 NC Hwy. 42 North, identified by Randolph County Parcel Identification Numbers 7761321382 and 7761322224, Richard S. Stockner and Robin S. Stockner, located at 609 NC Hwy. 42 N. identified by Parcel ID #7761322047 and Parcel ID #7761312710. These properties total approximately 1.79 acres (+/-).

Requested Action Rezone from R7.5 and R10 (Medium-Density Residential) to OA6 (Office-Apartment)

Existing Zone R7.5/R10

Land Development Plan See Staff Report

Planning Board Recommendation

4-7-14: The Planning Board considered the request but voted to to continue it to allow the owner additional time to contemplate amending the application to a conditional use district request.

Reason for Recommendation

Staff Note: As of May 1, 2014, the request is still to rezone the property to OA6.

Planning Board Comments

Rezoning Staff Report

RZ Case # **RZ-14-04**

Date **5/5/2014 PB and
5/8/2014 CC**

General Information

Applicant Richard S. Stockner
Address 6601 Old NC Hwy 13
City Asheboro NC 27203
Phone 336-465-6525
Location 609 and 617 NC Hwy. 42 North
Requested Action Rezone from R7.5 and R10 (Medium-Density Residential) to OA6 (Office-Apartment)

Existing Zone R7.5 and R10

Existing Land Use Single-family residential (2 dwellings)

Size 1.79 acres

Pin # 7761322047, 7761321382, 7761312710, 7761322224

Applicant's Reasons as stated on application

Due to extremely high traffic on Dixie Drive, Hwy. 42 is used as a cut thru from Dixie Drive to Salisbury Street. The surrounding properties are already zoned commercial and office(s). Due to high traffic use on Hwy. 42 between Salisbury Street and Dixie Drive, we request that the properties be rezoned OA6.

Surrounding Land Use

North Undeveloped/Commercial/Single-family res. **East** Commercial/Office

South Single-family residential **West** Undeveloped residential/Church

Zoning History N/A

Legal Description

The property of Iris B. Stockner, located at 617 NC Hwy. 42 North, identified by Randolph County Parcel Identification Numbers 7761321382 and 7761322224, Richard S. Stockner and Robin S. Stockner, located at 609 NC Hwy. 42 N. identified by Parcel ID #7761322047 and Parcel ID #7761312710. These properties total approximately 1.79 acres (+/-).

Analysis

1. The property is inside the city limits. All city services are available.
2. NC Hwy. 42 North is a state-maintained major throughfare.
3. According to the Zoning Ordinance (Art. 200, Sec. 210): The OA6 District is intended to produce moderate intensity office and residential development to serve adjacent residential areas and to provide a transition from residential to commercial uses. Land designed [sic] OA6 shall normally be located with access to a major or minor thoroughfare with access to local residential streets discouraged.
4. The west side of NC Hwy. 42 consists primarily of residential uses in this area except for two churches. On the east side of NC Hwy. 42 is Triangle Park, a 4 acre office and commercial complex.
5. The existing R7.5 and R10 residential districts permit single or two-family dwellings.
6. The OA6 district permits single-family and multi-family residential uses with a floor area ratio (FAR) of up to 17 percent and non-residential structures with a FAR of up to 30 percent. If this rezoning is approved, all uses permitted by right would be allowed, including residential development of up to approximately 13,255 square feet or non-residential development of up to approximately 23,391 square feet. In addition to single- and multi-family residential uses, other uses allowed by right include offices, churches, schools, and some services uses (such as laundry facilities, beauty/barber shops, and banks). Heavier commercial uses, such as retail, restaurants, sales of motor vehicles, etc. are not permitted in the OA6 district.

Rezoning Staff Report

RZ Case # RZ-14-04

Page 2

Consistency with the 2020 LDP Growth Strategy designations

In reviewing this request, careful consideration is given to each Goal and Policy as outlined in the Land Development Plan. Some Goals and Policies will either support or will not support the request, while others will be neutral or will not apply. Only those Goals and Policies that support or do not support the request will be shown.

Growth Strategy Map Designation	Primary Growth
Proposed Land Use Map Designation	Neighborhood Residential
Small Area Plan	Central

LDP Goals/Policies Which Support Request

Checklist Item 3: The property on which the rezoning district is proposed fits the description of the Zoning Ordinance. (Article 200, Section 210, Schedule of Statements of Intent)

Checklist Item 5: The proposed rezoning is compliant with the objectives of the Growth Strategy Map.

Checklist Items #12, #13, #14, and #15: 12.) Property is located outside of watershed 13.) The property is located outside of Special Hazard Flood Area. 14.) Rezoning is not located on steep slopes of greater than 20%. 15.) Rezoning is not located on poor soils

Rezoning Staff Report

RZ Case # RZ-14-04

Page 3

LDP Goals/Policies Which Do Not Support Request

Checklist Item #1: Rezoning is not compliant with the Proposed Land Use Map.

Checklist Item #7: Rezoning is not compatible with the Central Small Area Plan

Checklist Item #10: Rezoning is not consistent with Land Category Descriptions

Recommendation

Deny

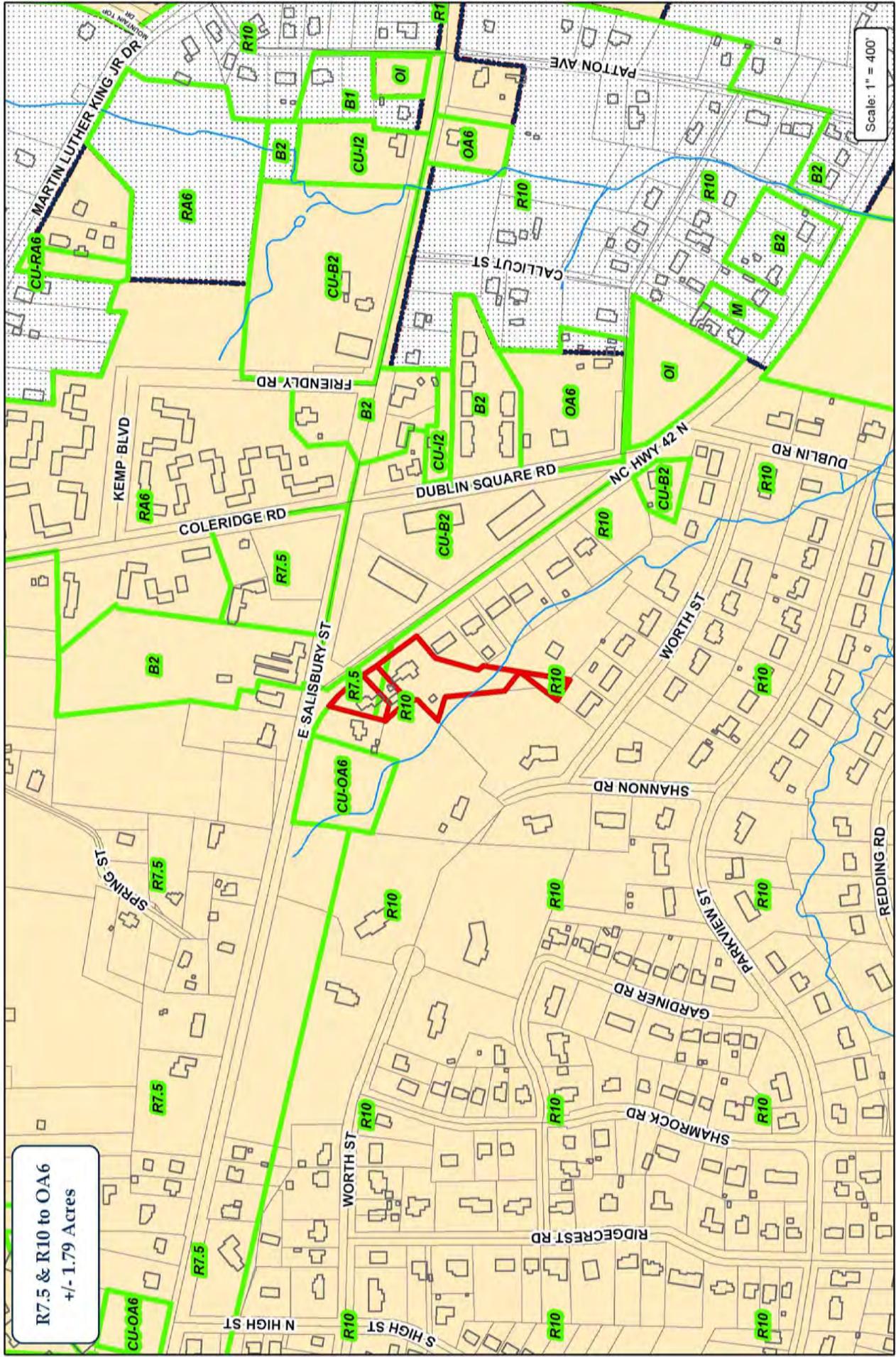
Reason for Recommendation

There are a number of goals and policies supporting the request. The property is located on a major thoroughfare (NC Hwy. 42 N.) near its intersection with another major thoroughfare (E. Salisbury St.) and is adjacent to or near commercial, office, and institutional uses. The OA6 district can be an appropriate transition between commercial and residential uses.

However, several LDP goals and policies do not support the request. The proposed land use map designates the property for neighborhood residential use, which encourages residential development of density similar to existing neighborhoods while limiting multi-family development. The neighborhood residential designation doesn't encourage non-residential development outside of designated neighborhood commercial centers and the Central Small Area plan emphasizes preservation of existing residential neighborhoods. Additionally, the city's draft Comprehensive Transportation Plan identifies NC Hwy. 42 N. as needing improvement. The ability to effectively address adverse impacts, such as mitigating worsening traffic congestion through access management, becomes impractical without the ability to review a site-specific development plan.

Evaluation of Consistency with Adopted Comprehensive Plans/Reasonableness and Public Interest

After considering the above factors, staff believes the existing zoning designation will allow a reasonable use of the property and ensure consistency with the Land Development Plan.

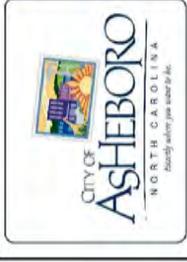


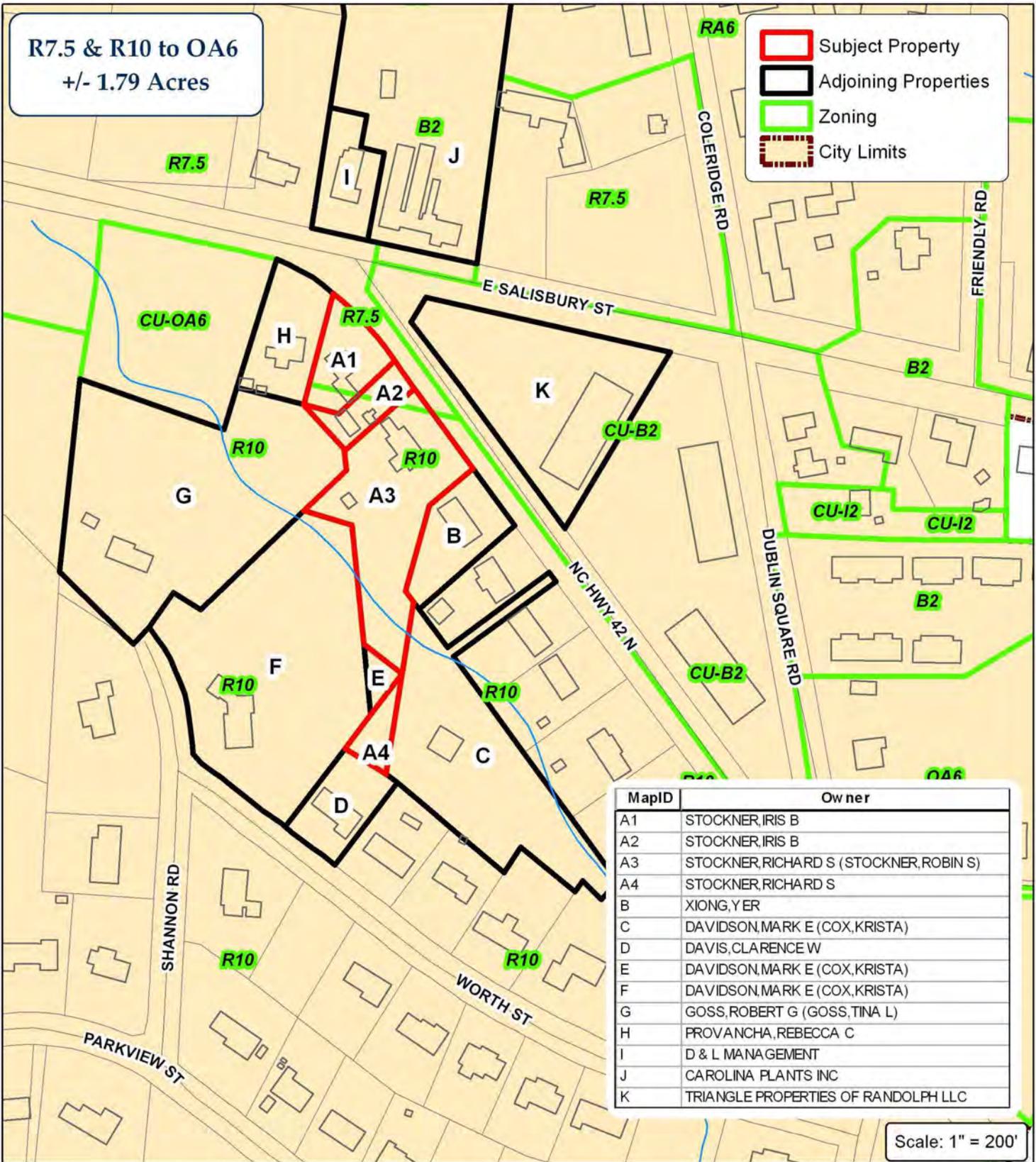
R7.5 & R10 to OA6
+/- 1.79 Acres



Subject Property
Zoning
City Limits
ETJ

City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-14-04
Parcels: 7761321382, 7761322047, 7761312710 & 7761322224





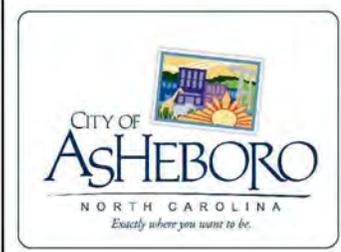
R7.5 & R10 to OA6
+/- 1.79 Acres

Legend

- Subject Property
- Adjoining Properties
- Zoning
- City Limits

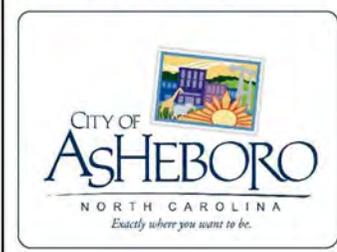
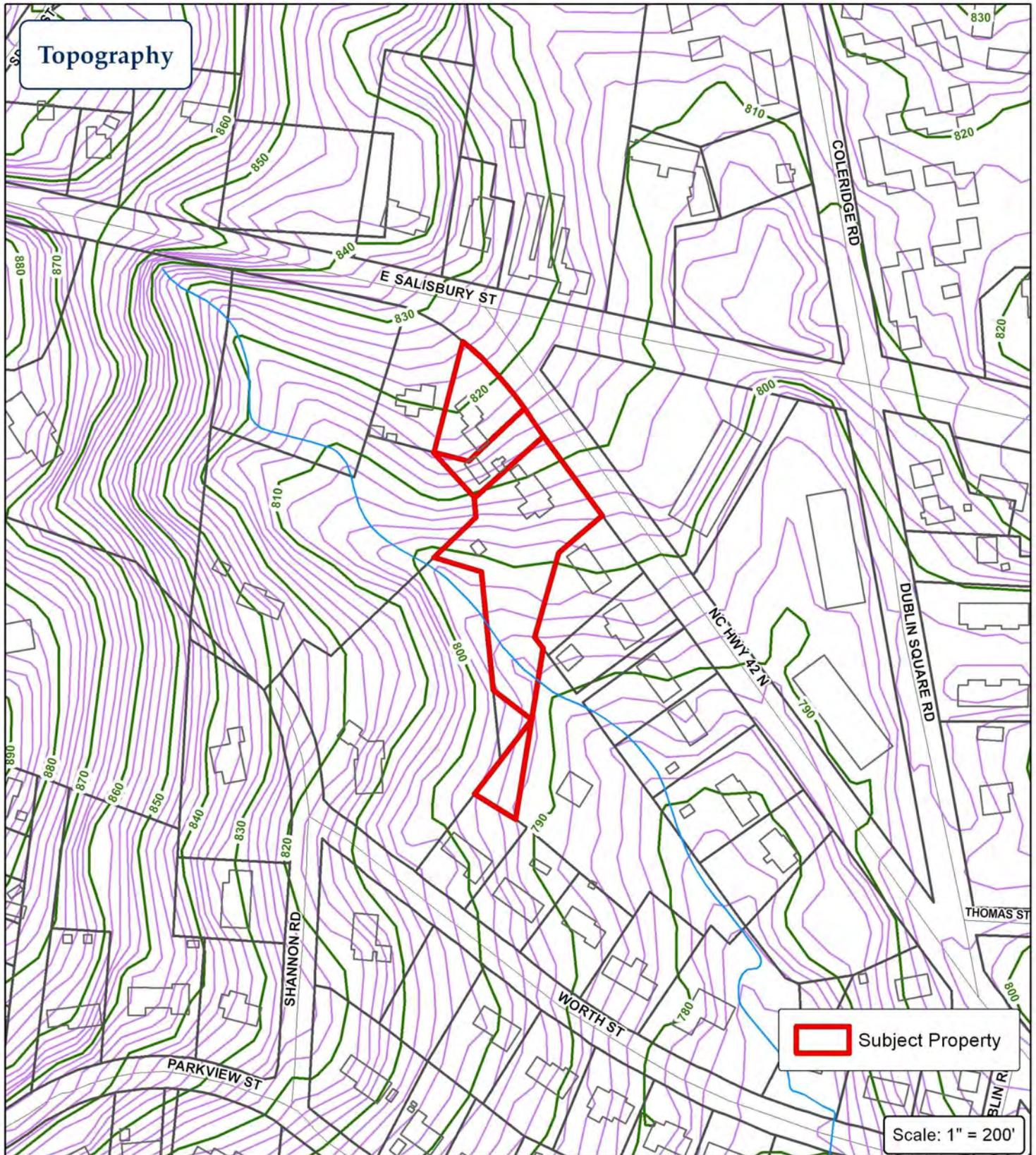
MapID	Owner
A1	STOCKNER, IRIS B
A2	STOCKNER, IRIS B
A3	STOCKNER, RICHARD S (STOCKNER, ROBIN S)
A4	STOCKNER, RICHARD S
B	XIONG, YER
C	DAVIDSON, MARK E (COX, KRISTA)
D	DAVIS, CLARENCE W
E	DAVIDSON, MARK E (COX, KRISTA)
F	DAVIDSON, MARK E (COX, KRISTA)
G	GOSS, ROBERT G (GOSS, TINA L)
H	PROVANCHA, REBECCA C
I	D & L MANAGEMENT
J	CAROLINA PLANTS INC
K	TRIANGLE PROPERTIES OF RANDOLPH LLC

Scale: 1" = 200'



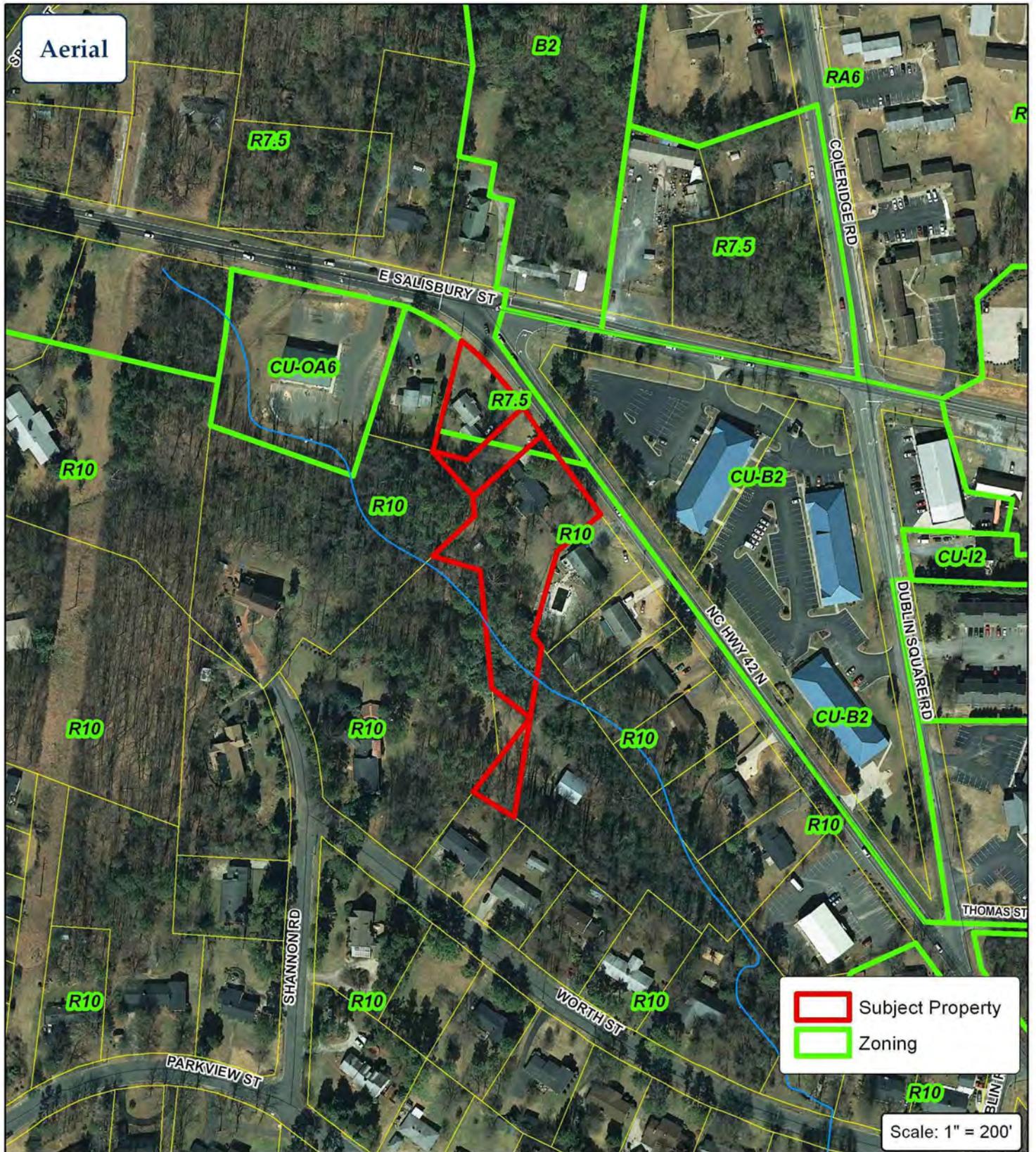
City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-14-04
Parcels: 7761321382, 7761322047,
7761312710 & 7761322224





City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-14-04
Parcels: 7761321382, 7761322047,
7761312710 & 7761322224





Aerial

- Subject Property
- Zoning

Scale: 1" = 200'



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-14-04
Parcels: 7761321382, 7761322047,
7761312710 & 7761322224





SUB-12-01: Olde Towne Village, Section II, Phase II

(Final Plat Certification)

Staff Report

SUBDIVISION STAFF REPORT
Final Plat

CASE # SUB-12-01

Date 5-5-2014 PB
5-8-2014 CC

GENERAL INFORMATION

Subdivision Name Olde Towne Village Section II, Phase II
Requested Action Final Plat Approval
Applicant Carolina Bank
Address PO Box 10209; Greensboro, NC 27404
Phone 336-318-1381
Location South side of Old Lexington Road

PARCEL INFORMATION

PIN 7741980250 (portion)

Size 0.49 acres (+/-) of 21.61
acres +/- total;

Number of Lots None/Right-of-way only
Average Lot Size N/A

Existing Zoning CU-R10

Existing Land Use Residential PUD

Surrounding Land Use

North Low-density residential

East Low-density residential

South Undeveloped

West Low-density residential

LAND DEVELOPMENT PLAN

Growth Strategy Map Long-Range Growth

Proposed Land Use Map Suburban Residential

Small Area Plan Map Northwest

Identified Activity Center? No

Development Issues

1. The current request for this phase of development includes the completion of Middleton Circle (street, sidewalks, water/sewer). Completion of Middleton Circle will allow staff to review and administratively approve the minor subdivision of lots along this portion of the street. No lots are included with this final plat; only street right-of-way.
2. The planned turnaround at the end of Olde Towne Parkway as shown on the approved preliminary plat is not included with this final plat. This turnaround must be constructed before a dwelling on future lot 52 is issued a Certificate of Occupancy or the lot is platted. The city may also require the turnaround to be constructed prior to issuance of a Certificate of Occupancy or final plat approval related to future lot 51 depending on an evaluation of conditions at the time of the request.

SUBDIVISION STAFF REPORT
Final Plat

DEPARTMENT COMMENTS

Engineering N/A

Public Works Infrastructure for this phase of development (final layer of asphalt, sidewalks, street seeding) has been guaranteed.

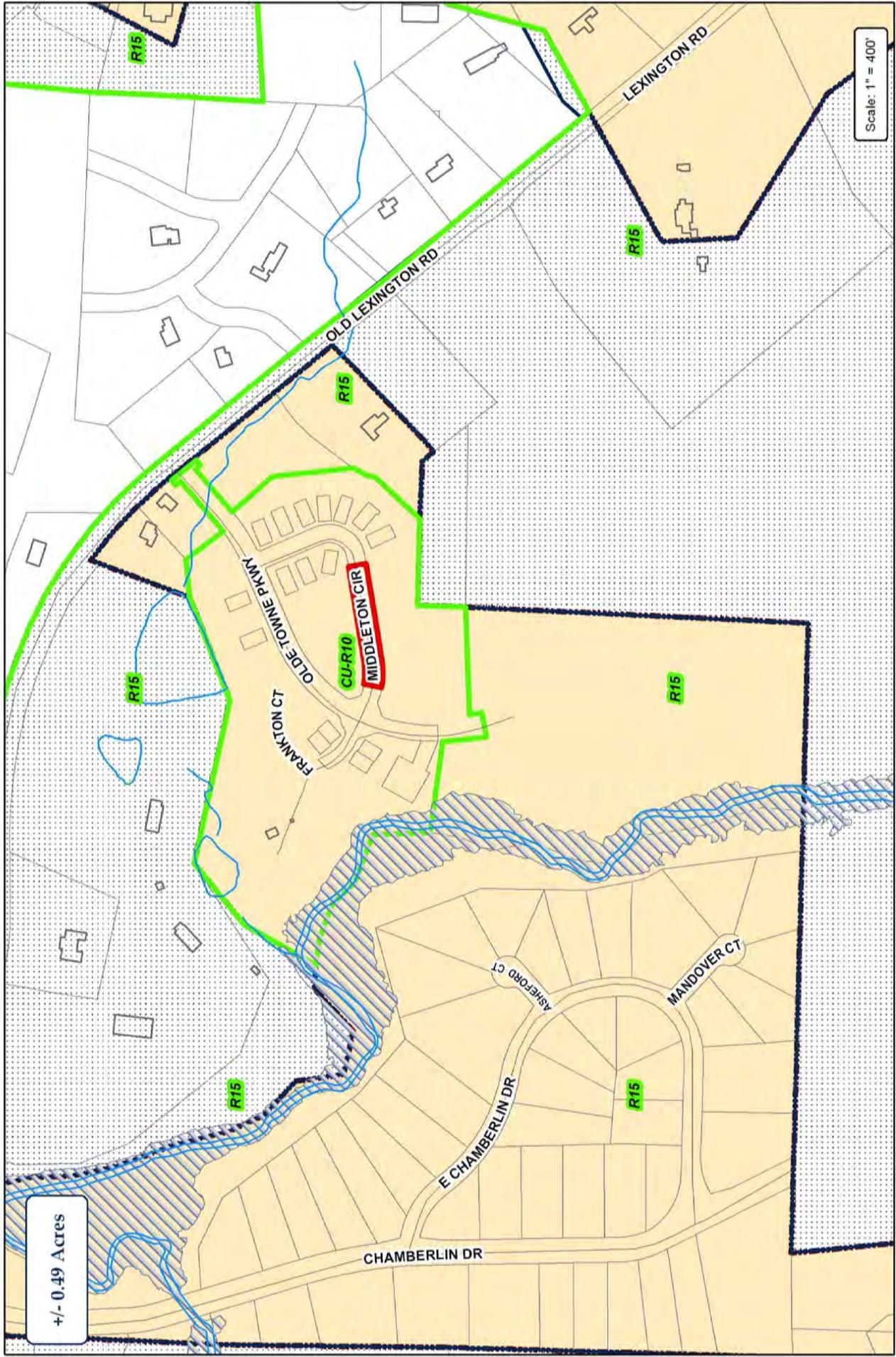
Planning Staff has received a guarantee required for this phase (Ph. II) of the development. The guarantee is combined with the previously submitted guarantee for incomplete improvements in the first phase of the development. An Engineer's estimate of outstanding Phase I and Phase II improvements is included with this report.

Minor plat corrections needed (as of 5-1-2014)

Other N/A

Staff Recommendation Approve pending staff approval of plat corrections.

**Planning Board
Recommendation** Recommendation pending.



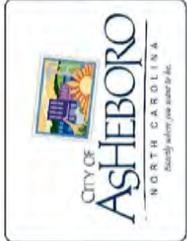
+/- 0.49 Acres

Scale: 1" = 400'

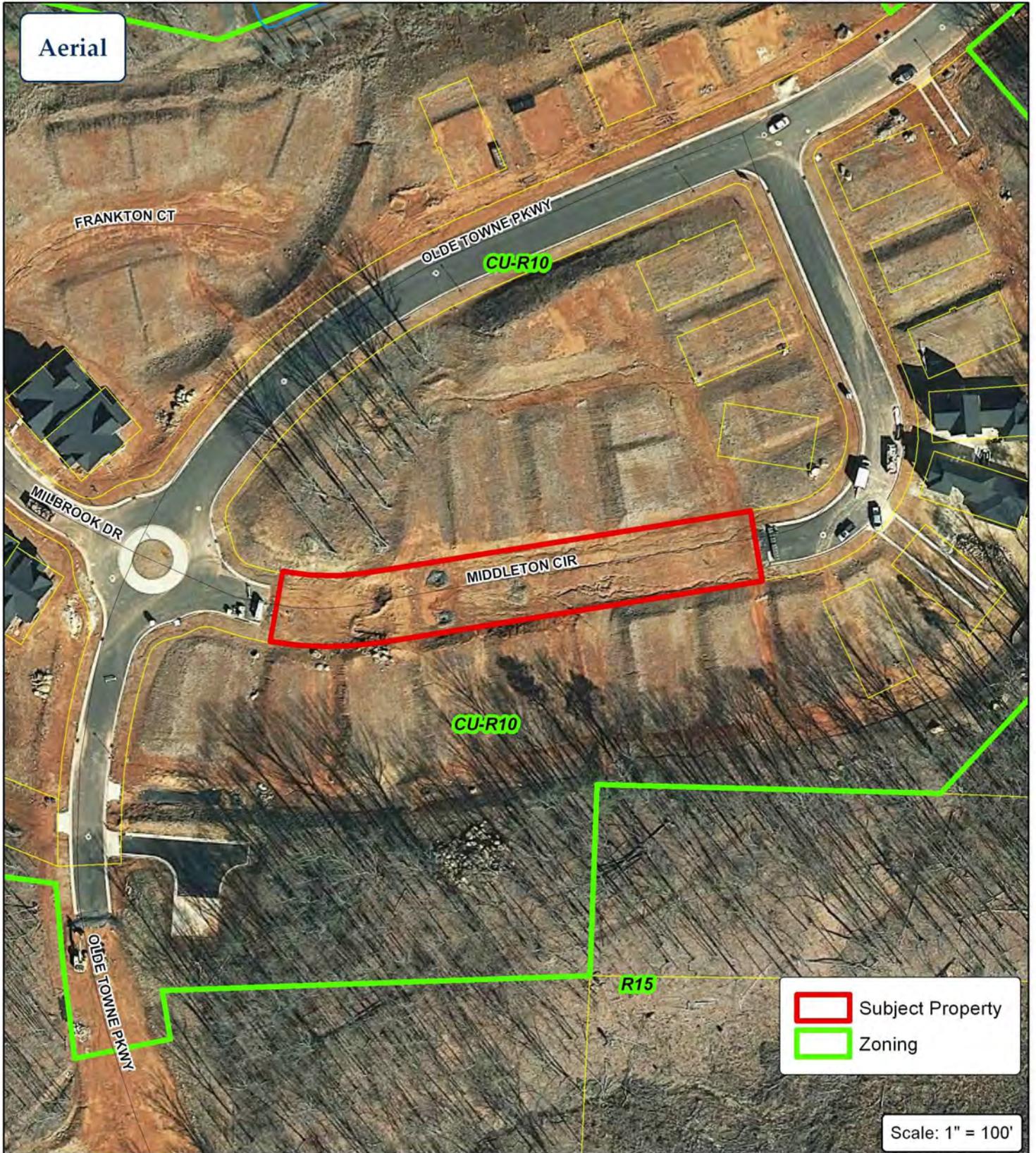


Subject Property
 Zoning
 City Limits
 ETJ

City of Asheboro
 Planning & Zoning Department
 Subdivision Case: SUB-12-01
 Parcel: 7741980250 (pt)



Aerial



City of Asheboro
Planning & Zoning Department
Subdivision Case: SUB-12-01
Parcel: 7741980250 (pt)



By: Aden R. Stoltzfus, PE
 Stoltzfus Engineering, Inc.
 Date: 04/22/2014

SURETY ESTIMATE
 OLDE TOWNE VILLAGE

Quantities taken from plans as revised dated June 2012

PHASE 1 INFRASTRUCTURE, PHASE 2 MIDDLETON CIRCLE					
ITEM NUMBER	DESCRIPTION	QUAN.	UNITS	Totals	
				COST/UNIT	Totals
1	5 FT X 4" THK CONC. SIDEWALK, BACKFILL & FINE GRADE	1574	L.F.	\$16.70	\$26,285.80
2	1.25" SF 9.5A SURFACE COURSE	7605	SY	\$6.61	\$50,269.05
3	HANDICAP RAMPS	4	Ea.	\$630.00	\$2,520.00
4	FINAL PUMP STATION LANDSCAPING	1	LS	\$4,730.00	\$4,730.00
5	PERMANENT SEEDING	1	LS	\$1,500.00	\$1,500.00
TOTAL ESTIMATED SURETY					\$85,304.85

*Surety Estimate Revised to Include Middleton Circle



TO: Asheboro City Council
FROM: Van Rich, Planning Board Chairman
DATE: 5-5-14
RE: Annual Report - Asheboro Planning Board

This memorandum provides a summary of the Planning Board's activities since January 1, 2013, an analysis of the expenditures to date for the current fiscal year and the anticipated funds needed for operation during the ensuing fiscal year.

Summary of Activities

From January 2013 to April 2014, the Planning Board reviewed a total of 24 cases. The 24 cases consisted of 13 map amendments, five (5) text amendments, three (3) subdivisions and three (3) US 220 Bypass Overlay district reviews. There were no variances, appeals or interpretations heard by the board, which also functions as the Board of Adjustment, during this time.

This time frame included a significant change to the Board's membership and composition, mostly brought on by the Extraterritorial Planning Jurisdiction (ETJ) modification effective January 2013. As a result of an amendment to the Code of Ordinances, the Planning Board is now comprised of seven (7) members, five (5) of whom reside in the corporate limits, and two (2) who reside in the revised ETJ. The Planning Board Rules of Procedure was also updated to reflect the changes in Board composition and improve operational clarity.

2013 also was a year of change to state legislation affecting how Board of Adjustments make decisions. The City Council, upon recommendation by the Planning Board, adopted amendments to the Zoning Ordinance to ensure conformity with these legislative changes.

In March 2014, the Board elected Mr. Van Rich Board Chair, Mr. James Lindsey Vice-Chair, and Mr. Bradley Morton Secretary. A current Board roster is attached to this memo for your reference.

Expenditures and Budget

The Board's only expenditure this fiscal year has been related to members' stipends. Board members collectively have earned a total of \$7,700 for active board service. The anticipated funds for FY14-15 are \$8,400, down from \$12,000 for the current fiscal year. The reduction is attributable to the Board's reduced size.

On behalf of the Planning Board, I thank you for your support. It is an honor to serve the Asheboro community.

**City of Asheboro Planning Board
(also serves as the Board of Adjustment)**

<u>Name/City or ETJ</u>	<u>Appointed/Expires</u>
Van Rich, Chair / City 1632 Shamrock Road	2-6-86 / 1-1-16
James Lindsey, Vice-Chair / City 108 Cranford Street, Apt. 6	3-6-06 / 1-1-19
Ritchie Buffkin / City 725 S. Main Street Townhome 2A	2-7-13 / 1-1-15
Lynette S. Garner / City 346 Worth Street	6-25-12 / 1-1-17
David Henderson / ETJ 1160 Cedar Creek Drive	2-4-13 / 1-1-18
Thomas Rush / ETJ 436 Woodlawn Street	2-3-14 / 2-1-19
Dave Whitaker / City 757 Cheddington Drive	8-30-10 / 1-1-18