

**AGENDA
REGULAR MEETING
CITY COUNCIL, CITY OF ASHEBORO
THURSDAY, JUNE 9, 2016, 7:00 PM**

1. Call to order.
2. Silent prayer and pledge of allegiance.
3. Consent Agenda:
 - (a) Approval of the minutes of the regular meeting of the City Council on May 5, 2016.
 - (b) Approval of the minutes of the special meeting of the City Council on May 24, 2016.
 - (c) Acknowledgement of the receipt from the Asheboro ABC Board of its meeting minutes for April 4, 2016.
 - (d) Acknowledgement of the receipt on May 25, 2016, of the budget message and proposed budget for the Asheboro ABC Board for fiscal year 2016-2017.
 - (e) Acknowledgement of closeout notification from the North Carolina Department of Commerce related to the Building Reuse and Restoration grant received for the Harry and Jeanette Weinberg Adult Resource & Education Center.
 - (f) Approval of an Ordinance to amend Airport Runway Fund #66.
 - (g) Approval of an Ordinance to amend the General Fund for Fiscal Year 2015-2016.
 - (h) Approval of audit contract for the fiscal year ending June 30, 2016.
 - (i) Approval of a resolution awarding the service side arm to a retiring police officer.
4. Legislative zoning hearings with Community Development Director Trevor Nuttall presenting staff analysis of the following land use cases:
 - (a) Zoning Case RZ-16-04: An application to rezone property located at 322, 324, and 328 Greensboro Street from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment).

- (b) Zoning Case RZ-16-05: An application to rezone property located at 331 Watkins Street from B1 (Neighborhood Commercial) and RA6 (High Density Residential) to RA6.
- (c) Zoning Case RZ-16-06: An application to rezone property located at 112 and 116 Sunrise Avenue and 2029 Vincent Drive from R10 (Medium-Density Residential) to O&I (Office & Institutional).
- (d) Zoning Case RZ-16-07: An application to rezone the following lots:
 - (i) 437 Sunset Avenue from RA6 (High Density Residential) and B2 (General Commercial) to B2;
 - (ii) 159 South Park Street from RA6 to OA6 (Office Apartment); and
 - (iii) 420 Hill Street from RA6 to OA6.
- 5. Public hearing on the proposed budget for fiscal year 2016-2017 with a presentation by Finance Director Deborah Reaves.
- 6. Public hearing on proposed appropriations during fiscal year 2016-2017 for economic development purposes other than real property and business location incentives with a presentation by Finance Director Deborah Reaves.
- 7. Public comment period.
- 8. City Engineer Michael Leonard, PE will describe the Odd Fellows Cemetery and will seek guidance from the governing board as to the role the city should play in maintaining this culturally significant site.
- 9. City Engineer Michael Leonard, PE will forward to the governing board a citizen's request to change the traffic flow on the entirety of Cranford Street from one-way to two-way.
- 10. Community Development Director Trevor Nuttall will provide an update and request council action on the following aspects of the CDBG funding application process for the economic development project with Techimark:

- (a) The Mini-Brooks Act exemption of the Techimark Industrial Track Construction Project;
 - (b) Consideration of a resolution authorizing a Public Facilities Agreement with Techimark; and
 - (c) Consideration of a resolution authorizing an Industrial Track Agreement with Techimark.
11. City Engineer Michael Leonard, PE will discuss and request final approval of the sale of the surplus real property at the intersection of East Salisbury Street and Martin Luther King, Jr. Drive.
 12. City staff will provide an update on the recycling consolidation and electronics collection initiative.
 13. Upcoming events:
 - Randolph County NAACP Freedom Fund Banquet Saturday, June 11, 2016, 6:00 PM at AVS.
 - Randolph County Economic Development Annual Meeting Tuesday, June 21, 2016, 8:00 AM at AVS.
 - Special city council meeting on Wednesday, June 29, 2016, at 12:30 PM to consider adoption of the budget for fiscal year 2016-2017.
 14. Discussion of items not on the agenda and adjournment.

Minutes of the meeting of the Asheboro Alcoholic Beverage Control Board held on April 4, 2016

The Asheboro ABC Board met on April 4, 2016, at 5:30 PM, in the Board office, 700 South Fayetteville Street, Asheboro, NC.

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

After reviewing the agenda, both Board members voiced having no conflict of interest, and there being no objection, the agenda was adopted.

The Board reviewed and there being no objection, approved the Minutes from the March 7, 2016, Board meetings.

Board Member Steve Knight and the GM reviewed Board finances and reported all finances remain consistent. The Board's current bank balances and accounts payable reports were also reviewed.

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

1. Asheboro ABC sales statistics comparing:
 - March 2016 sales with the previous month indicate:
 - An overall +2.3% change (all sales and tax collections)
 - March 2016 sales with sales from the same month last year indicate:
 - Retail Sales +7.6% (\$242,718.33)
 - Mixed Beverage Sales: +.3% (\$36,648.30)
 - Sales Tax Collections: +8.2% (\$17,005.88)
 - Overall Collections: +6.7% (\$296,372.51)
 - March 2016 bottle sales with bottle sales from the same month last year indicate:
 - Retail Bottle Sales: +9.2% (23,030 bottles)
 - Mixed Beverage Bottle Sales: +4.7% (1,770 bottles)
 - Overall Bottle Sales: +8.9 (24,800 bottles)

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 2, 2016, at 5:30 p.m.

There being no further business, the meeting was adjourned.

Prepared by Rodney Johnson, GM, and Approved by the Board

5-2-16


GM

Stephen R Knight
Robert E Johnson

**BUDGET MESSAGE FOR FISCAL YEAR 2016-2017**

North Carolina General Statute § 18B-702 "Financial operations of local boards" requires the Asheboro ABC Board Finance Officer prepare for the Board's consideration an annual budget applicable for fiscal years. Upon adoption, no monies may be expended except as provided by the budget or as authorized by specific statute.

Retail operation of the Board's single store commenced with its first sale on November 18, 2008. As of April 30, 2016, the single store located at 700 South Fayetteville Street has collected \$21,263,334.77 in sales and tax revenues. Sales and tax revenues are differentiated in this message to emphasize the mission of a local ABC board to not only sell spirits in a controlled environment, but also to collect significant tax revenues from those electing to purchase spirits.

A review of the Board's financial records for the current fiscal year to date (July 1, 2015 through April 30, 2016) indicates a 5.9% sales and tax collections increase over the same ten-month period the previous year. Sales remain steady with an anticipated sales growth in the 5-6% range during the coming year.

On-going goals include continuation of the Board's mission of responsibly controlling the sale and distribution of alcoholic beverages, superior customer service, and operational efficiency designed to increase profit margins.

The Asheboro ABC Board Budget Ordinance for fiscal year July 1, 2016, through June 30, 2017, prepared in accordance with governing laws and the Board's stated desire to continue a responsibly sound fiscal policy, is hereby presented to the Board for consideration.

Respectfully submitted for consideration this the 25th day of May 2016.



Rodney E. Johnson
General Manager
Budget Officer

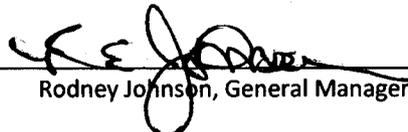
Attachment: Proposed Budget Ordinance for Fiscal Year 2016-2017

cc: Jeff Sugg, City of Asheboro
NC ABC Commission

ASHEBORO ABC BOARD
PROPOSED ANNUAL BUDGET FOR FISCAL YEAR
FY 2016-17

Sales		3,300,000.00
Other Income		240.00
	Total	\$3,300,240.00
Less Taxes		792,060.00
	Net Sales	\$2,508,180.00
Less Cost of Sales		1,726,030.75
	Gross Profit	\$782,149.25
Less:		
<u>Operating Expenses</u>		
Salaries, benefits and fees		297,550.00
Payroll taxes		23,804.00
Rent		64,800.00
Repairs and maintenance		8,500.00
Utilities		16,500.00
Insurance - general and bonds		15,500.00
Supplies and janitorial		9,000.00
Travel and training		4,000.00
Professional services		8,500.00
Dues and subscriptions		1,000.00
Bank fees and charges		35,000.00
Miscellaneous & Contingencies		6,495.25
	Total Operating Expenses	\$490,649.25
	Profits Over Expenses	\$291,500.00
Less Retained Working Capital		10,000.00
	Operating Income	\$281,500.00
Less:		
<u>Capital Expenditures</u>		
Future Facility Fund		40,000.00
Capital Improvements		19,500.00
	Total Capital Expenditures	\$59,500.00
Net Income before Distributions		\$222,000.00
Less:		
<u>Distributions</u>		
Law Enforcement		17,000.00
Alcohol Education and Rehab		19,000.00
City of Asheboro General Fund		186,000.00
	Total Distributions	\$222,000.00
Net Income after Distributions		-

Presented to the Asheboro ABC Board this 25th day of May, 2016.



 Rodney Johnson, General Manager



Rural Economic Development
COMMERCE

PAT McCRORY
Governor

JOHN E. SKVARLA, III
Secretary

May 16, 2016

The Honorable David Smith
City of Asheboro
PO Box 1106
146 North Church Street
Asheboro, NC 27204-1106

Re: Contract Reference #: 2013-158-60701-107; Development Project Close Out Notification
Project Title: Expanding Opportunities for Active Living

Dear Mayor Smith:

Please be advised that the Grantee, City of Asheboro has successfully completed the program requirements of the Building Reuse and Restoration grant program. According to the provided documentation, the construction project is complete and the job requirements have been met.

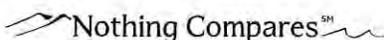
Based on the following factors the loan to the property owner should be forgiven.

- The Grantee has provided as evidence that the required match has been met.
- All project work has been completed.
- Payments totaling \$15,000.00 have been paid by the N.C. Department of Commerce.
- Evidence has been provided certifying that 3 full-time jobs were created as a result of the project.

Congratulations on fulfilling the Building Reuse requirements for this project.

Sincerely,

Hazel Edmond, Program Manager
Rural Development Division



**City of Asheboro
Finance Office**

To: John N. Ogburn, III, City Manager
From: Debbie Reaves, Finance Director *D Reaves*
Date: May 20, 2016
Re: Ordinance to amend Airport Runway Fund # 66
Ordinance to amend the General Fund #10

City Engineer Michael Leonard has advised me of a new grant of \$98,100 that we have received for the Asheboro Regional Airport for Apron Rehab (design / bid). This grant has a \$10,900 local match and will be tracked under State Project #36237.23.13.1.

He also has advised me of a new grant in the amount of \$44,698 that we have received for the Asheboro Regional Airport for Terminal Building – concept/ prelim design phase services. This grant has a \$4,967.00 local match.

Michael advises he plans to use some of the already allocated \$16,700 appropriation for the Airport Fund in the 2015-2016 General Fund Airport budget to cover the \$4,967 local match for the Terminal Building but needs a new appropriation for the \$10,900 match for the Apron Rehab project.

The General Fund budget amendment attached provides for the \$10,900 local match for the Apron Rehab project. The budget amendment moves previously budgeted allocations for fringe benefits, unused due to the vacancy in that department, to provide for this allocation to the Airport project.

The Airport Runway Fund budget amendment sets up the revenue and expenditure line items associated with these two grants. When the scope of the projects are better defined, based on recommendations from Michael Leonard after bids are received and tabulated, I will move from the expenditure line items referenced in the ordinance to the categories of construction, engineering and administration or any other categories as needed.

**ORDINANCE TO AMEND
THE AIRPORT IMPROVEMENTS FUND (#66)
FY 2015-2016**

WHEREAS, the Asheboro Regional Airport has been awarded another Federal Block Grant for Apron Rehabilitation- Design Bid in the amount of \$98,100 to be accounted for in State Project No #36237.23.13.1, and;

WHEREAS, the City of Asheboro local match for this grant is \$10,900, and;

WHEREAS, the Asheboro Regional Airport has been awarded another Federal Block Grant for Terminal Building – Concept/ Preliminary design phase services in the amount of \$44,698 to be accounted for in State Project No #36237.23.14.1, and;

WHEREAS, the City of Asheboro local match for this grant is \$4,967, and;

WHEREAS, the revenues and expenditure budget in the Airports Improvement Fund have changed as a result of these grants, and;

WHEREAS, the City of Asheboro desires to be in compliance with all generally accepted accounting principles.

THEREFORE, BE IT ORDAINED by the City Council of the City of Asheboro, North Carolina

Section 1: That the following revenue line items are increased:

<u>Account</u>	<u>Description</u>	<u>Increase / (Decrease)</u>
66-349-1900	Federal Grant #(15-16) #36237.23.13.1	98,100
66-349-2000	Federal Grant (15-16) #36237.23.14.1	44,698
66-367-1024	GF Contribution (15-16)	15,867
	Total Increase	158,665

Section 1: That the following expense line items are increased:

<u>Account</u>	<u>Description</u>	<u>Increase / (Decrease)</u>
66-982-0501	Design / Bid – apron Rehab	109,000
66-983-0500	Terminal - Concept / Preliminary design phase	49,665
	Total Increase	158,665

ORDINANCE TO AMEND
THE AIRPORT IMPROVEMENTS FUND (#66)
FY 2015-2016

Adopted this the 9th day of June 2016.

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, CMC, City Clerk

**N.C. Department of Transportation-Division of Aviation
State Aid to Airports Program**

AIRPORT NAME: Asheboro Regional Airport

PROJECT #: 36237.23.13.1

DESCRIPTION: Apron Rehabilitation (Design/Bid)

Amend
650
New
Appropriation

Certification of Local Funds and Accounting Information

Total State Aid Grant: \$0 Federal Block Grant: \$98,100.00

Local Matching Funds Required: \$10,900.00 representing a 10% local share of the project

1. Accounting System Information

Official Name of Sponsoring Agency: City of Asheboro

Name of Budget Official Responsible for Project Accounting: Deborah P. Reaves

Title of Budget Official Responsible for Project Accounting: Finance Director

Budget Official Address: 146 N. Church Street, P.O. Box 1106

Asheboro, NC 27204-1106

Budget Official Telephone Number: (336) 626-1201 ext 247 FAX: (336) 626-1218

2. Certification of Local Funds Availability & Single Audit Accounting

I hereby certify that the local matching share of \$ 10,900.00 required for this project has been officially approved, placed into the budget of the Sponsoring local governmental unit and will be available for expenditure upon execution of the State Aid to Airports Grant Agreement and start of this project. I further certify that the authority of the Sponsoring local governmental unit to enter into contracts with the state of North Carolina has been reviewed by the governmental attorney and, in his opinion, the Sponsoring local governmental unit is duly authorized to commit the Sponsor to an Agreement with the North Carolina Department of Transportation.

I further certify that all expenditures on this project will be accounted for in a manner consistent with the requirements of the State Auditor, that the Sponsor has made appropriate arrangements to have its accounts audited on an annual basis in conformance with the Single Audit Act of the State of North Carolina, and that each annual Single Audit will contain the required information about this project.

Signed: Deborah P. Reaves

Title: Finance Director

Name of Sponsoring Local Governmental Unit: City of Asheboro

Date: 4-20-16

RETURN FORM TO: NCDOT AVIATION, GRANTS MANAGER, 1560 MAIL SERVICE CENTER, RALEIGH, NC 27699-1560

AV-CERT (AV-500) (3/00)

**N.C. Department of Transportation-Division of Aviation
State Aid to Airports Program**

AIRPORT NAME: Asheboro Regional Airport

PROJECT #: 36237.23.14.1

DESCRIPTION: Terminal Building - Concept/Preliminary Design Phase Services

Certification of Local Funds and Accounting Information

Total State Aid Grant: \$0 Federal Block Grant: \$44,698

Local Matching Funds Required: \$4,967 representing a 10% local share of the project

1. Accounting System Information

Official Name of Sponsoring Agency: City of Asheboro

Name of Budget Official Responsible for Project Accounting: Deborah P. Reaves

Title of Budget Official Responsible for Project Accounting: Finance Director

Budget Official Address: 146 N. Church Street, P.O. Box 1106
Asheboro, NC 27204-1106

Budget Official Telephone Number: (336) 626-1201 ext 247 FAX: (336) 626-1218

2. Certification of Local Funds Availability & Single Audit Accounting

I hereby certify that the local matching share of \$ 4,967.00 required for this project has been officially approved, placed into the budget of the Sponsoring local governmental unit and will be available for expenditure upon execution of the State Aid to Airports Grant Agreement and start of this project. I further certify that the authority of the Sponsoring local governmental unit to enter into contracts with the state of North Carolina has been reviewed by the governmental attorney and, in his opinion, the Sponsoring local governmental unit is duly authorized to commit the Sponsor to an Agreement with the North Carolina Department of Transportation.

I further certify that all expenditures on this project will be accounted for in a manner consistent with the requirements of the State Auditor, that the Sponsor has made appropriate arrangements to have its accounts audited on an annual basis in conformance with the Single Audit Act of the State of North Carolina, and that each annual Single Audit will contain the required information about this project.

Signed: Deborah P. Reaves

Title: Finance Director

Name of Sponsoring Local Governmental Unit: City of Asheboro

Date: 4-20-16

RETURN FORM TO: NCDOT AVIATION, GRANTS MANAGER, 1560 MAIL SERVICE CENTER, RALEIGH, NC 27699-1560

AV-CERT (AV-500) (3/00)

*in 16,900 →
already budgeted*

**ORDINANCE TO AMEND
THE GENERAL FUND
FY 2015-2016**

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 Expense line item be increased / (decreased):

<u>Account #</u>	<u>Expense Description</u>	<u>increase / (decrease)</u>
10-495-0702	Fringe: FICA /Medicare	(961)
10-495-0705	Retirement	(2,815)
10-495-0704	Insurance	(7,124)
10-650-6600	Transfer to Airport Project	10,900
	Increase / (Decrease)	0

Adopted this 9th day of June, 2016

David H. Smith, Mayor

ATTEST:

Holly H. Doerr, CMC, NCCMC, City Clerk

LGC-205 (Rev. 2016)

CONTRACT TO AUDIT ACCOUNTS

Of City of Asheboro
Primary Governmental Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 6 day of May, 2016,

Auditor: Maxton C. McDowell, CPA Auditor Mailing Address: 379 South Cox Street,

Asheboro, North Carolina 27203

Hereinafter referred to as The Auditor

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

and N/A: hereinafter referred to as the Governmental Unit(s), agree as follows:
 (Discretely Presented Component Unit)

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, 2015, and ending June 30, 2016. 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 DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
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 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards, Final Rule*, (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or audit documentation 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 Uniform Guidance 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*

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

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, 2016. 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.
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 relate 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 via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net> 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 Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the 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. (Note: Fees listed on signature pages.)
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.

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

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 as a text-based PDF file 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, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, agreed-upon procedures report, 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, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract 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

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

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 #24 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

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

"See attached engagement letter"

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be 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 October 2015. 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. **E-Verify.** Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. Contractor hereby certifies that Contractor, and all subcontractors, are not on the Iran Final Divestment List ("List") created by the North Carolina State Treasurer pursuant to N.C.G.S. 143-6A-4. Contractor shall not utilize any subcontractor that is identified on the List.
24. 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).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.)

City of Asheboro

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

City of Asheboro

- FEES

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

Audit \$30,000

Preparation of the annual financial Statements \$5,000

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 \$ 26,250

** NA if there is to be no interim billing

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

Signature of authorized audit firm representative

Date May 5, 2016

mcmcpa@triad.rr.com

Email Address of Audit Firm

Governmental Unit Signatures:

City of Asheboro

Name of Primary Government

By David Smith, Mayor

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

Signature of Audit Committee Chairperson

Date

** If Governmental Unit has no audit committee, mark this section "N/A"

City of Asheboro

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

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

Signature of Deborah Reaves

By Deborah Reaves

Primary Governmental Unit Finance Officer:

Type or print name

Deborah P. Reaves

Primary Government Finance Officer Signature

Date 6-1-2016

(Pre-audit Certificate must be dated.)

dreaves@ci.asheboro.nc.us

Email Address of Finance Officer

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



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

May 6, 2016

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, 2016. 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 basic financial statements of the City of Asheboro as of and for the year ended June 30, 2016. 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
4. Local Government Employees' Retirement System 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 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 over financial reporting 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 over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with federal and state laws, regulations, and the terms and conditions of federal and state awards that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and Title 2 *U.S. Code of Federal Regulations* (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) 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 and compliance and the results of that testing, and not to provide an opinion on the effectiveness of entity's internal control or on compliance, and (2) that the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance 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 the Uniform Guidance. 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 the Uniform Guidance; and the State Single Audit Implementation Act, and will include tests of the accounting records, a determination of major programs in accordance with the Uniform Guidance 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 federal and state awards, 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 of the financial statements, schedule of expenditures of federal and state awards, and all accompanying information in conformity with accounting principles generally accepted in the United States of America, and for compliance with applicable laws and regulations (including federal and state laws) and the provisions of contracts and grant agreements (including award 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 the Uniform Guidance, it is management's responsibility to evaluate and monitor noncompliance with federal laws, regulations, and terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported 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, 2016.

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 all federal and state awards received 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 the Uniform Guidance. 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 in conformity with accounting principles generally accepted in the United States of America and the Uniform Guidance based on information provided by you. These nonaudit services do not constitute an audit under *Government Auditing Standards* and such services will not be conducted in accordance with *Government Auditing Standards*. I will perform the services in accordance with applicable professional standards. The other services are limited to the financial statements, schedule of expenditures of federal and state awards, and related notes services previously defined. I, in my sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming management responsibilities.

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 the Uniform Guidance. 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 the Uniform Guidance; (2) that you believe the schedule of expenditures of federal and state awards, including its form and content, is fairly presented in accordance with the Uniform Guidance; (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,

City of Asheboro
May 6, 2016
Page Five

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 the Uniform Guidance, 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 an opinion on those controls, and accordingly, no opinion will be expressed in my report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. 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 the Uniform Guidance.

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, 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*.

The Uniform Guidance requires that I also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal laws, regulations and the terms and conditions of federal awards applicable to major programs. My procedures will consist of tests of transactions and other applicable procedures described in the *OMB 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 the Uniform Guidance.

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.

I will provide copies of my reports to the City of Asheboro; however, management is responsible for distribution of the reports and the financial statements. Unless restricted by law or regulation, or containing privileged and confidential information, copies of my reports are to be made available for public inspection.

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

City of Asheboro
May 4, 2015
Page Seven

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 date 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.

I expect to issue my reports no later than October 31, 2016. 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 \$35,000. 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 2015 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: _____

BATCHELOR, TILLERY & ROBERTS, LLP

CERTIFIED PUBLIC ACCOUNTANTS

POST OFFICE BOX 18068

RALEIGH, NORTH CAROLINA 27619

RONALD A. BATCHELOR
ANN H. TILLERY
FRANKLIN T. ROBERTS
WM. JAMES BLACK, JR.
SCOTT E. CABANISS

3605 GLENWOOD AVENUE, SUITE 350
RALEIGH, NORTH CAROLINA 27612
TELEPHONE (919) 787-9212
FACSIMILE (919) 783-6724

System Review Report

To the Owner of Maxton Curtis McDowell, CPA and the
Peer Review Committee of NCACPA

We have reviewed the system of quality control for the accounting and auditing practice of Maxton Curtis McDowell, CPA (the firm) in effect for the year ended February 28, 2015. 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. As part of our review, we considered reviews by regulatory entities, if applicable, to determine the nature and extent of our procedures. 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 Curtis McDowell, CPA in effect for the year ended February 28, 2015, 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 Curtis McDowell, CPA has received a peer review rating of *pass*.

Batchelor, Tillery & Roberts, LLP

January 20, 2016



RZ-16-04: Rezone from R7.5 (Medium-Density Residential) to OA6 (Office-Apartment)

(322, 324, and 328 Greensboro St.)

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-16**
-04

Date 5/2/2016 PB

Applicant Vanessa Thompson Mt. Zion Holy (Holiness) Church

Legal Description

The property of Mt Zion Holy (Holiness) Church located at 322, 324, and 328 Greensboro Street, totaling approximately 0.61 acres +/- and more specifically identified by Randolph County Parcel Identification Nos. 7751945555 & 7751946436.

Requested Action Rezone from R7.5 to OA6

Existing Zone R7.5

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

Rezoning Staff Report

RZ Case # **RZ-16-04**

Date 5/2/2016 PB

6/9/2016 CC

General Information

Applicant Mt. Zion Holy (Holiness) Church c/o Vanessa Thompson

Address PO Box 614

City Asheboro NC 27204

Phone 336-626-0001

Location 322, 324, 328 Greensboro Street

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

Existing Zone R7.5

Existing Land Use Church/undeveloped property

Size 0.61 acres (+/-)

Pin # 7751945555 and 7751946436

Applicant's Reasons as stated on application

See attached

Surrounding Land Use

North Residential

East Single-family Residence

South Office/Commercial

West Office/Commercial/Institutional (Place of Worship)

Zoning History N/A

Legal Description

The property of Mt Zion Holy (Holiness) Church located at 322, 324, and 328 Greensboro Street, totaling approximately 0.61 acres +/- and more specifically identified by Randolph County Parcel Identification Nos. 7751945555 & 7751946436.

Analysis

1. The property is within the city limits and all city services are available.
2. Greensboro Street is a city-maintained collector street at this location. Immediately north of the property, where North Cox Street intersects with Greensboro Street, Greensboro Street becomes a minor thoroughfare.
3. There is currently a place of worship (church) on one of the parcels. Tax records indicate the place of worship was constructed in 1940. The property that the church is located on totals approximately 0.44 acres (+/-).
4. The property located at 324 Greensboro Street is currently undeveloped. The single-family residence previously on this property (Parcel Identification Number 7751945555) has been removed.
5. The area includes a mix of residential, office, and commercial uses. Greensboro Street increasingly has become a transitional area between commercial uses on North Fayetteville Street and residential uses to the east.
6. The property is just outside of the Center City Planning Area.
7. The requested OA6 district permits single-family and multi-family residential uses, plus office, medical, institutional (such as places of worship, schools, and certain light commercial activities (such as banks and funeral homes).

Rezoning Staff Report

RZ Case # RZ-16-04

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.

Proposed Land Use Map Designation Urban Residential

Small Area Plan Central

Growth Strategy Map Designation Primary Growth

LDP Goals/Policies Which Support Request

Checklist Item 1: Rezoning is compliant with the Proposed Land Use Map.

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 growth strategy map

Checklist Items 8: The request is an adaptive reuse of a vacant or unused lot, or is an infill lot.

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-16-04

Page 3

LDP Goals/Policies Which Do Not Support Request

Staff's Final Analysis Concerning Consistency with Adopted Comprehensive Plans, Reasonableness and Public Interest

The requested amendment (rezoning the property from R7.5 Medium Density Residential to OA6 (Office Apartment)) is consistent with the Land Development Plan because the proposed land use map designates the property as "urban residential" and the OA6 district allows residential uses (single, two, family and multi-family) that are consistent with the urban residential designation.

The requested rezoning to the OA6 district is also reasonable and in the public interest because the OA6 district is appropriate for the institutional use that has occurred since approximately 1940 (a place of worship). In this context, the non-residential component of the OA6 district is in harmony with the intent of the Land Development Plan by recognizing the historic development pattern of an established neighborhood. Second, the parcel is located in a transitional area between commercial areas to the west along North Fayetteville Street and residential areas to the east. Third, the property's location in the primary growth strategy area (with access to city services) and away from major environmental limitations, such as flood hazard areas or watershed areas, are conducive to both residential and non-residential uses characterized by the OA6 district. Finally, the review process required for future development or changes of use will ensure that buffering/screening and other requirements help mitigate potential impacts onto adjoining residentially zoned property.

Recommendation In light of the above analysis, staff's recommendation is **approval** of this request.

Application for Zoning Ordinance Amendment

APPLICANT INFORMATION

Applicant MT Zion Holy (Holmess) Church
Applicant's Phone # 336-626-0001 Alternate # 336 302 1401 / 336-626-4411
Applicant's Address 328 Greensboro & Asheboro NC 27203
mailing - PO Box 614 Asheboro NC 27204-0614

PROPERTY INFORMATION FOR MAP AMENDMENTS

Property Owner's Name MT Zion Holy Church
Location of Property 324 Greensboro & include 328 + 322 Greensboro St
Property Size (ac. or s.f.) (see survey with application)
Randolph County Property Identification Number (PIN#) 775194555 / 775194643 / 7754587261
Current Zoning District R7.5
Requested Zoning District OAB
Date Property Title Acquired
Deed Book / PAES 917/109 & 001476 page 00100 & 010302/004390
Subdivision Rev. J.E. Brower subdivision Section Lot #
Plat Book / Page 1476/100 & 1542/1142 Page

ORDINANCE AMENDMENT INFORMATION

Section 1011.2 of the Asheboro Zoning Ordinance requires the applicant to answer the following questions. The application may not be accepted unless all questions are completed.

1. Are there alleged errors in this Ordinance that would be corrected by the proposed amendment? If so, give a detailed explanation of such error and detailed reasons how the proposed amendment will correct the errors.

324 Greensboro St presently zoned Residential - Purchased by the church for use as parking area - The change would be compatible with neighboring zoning

2. What are the changed or changing conditions, if any, in the jurisdiction of the City of Asheboro generally, which would make the proposed amendment reasonably necessary to the promotion of the public health, safety, and general welfare?

It provides safe access & off street parking for public attendance to services & meetings at the church as it adjoins the property lines at church location

3. In what manner will the proposed amendment carry out the intent of the Land Development Plan?

It will be in harmony with the area's general conformity with Land Development ^{Plan} in the area, & will not materially endanger the public health & safety at its location & proposed use.

4. Are there any other circumstances, factors, or reasons that the applicant offers in support of the proposed amendment?

The church has been established since the late 1920's at the location. The congregation and attendees needs for parking will be better served by this improvement. The surrounding business office park across the street will also benefit when office patients need overflow parking as we share presently.

APPLICANT AND AGENT SIGNATURES

It is understood by the undersigned that while this application will be carefully reviewed and considered, the burden of proving the need for the proposed amendment rests with the applicant. The applicant for rezoning to any district other than a conditional use district shall be prohibited from offering any testimony or evidence concerning the specific manner in which he or she intends to use or develop the property.

Name of Agent (if any)

Vanessa Thompson

Agent's Address

PO Box 2657
Asheboro NC 27204-2657

Telephone Number

336-626-0001

Agent Signature

Vanessa Thompson

Name of Applicant or Owner

MT Zion Holy Church

Applicant or Owner's Address

PO Box 614 Asheboro NC 27204-0614
322 Greensboro St Asheboro NC 27203

Telephone Number

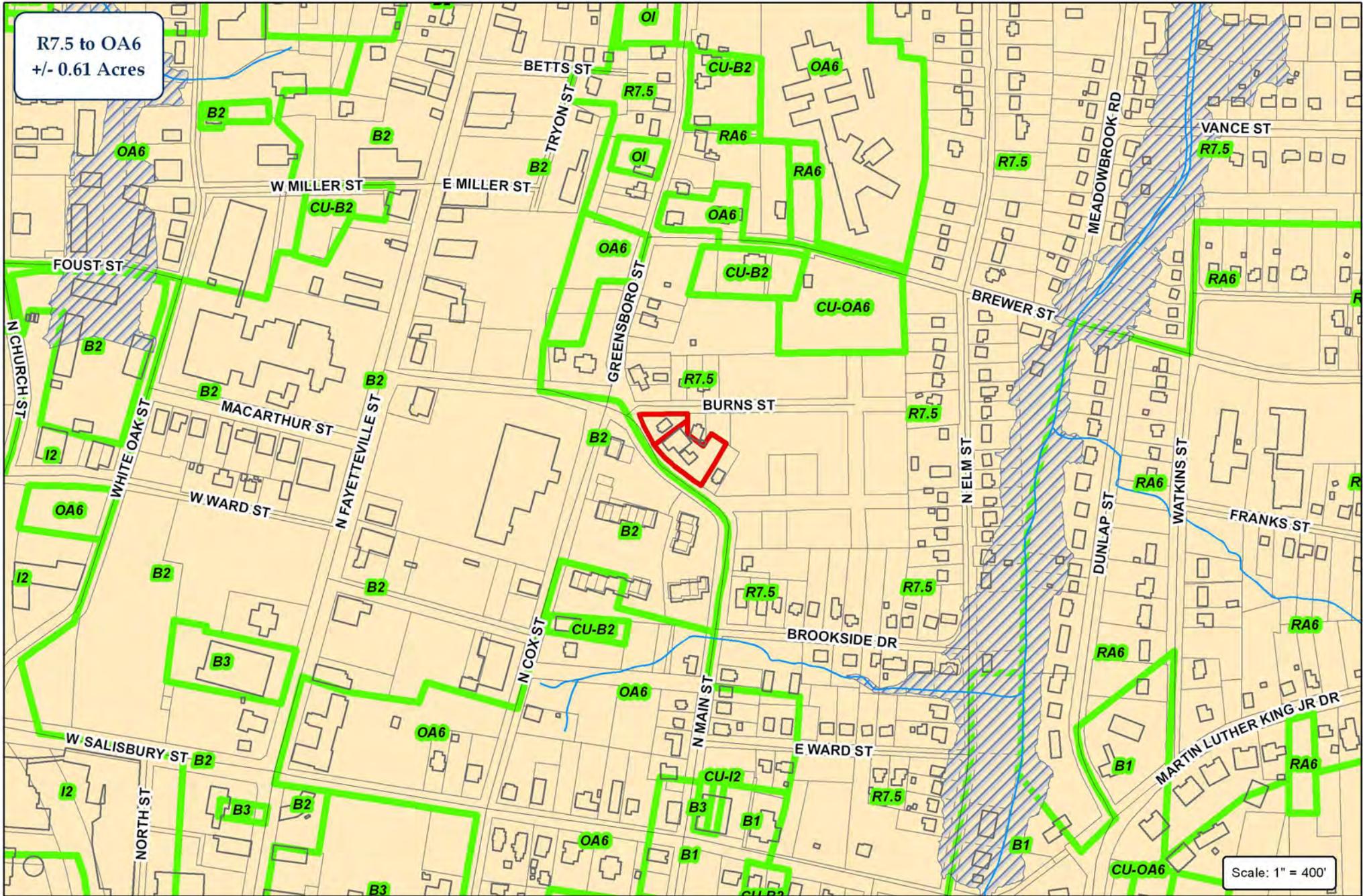
336-302-1401 / 336-626-4411

Applicant or Owner Signature

Vanessa Thompson
for MT Zion Holy Church

STAFF USE		
Received by: <u>John Evans</u>	Date: <u>4-1-16</u>	Case Number: <u>RZ-16-04</u>

R7.5 to OA6
+/- 0.61 Acres



Scale: 1" = 400'

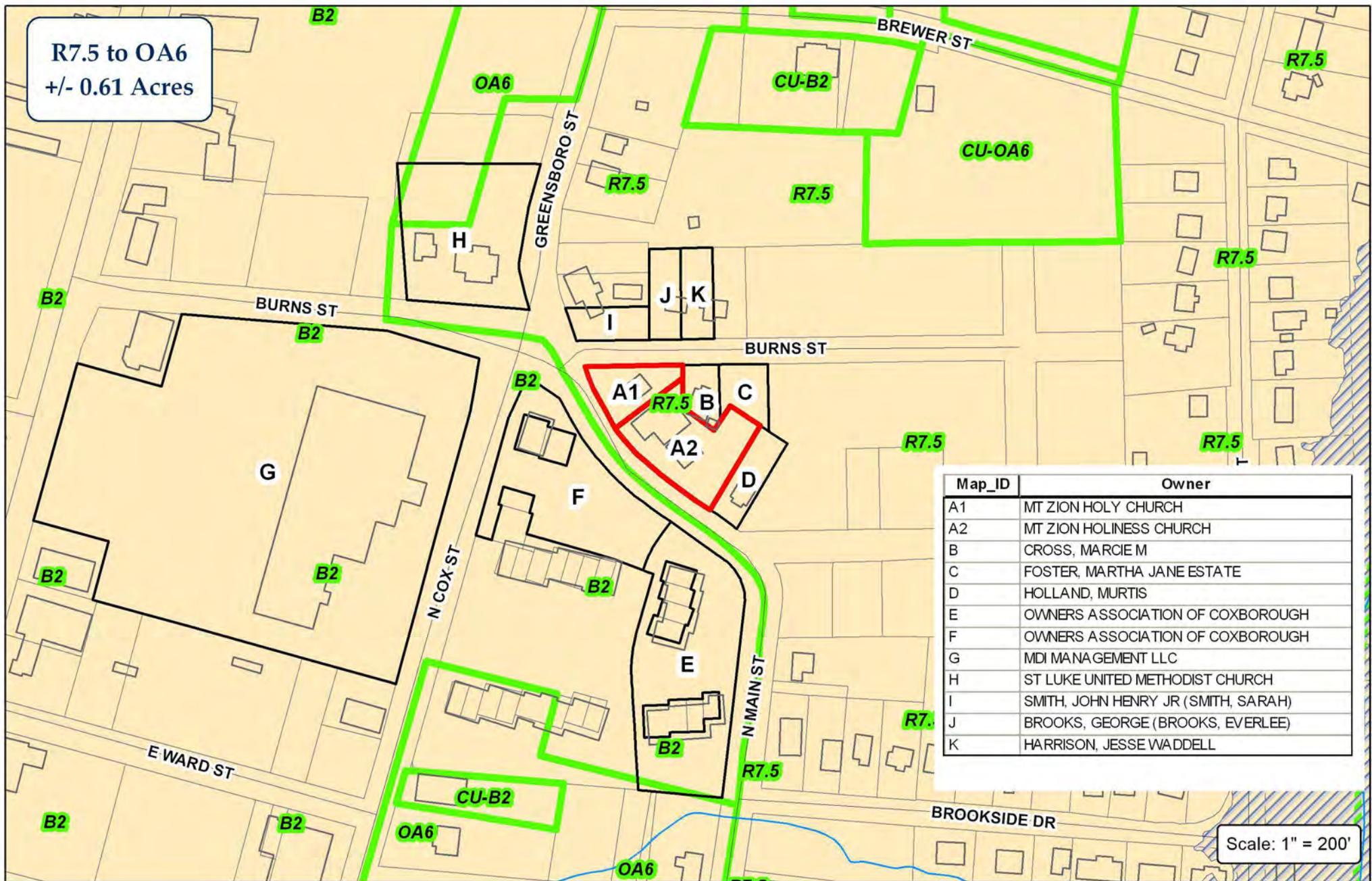


City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-04
Parcels: 7751945555 & 7751946436

	Subject Property
	Zoning
	City Limits
	ETJ



R7.5 to OA6
 +/- 0.61 Acres



Map_ID	Owner
A1	MT ZION HOLY CHURCH
A2	MT ZION HOLINESS CHURCH
B	CROSS, MARCIE M
C	FOSTER, MARTHA JANE ESTATE
D	HOLLAND, MURTIS
E	OWNERS ASSOCIATION OF COXBOROUGH
F	OWNERS ASSOCIATION OF COXBOROUGH
G	MDI MANAGEMENT LLC
H	ST LUKE UNITED METHODIST CHURCH
I	SMITH, JOHN HENRY JR (SMITH, SARAH)
J	BROOKS, GEORGE (BROOKS, EVERLEE)
K	HARRISON, JESSE WADDELL

Scale: 1" = 200'

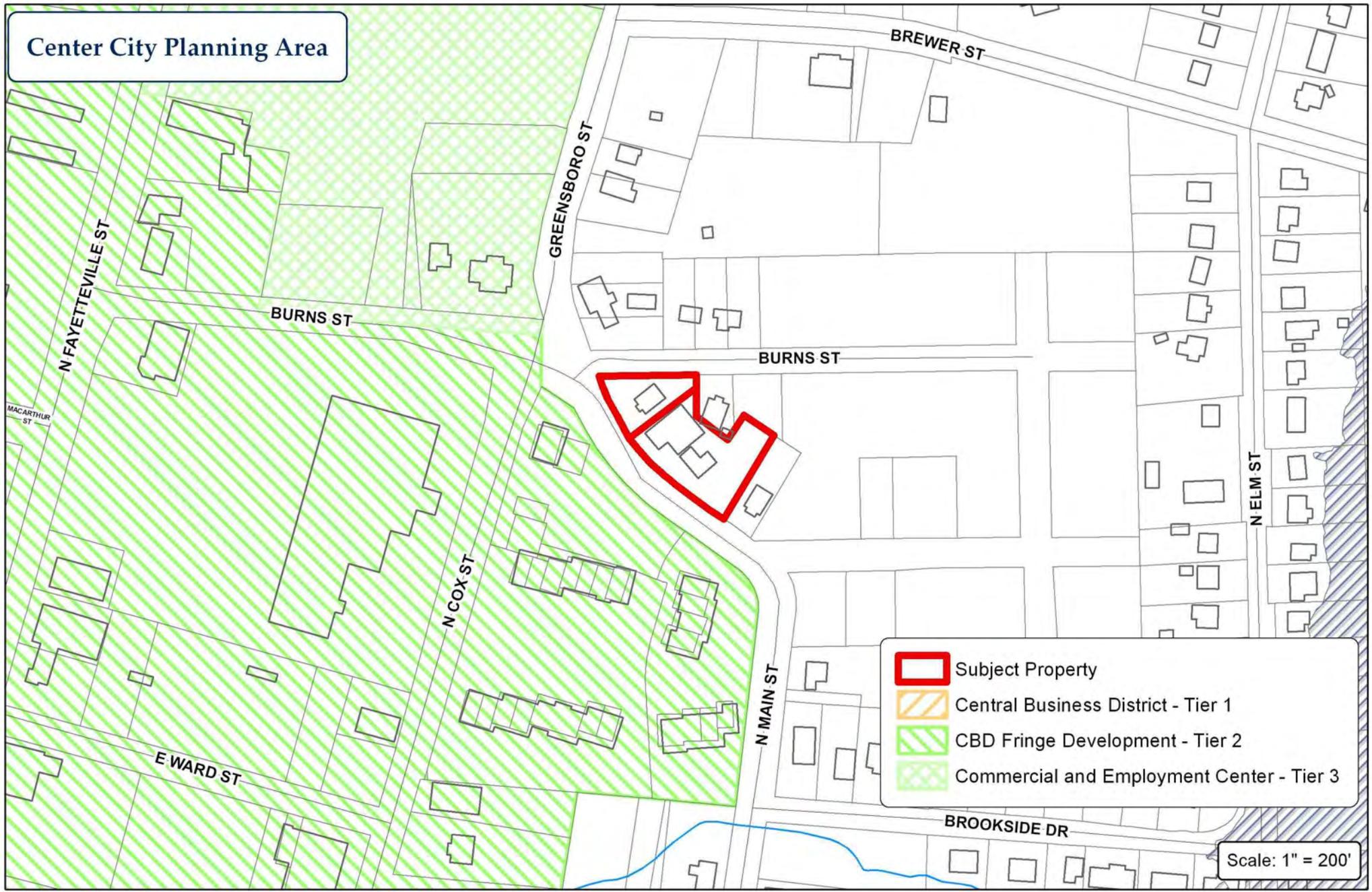


City of Asheboro
Planning & Zoning Department
 Rezoning Case: RZ-16-04
 Parcels: 7751945555 & 7751946436

-  Subject Property
-  Adjoining Properties
-  Zoning
-  City Limits



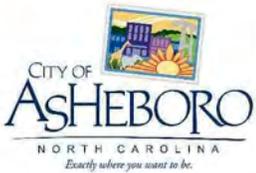
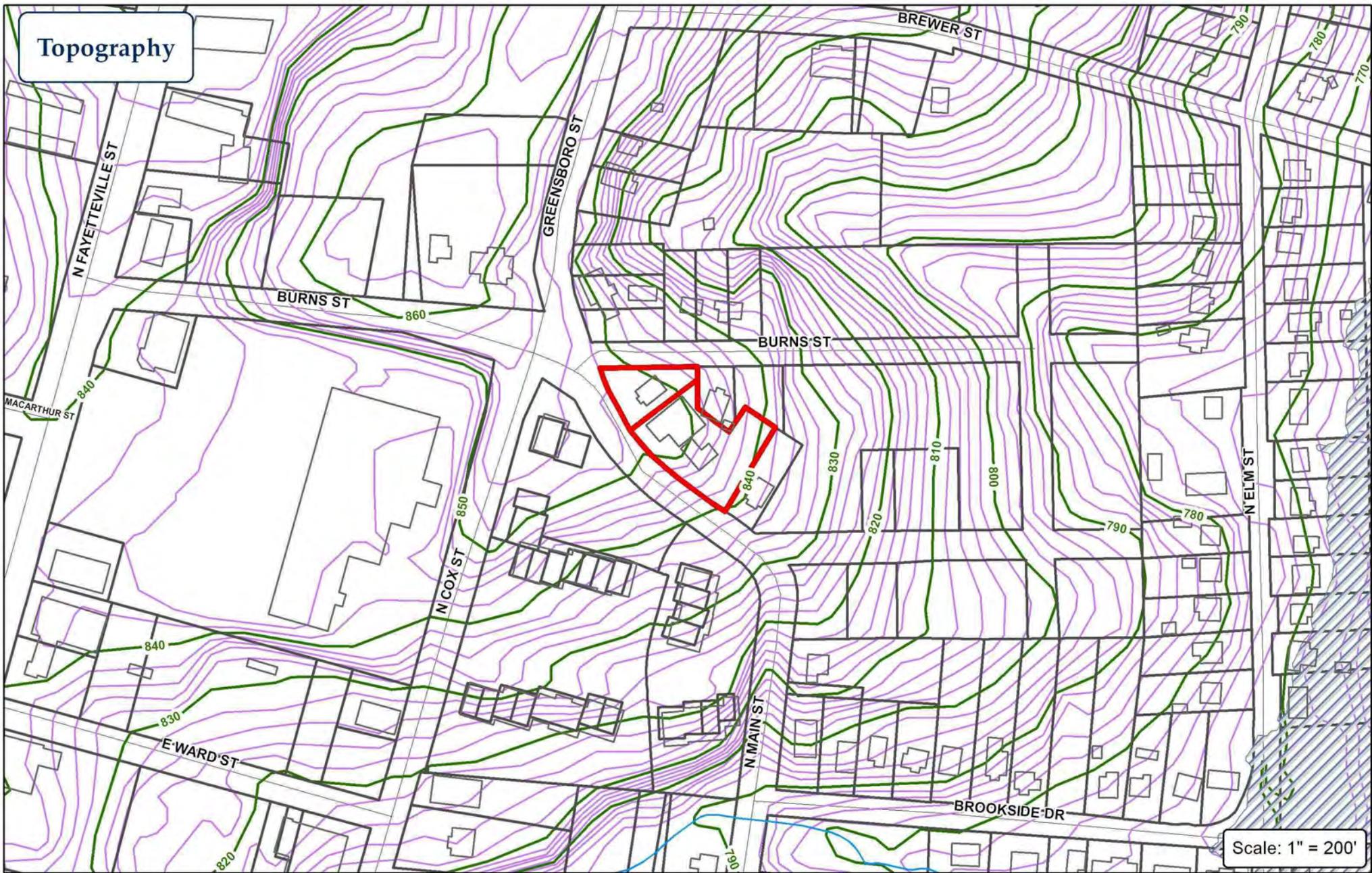
Center City Planning Area



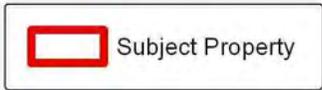
City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-04
Parcels: 7751945555 & 7751946436



Topography



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-04
Parcels: 7751945555 & 7751946436



Aerial



Scale: 1" = 200'



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-04
Parcels: 7751945555 & 7751946436

Legend for the map:

-  Subject Property
-  Zoning





RZ-16-05: Rezone from B1 (Neighborhood Commercial) and RA6 (High-Density Residential) to RA6

(331 Watkins St.)

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-16**
-05

Date 5/2/2016 PB

Applicant Gwendolyn Williams, Wilson Realty and Construction, Agent

Legal Description

The property of Gwendolyn Williams, located at 331 Watkins St., totaling approximately 0.64 acres +/- and more specifically identified by Randolph County Parcel Identification Number 7761130704.

Requested Action Rezone from B1/RA6 to RA6

Existing Zone RA6

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

Rezoning Staff Report

RZ Case # RZ-16-05

Date 5/2/2016 PB

6/9/2016 CC

General Information

Applicant Gwendolyn Williams (Wilson Realty & Construction, Agent)

Address 1312 Plantation Circle

City Asheboro NC 27203

Phone 336-629-3429

Location 331 Watkins St.

Requested Action Rezone from B1 Neighborhood Commercial to RA6 High-Density Residential

Existing Zone B1/RA6

Existing Land Use Single-family residence

Size 0.64 acres (+/-)

Pin # 7761130704

Applicant's Reasons as stated on application

One-half property zoned Business and one-half zoned residential. Convert to residential duplex. Will comply with City zoning. Lending institutions would be reluctant to make a loan.

Surrounding Land Use

North Single-family residential

East Single-family residential

South Commercial

West Multi family residential

Zoning History N/A

Legal Description

The property of Gwendolyn Williams, located at 331 Watkins St., totaling approximately 0.64 acres +/- and more specifically identified by Randolph County Parcel Identification Number 7761130704.

Analysis

1. The property is inside the City limits. All City services are available.
2. The property faces Watkins Street and also has frontage on Dunlap Street. Both Watkins and Dunlap Streets are city-maintained local streets.
3. The property currently has both RA6 (High-Density Residential) and B1 (Neighborhood Commercial) zoning. Approximately 0.26 acres (+/-) of the 0.64 acre (+/-) parcel is zoned RA6. The remainder is zoned B1.
4. There is currently a single-family residential dwelling on the property, which tax records indicate was constructed in 1957.
5. There is no known history of business activity on this property.
6. The area includes a mix of single-family, multi-family and commercial uses.
7. The single-family dwelling is located on the portion of the property that is zoned B1, making it a legal conforming use. As a legal non conforming use and subject to the Asheboro Zoning Ordinance, the single-family residential use may continue. However, expansion, such as additions to the dwelling(s) or new accessory structure(s), is restricted.

Rezoning Staff Report

RZ Case # RZ-16-05

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.

Proposed Land Use Map Designation Neighborhood Residential

Small Area Plan Central

Growth Strategy Map Designation Primary Growth

LDP Goals/Policies Which Support Request

Checklist Item 1: Rezoning is compliant with the Proposed Land Use Map.

Checklist Item 4: The proposed rezoning is compatible with surrounding land uses.

Checklist Item 6: Existing infrastructure is adequate to support the desired zone. (water, sewer, roads, schools, etc.)

Checklist Item 7: The proposed rezoning is compatible with the applicable Small Area Plan

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-16-05

Page 3

LDP Goals/Policies Which Do Not Support Request

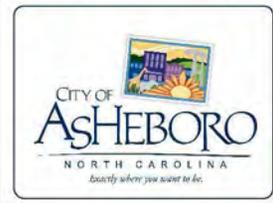
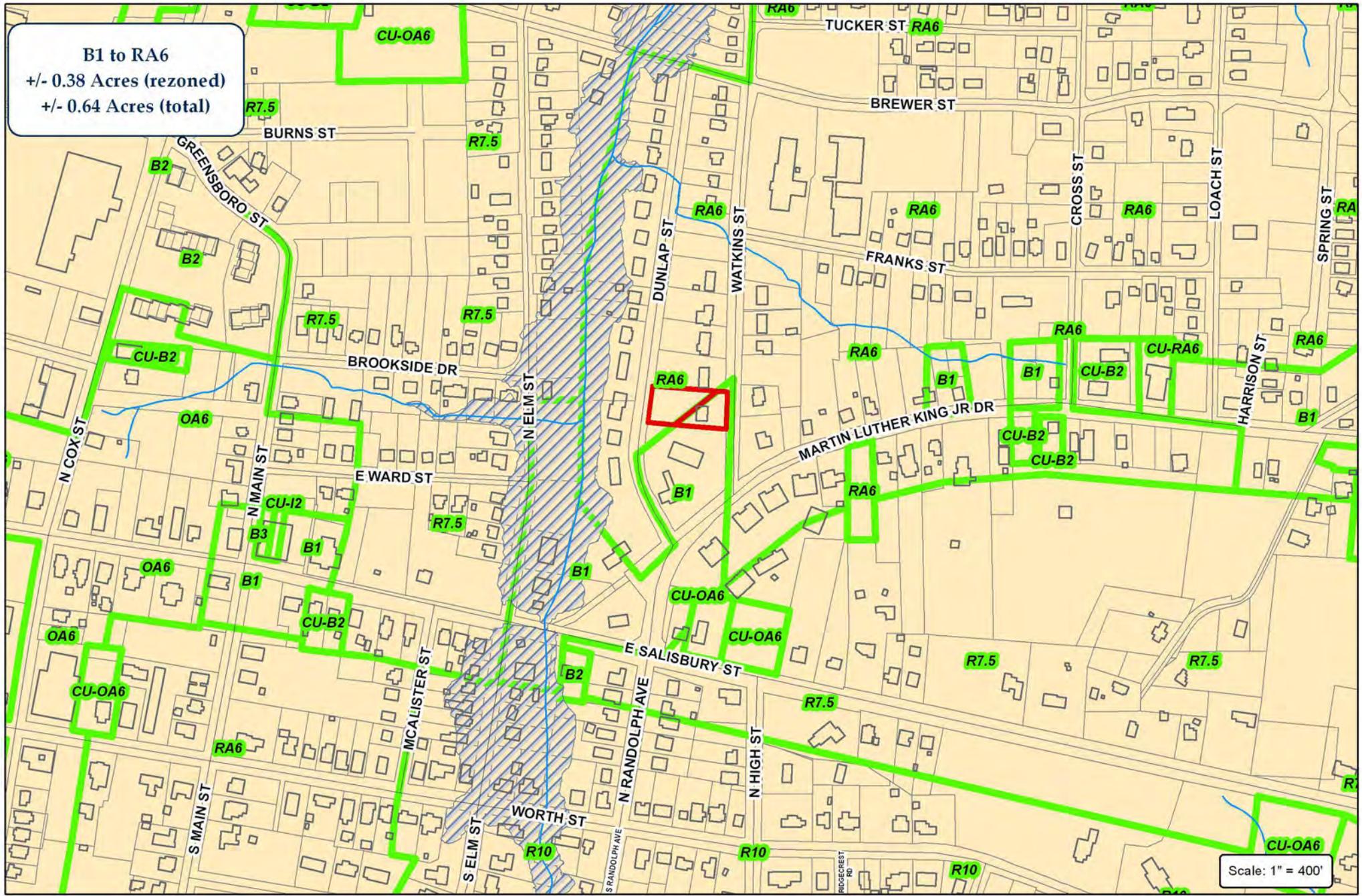
Staff's Final Analysis Concerning Consistency with Adopted Comprehensive Plans, Reasonableness and Public Interest

The requested amendment (rezoning a portion of the property that is zoned B1 (Neighborhood Commercial) to RA6 (High-Density Residential) is consistent with the Land Development Plan because the proposed land use map designates the property as "neighborhood residential", which encourages development to complement surrounding neighborhoods. Given the RA6 zoning that is consistently applied through much of this area, the RA6 district fits the intent of the property's "neighborhood residential" designation.

The requested rezoning to the RA6 district is also reasonable and in the public interest in this context because it recognizes the existing residential use that has been in place since approximately 1957. As emphasized by the Central Small Area Plan, preservation of existing residential neighborhoods is encouraged. The RA6 district reiterates the residential nature of the property and surrounding properties. Recognizing a legal non conforming use that is compatible with surrounding land uses also allows continued investment and viability of a long standing residential property. The existing infrastructure, specifically the street network accessible to the property (two local, primarily residential streets) is also generally better suited to serve a residential than a commercial use. Finally, the property's location away from major environmental limitations, such as flood hazard areas or watershed areas, are conducive to continued residential uses characterized by the RA6 district.

Recommendation In light of the above analysis, staff's recommendation is **approval** of this request.

B1 to RA6
 +/- 0.38 Acres (rezoned)
 +/- 0.64 Acres (total)

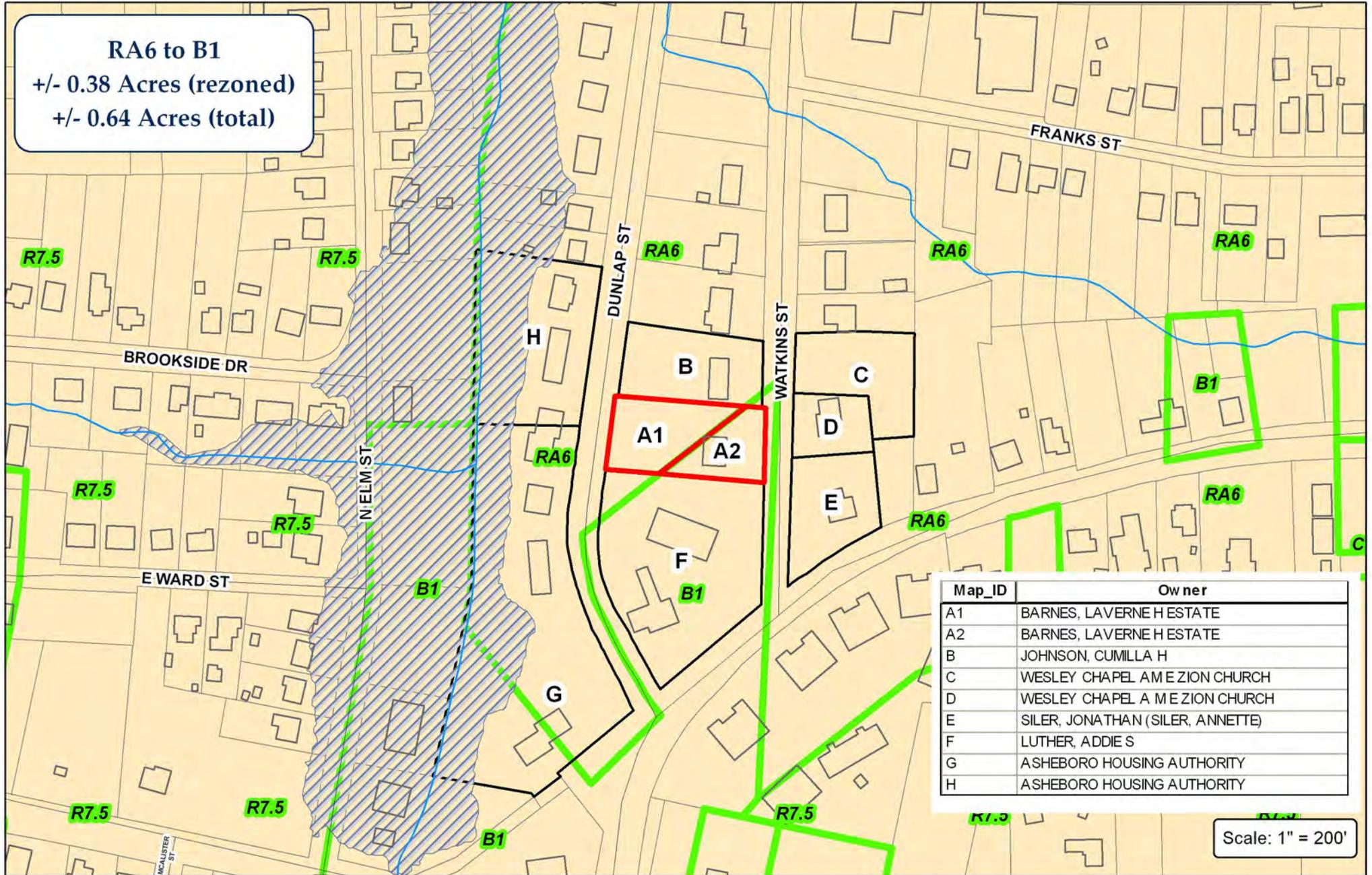


City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-05
Parcels: 7761130704

-  Subject Property
-  Zoning
-  City Limits
-  ETJ

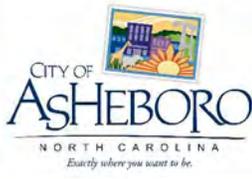


RA6 to B1
 +/- 0.38 Acres (rezoned)
 +/- 0.64 Acres (total)



Map_ID	Owner
A1	BARNES, LAVERNE H ESTATE
A2	BARNES, LAVERNE H ESTATE
B	JOHNSON, CUMILLA H
C	WESLEY CHAPEL A M E ZION CHURCH
D	WESLEY CHAPEL A M E ZION CHURCH
E	SILER, JONATHAN (SILER, ANNETTE)
F	LUTHER, ADDIE S
G	ASHEBORO HOUSING AUTHORITY
H	ASHEBORO HOUSING AUTHORITY

Scale: 1" = 200'



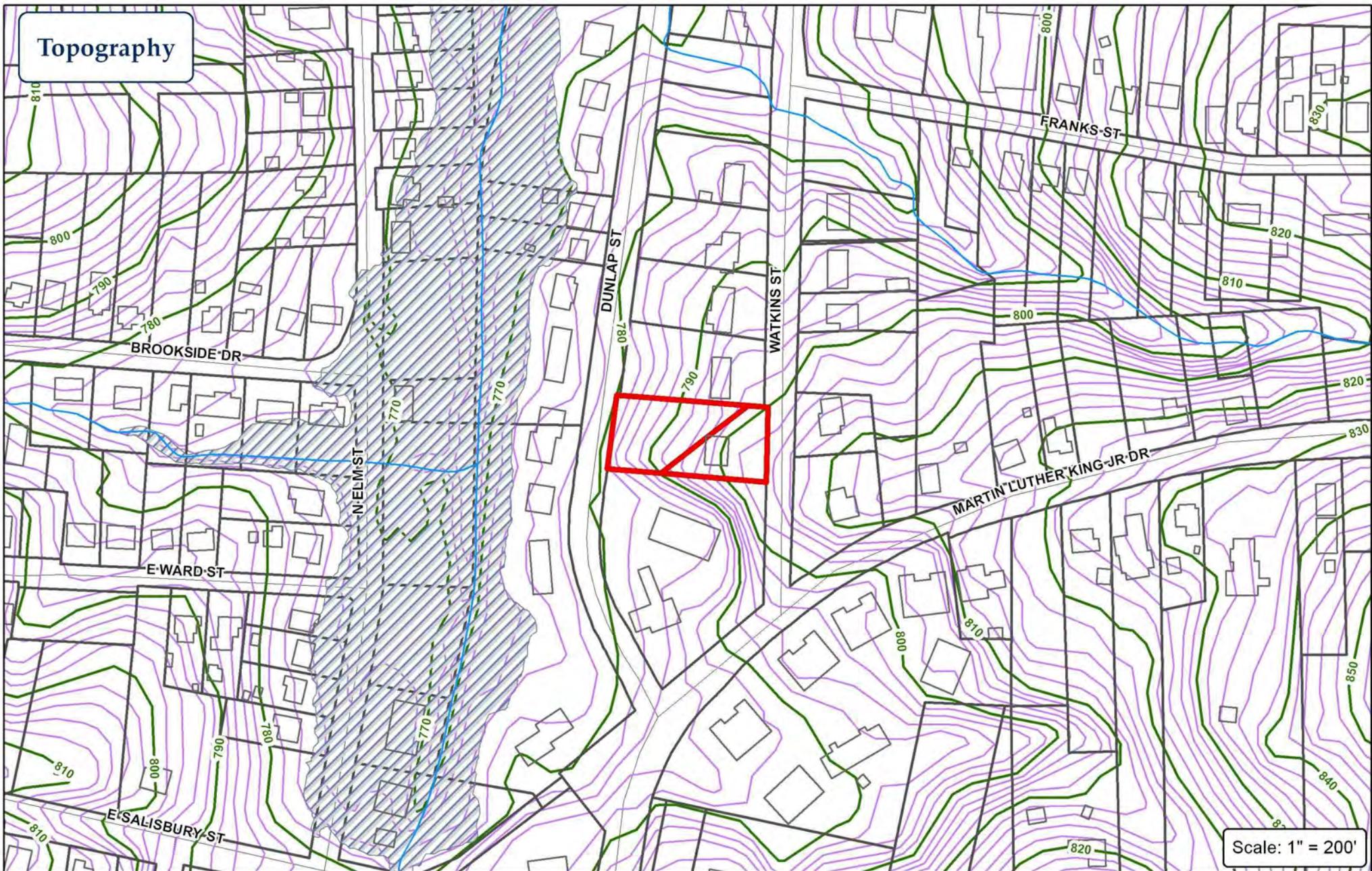
**City of Asheboro
 Planning & Zoning Department**

**Rezoning Case: RZ-16-05
 Parcels: 7761130704 (pt.)**

-  Subject Property
-  Adjoining Properties
-  Zoning
-  City Limits



Topography



Scale: 1" = 200'

City of Asheboro
Planning & Zoning Department

Rezoning Case: RZ-16-05

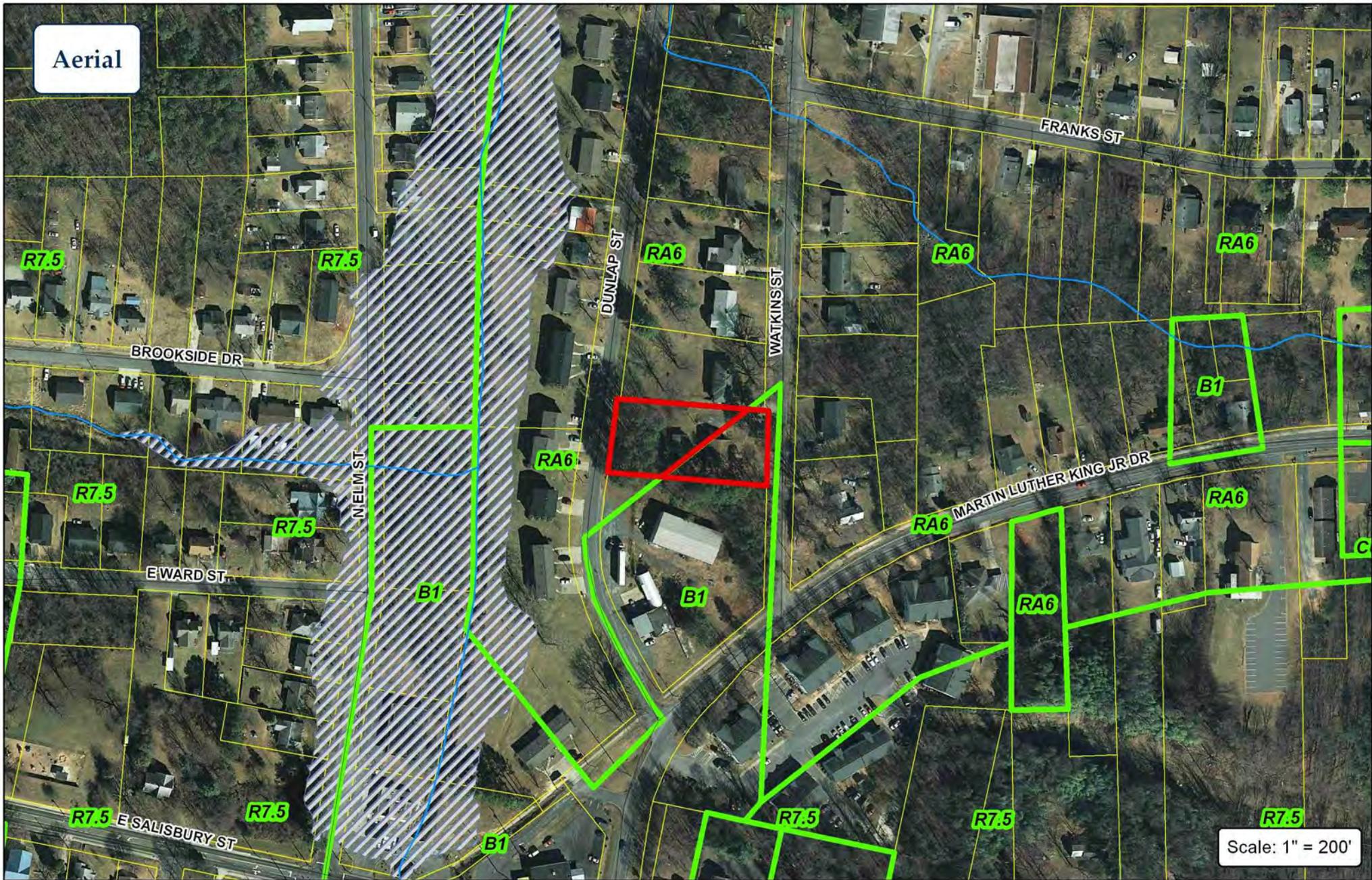
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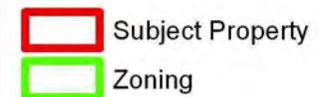
 Subject Property



Aerial



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-05
Parcels: 7761130704





**RZ-16-06: Rezone from R10 (Medium-Density Residential) to O & I
(Office & Institutional)**

(112 and 116 Sunrise Avenue and 2029 Vincent Drive)

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-16
-06

Date 5/2/2016 PB

Applicant Pastor Ben Chavis Freedom Life Church of

Legal Description God

The property of Freedom Life Church of God, located at 112 Sunrise Ave, and Randolph Church of God, located at 116 Sunrise Ave. and Sunrise Church of God, located at 2219 Vincent Dr. This property totals approximately 2.34 acres +/- and is more specifically identified by Randolph County Parcel Identification Numbers 7763106759, 7763106913, and 7763104846.

Requested Action Rezone from R10 to O & I

Existing Zone R10

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve

Reason for Recommendation

The Planning Board cited the request's compliance with the growth strategy map, the property's proximity to industrial areas, the historic use of the property, and the lack of public comments indicating citizen opposition to the request.

Planning Board Comments

Rezoning Staff Report

RZ Case # RZ-16-06

Date 6/9/2016 CC

General Information

Applicant Freedom Life Church of God, Pastor Ben Chavis

Address 116 Sunrise Ave.

City Asheboro NC 27203

Phone 336-963-3578

Location 112 and 116 Sunrise Avenue and 2029 Vincent Drive

Requested Action Rezone from R10 (Medium-Density Residential) to O & I (Office and Institutional)

Existing Zone R10

Existing Land Use Church/Single Family residence

Size 2.34 acres +/-

Pin # 7763106759, 7763106913, 7763104846

Applicant's Reasons as stated on application

Zoning needs to reflect current use of property (church). We have been good neighbors and will continue to enhance the neighborhood with the requested change.

Surrounding Land Use

North Single-family residential

East Single-family residential

South Single-family residential

West Single-family residential

Zoning History N/A

Legal Description

The property of Freedom Life Church of God, located at 112 Sunrise Ave, and Randolph Church of God, located at 116 Sunrise Ave. and Sunrise Church of God, located at 2219 Vincent Dr. This property totals approximately 2.34 acres +/- and is more specifically identified by Randolph County Parcel Identification Numbers 7763106759, 7763106913, and 7763104846.

Analysis

1. The property is located inside of the city limits. All city services are available.
2. Sunrise Avenue can be viewed as a city-maintained collector street, a higher classification street than a local street. Vincent Drive (on the east side of the property) is a city-maintained local street. The pavement surface of Sunrise Avenue is approximately 18' to 19' wide in this location. The pavement surface of Vincent Avenue is approximately 13' wide.
3. With the exception of another Place of Worship located southeast of the property at 2025 Holland Street (which is also zoned R10), the property is surrounded by single-family residences.
4. The request is for a general district O&I (Office & Institutional District rezoning) which permits office (including medical) and institutional (such as places of worship, schools) uses, and certain light commercial activities (such as banks and funeral homes) by right.
5. Tax records indicated the place of worship (i.e. church) was constructed in 1960. When located in a residential district, a place of worship also has the option to obtain a Special Use Permit if significant expansion or modifications are proposed.
6. The request is filed due to the church's acquisition of 112 Sunrise Avenue in Dec. 2015 and its desire to use the property in conjunction with the rest of the church's property. Staff discussed with the applicant the options available to utilize 112 Sunrise Ave., including the option to pursue a Special Use Permit. The applicant decided that a rezoning request was in its best interest.
7. There is a single-family residence on one of the parcels. As a stand-alone use, the single-family residence becomes a legal non-conforming use if rezoned to O & I, and may continue, but expansion and additions are restricted.
8. The closest commercial (which is B2 General Commercial) zoning is on the west side of North Fayetteville St. across the intersection of North Fayetteville St. and Sunrise Ave. This is approximately 325' from the subject property, and separated by three residences on the south side of Sunrise Ave. and two residences on the north side of Sunrise Ave.

Rezoning Staff Report

RZ Case # RZ-16-06

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.

Proposed Land Use Map Designation Neighborhood Residential

Small Area Plan Northeast

Growth Strategy Map Designation Primary Growth

LDP Goals/Policies Which Support Request

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-16-06

Page 3

LDP Goals/Policies Which Do Not 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 6: Existing infrastructure is adequate to support the desired zone. (water, sewer, roads, schools, etc.)

Staff's Final Analysis Concerning Consistency with Adopted Comprehensive Plans, Reasonableness and Public Interest

Staff recognizes that there is validity in certain aspects of the request. The use of the property has been for a place of worship since approximately 1960 and has become a recognized component of the neighborhood's character. The Office and Institutional (O & I) district generally allows only non-residential uses that impose lesser potential negative impacts on adjoining residential uses than most non-residential zoning districts. The property's lack of substantial, known environmental impediments are also a positive factor in evaluating this request.

Staff's concerns in granting this request are based on the wider range of permitted uses in the district that may not be compatible with the property's location, which is completely surrounded by single-family residential uses and removed from commercial uses to the west along North Fayetteville Street. The property itself, along with adjoining properties, are designated for "neighborhood residential use" by the LDP, with no other property in the vicinity having O & I zoning. The lack of access to a minor thoroughfare or higher classification street raises concerns over the ability for the existing street network to accommodate possibly more intensive use of the property than what presently exists. There is also a concern over spot zoning, due to the absence of other nearby properties with O & I zoning, the "neighborhood residential" LDP designation, and the inability to review a site specific development plan that would be possible with a Special Use Permit or Conditional Use District and Permit. For these reasons, staff believes the existing R10 zoning is consistent with the adopted comprehensive plan, and therefore reasonable and in the public interest.

Recommendation In light of the above analysis, staff's recommendation is **denial** of this request.

R10 to O&I
+/- 2.34 Acres



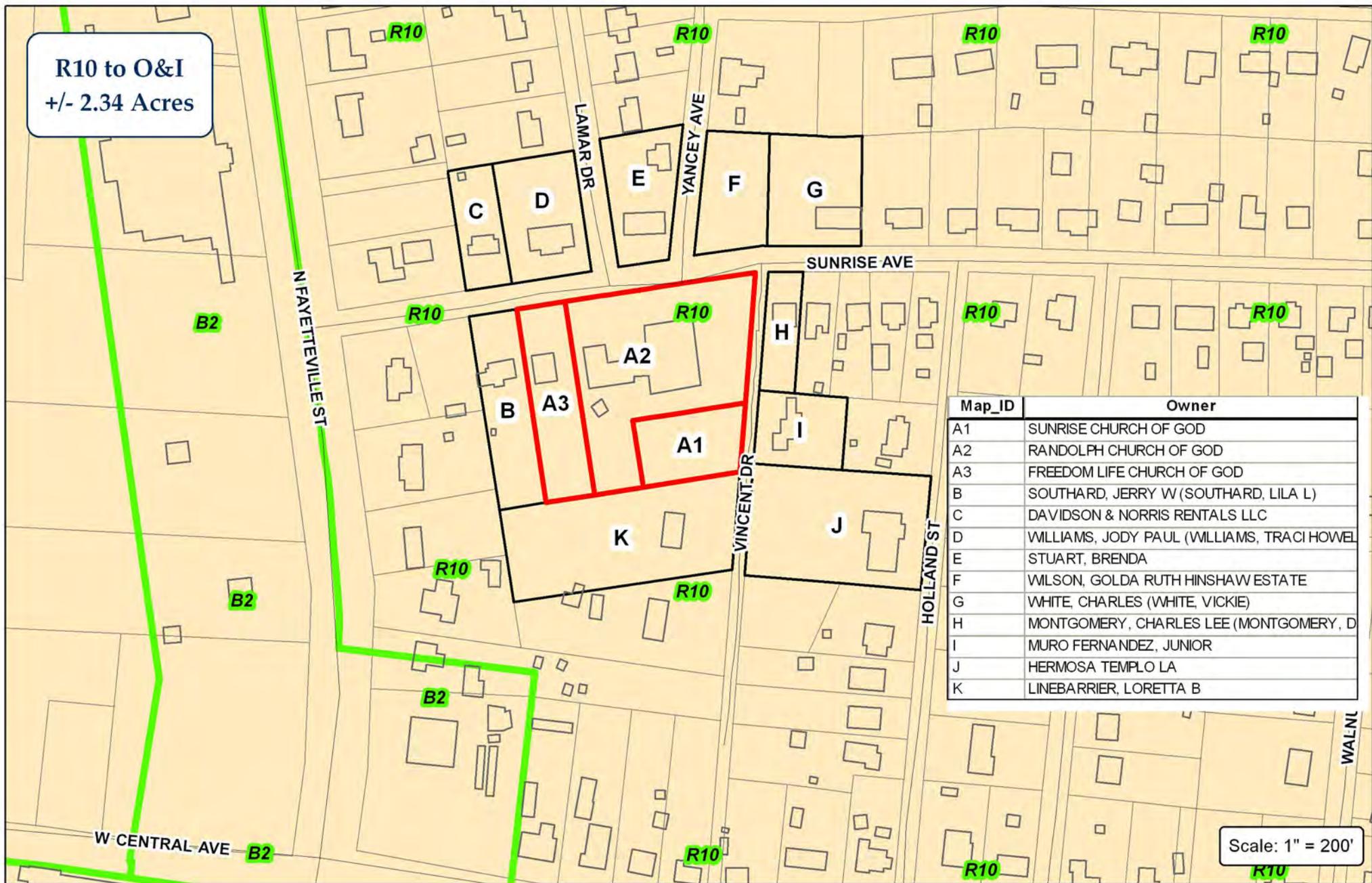
City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-06

Parcels: 7763106759, 7763106913 & 7763104846

- Subject Property
- Zoning
- City Limits
- ETJ

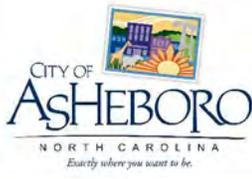


R10 to O&I
+/- 2.34 Acres



Map_ID	Owner
A1	SUNRISE CHURCH OF GOD
A2	RANDOLPH CHURCH OF GOD
A3	FREEDOM LIFE CHURCH OF GOD
B	SOUTHARD, JERRY W (SOUTHARD, LILA L)
C	DAVIDSON & NORRIS RENTALS LLC
D	WILLIAMS, JODY PAUL (WILLIAMS, TRACI HOWEL
E	STUART, BRENDA
F	WILSON, GOLDA RUTH HINSHAW ESTATE
G	WHITE, CHARLES (WHITE, VICKIE)
H	MONTGOMERY, CHARLES LEE (MONTGOMERY, D
I	MURO FERNANDEZ, JUNIOR
J	HERMOSA TEMPLO LA
K	LINEBARRIER, LORETTA B

Scale: 1" = 200'



**City of Asheboro
Planning & Zoning Department**

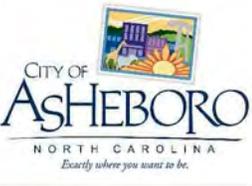
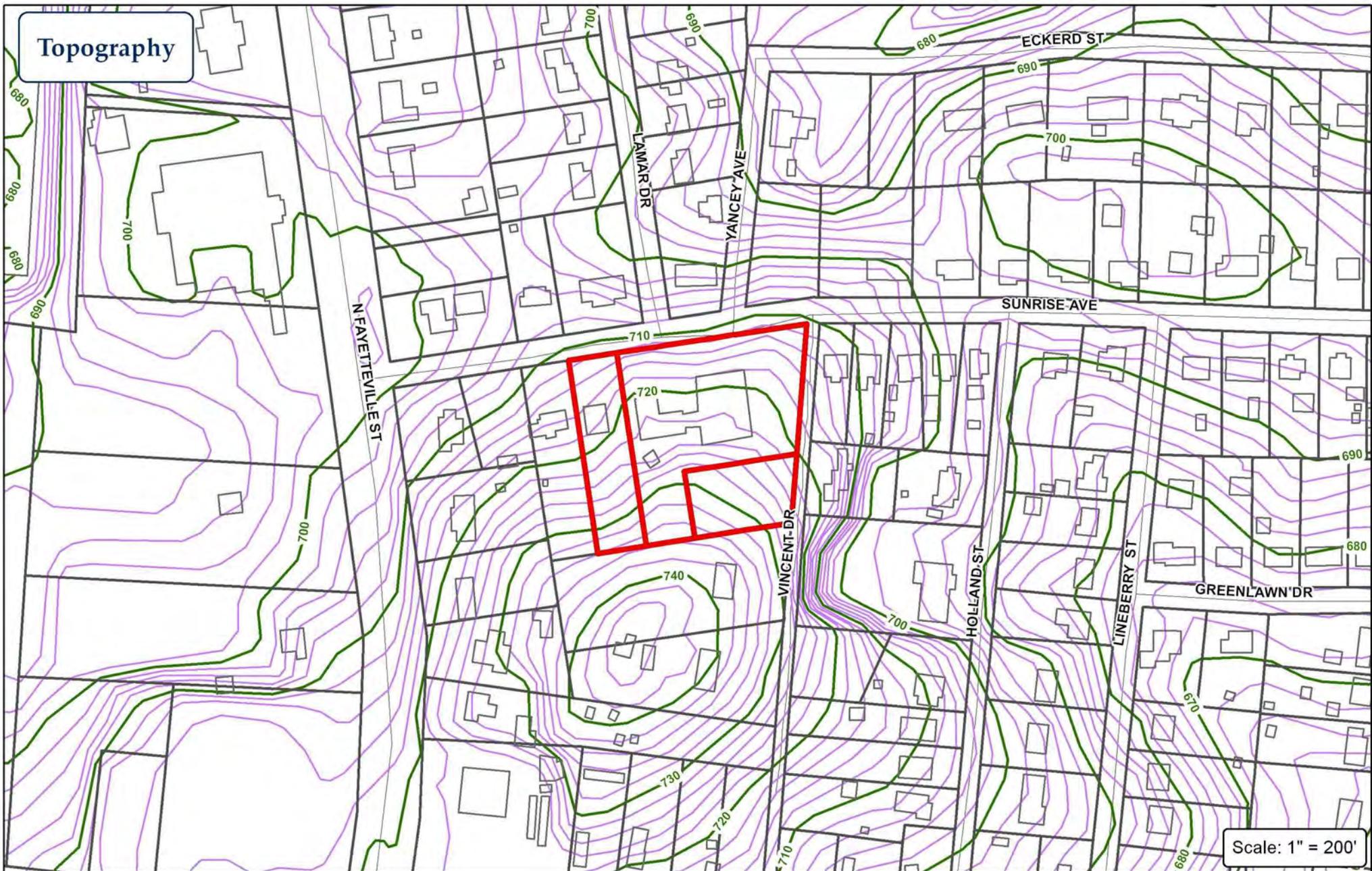
Rezoning Case: RZ-16-06

Parcels: 7763106759, 7763106913 & 7763104846

-  Subject Property
-  Adjoining Properties
-  Zoning
-  City Limits



Topography



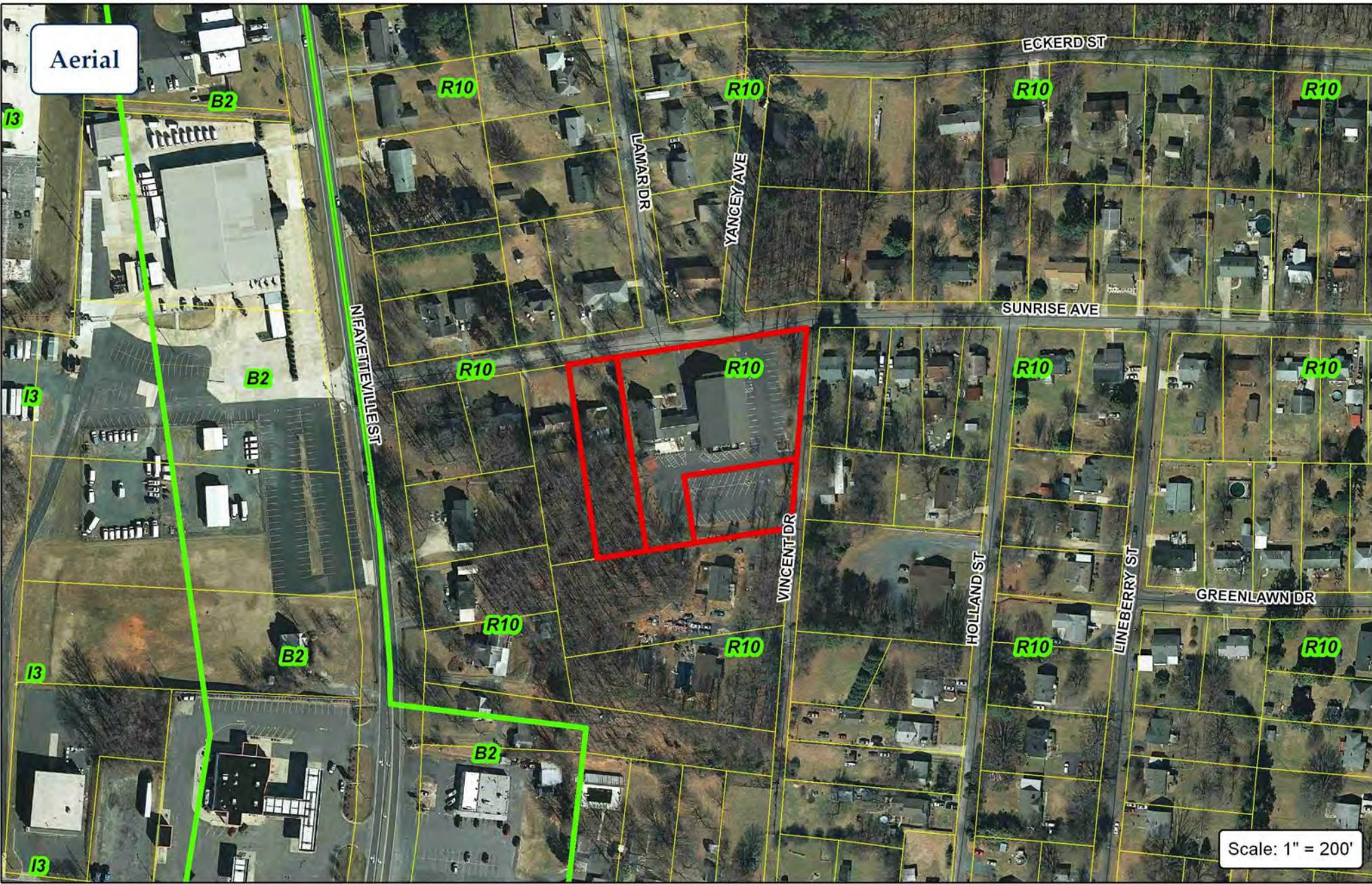
City of Asheboro
Planning & Zoning Department

Rezoning Case: RZ-16-06

Parcels: 7763106759, 7763106913 & 7763104846

 Subject Property





Aerial

Scale: 1" = 200'



City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-16-06

Parcels: 7763106759, 7763106913 & 7763104846

Subject Property
 Zoning





RZ-16-07: Rezone from RA6 (High Density-Residential) to OA6 (Office Apartment) and B2 (General Commercial)

(437 Sunset Ave.: RA6 to B2; 159 S. Park St. and 420 Hill St.: RA6 to OA6)

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-16**
-07

Date 5/2/2016 PB

Applicant Mc Jed (a NC General Partnership) Ben C. Morgan, Attorney

Legal Description

The properties of McJed (A North Carolina General Partnership), located at 159 S. Park. St., 420 Hill St., and 437 Sunset Ave., totaling approximately 2.65 acres (+/-) and more specifically identified by Randolph County Parcel Identification Numbers 7751624365, 7751626400, and a portion of Randolph County Parcel ID #7751626653.*

*437 Sunset Avenue is identified by Parcel ID #7751626653.

159 South Park Street is identified by Parcel ID #7751624365.

420 Hill Street is identified by Parcel ID #7751626400.

Requested Action

1. Rezone 437 Sunset Avenue from RA6 (High Density Residential)/B2 (General Commercial) to B2.
2. Rezone 159 S. Park St. and 420 Hill Street from RA6 (High Density Residential) to OA6 (Office-Apartment)

Existing Zone RA6

Land Development Plan See rezoning staff report

Planning Board Recommendation

Approve the request to rezone 437 Sunset Avenue from RA6/B2 to B2 and 159 South Park Street from RA6 to OA6.

Deny the request to rezone 420 Hill Street from RA6 to OA6.

Reason for Recommendation

The Planning Board concurred with staff reasoning.

Planning Board Comments

In reference to the rezoning request for 420 Hill St., the Planning Board reiterated staff's concern over the potential for commercial activities on a street of a primarily residential character that lacks the infrastructure to serve various commercial activities.

Rezoning Staff Report

RZ Case # **RZ-16-07**

Date 5/2/2016 PB

6/9/2016 CC

General Information

Applicant McJed (A NC General Partnership) Ben C. Morgan, Attorney (Agent)

Address 150-A Scarboro Street

City Asheboro NC 27203

Phone 336-629-7000

Location 159 S. Park St., 420 Hill St., 437 Sunset Avenue

Requested

Action

- 1.) Rezone 159 S. Park Street from RA6 to OA6.
- 2.) Rezone 420 Hill St. from RA6 to OA6.
- 3.) Rezone the portion of 437 Sunset Ave. that is zoned RA6 from RA6 to B2.

Existing Zone RA6

Existing Land Use Single-family residences (2), Funeral home

Size 2.65 acres +/- total

Pin # 7751624365, 7751626400, 7751626653

Applicant's Reasons as stated on application

159 S. Park St.: The property has evolved in this area from residential to office space. The parcel is located in the city activity center. A change in zoning would be compatible with other adjacent property uses.

420 Hill St.: South Park St. and Hill Street both are transitioning from Residential to Office Uses. The parcel is located in the City Activity Center. A change in zoning would be compatible with other adjacent property uses.

437 Sunset Ave.: The area is used almost exclusively for business. This application seeks to correct any confusion concerning the Southern most portion of the parcel. The applicant is seeking B2 classification for the entire parcel to bring uniformity to the parcel.

Surrounding Land Use

North Office/Commercial

East Commercial/Office/Single-family residential

South Single and Multi-family residential

West Single-family residential/Office

Zoning History N/A

Legal Description

The properties of McJed (A North Carolina General Partnership), located at 159 S. Park. St., 420 Hill St., and 437 Sunset Ave., totaling approximately 2.65 acres (+/-) and more specifically identified by Randolph County Parcel Identification Numbers 7751624365, 7751626400, and 7751626653.

Analysis

1. The property (with parcels adjoining each other) is located in the City limits & all City services are available.
2. Sunset Ave. & S. Park St. are both state-maintained minor thoroughfares. Hill St. is a city-maintained local street.
3. 159 S. Park St. and 420 Hill St. are currently single-family residences. 437 Sunset Ave. is a funeral home, which also contains a crematorium.
4. 437 Sunset Avenue and 159 S. Park Street are located in Tier 2 (Central Fringe Planning Area) of the Center City Planning Area (CCPA). 420 Hill St. is located in Tier 1 (Central Business Planning Area) of the CCPA.
5. The property is located near a mix of uses. Sunset Avenue includes various commercial, and offices uses in the vicinity, with the Central Business District to the east of the subject property and residential uses to the west. South Park St. includes a mix of residential (primarily single-family with scattered multi-family) and office activities, particularly in the vicinity of the subject property and to the north. Hill Street is primarily residential, except for near its intersections with S. Church and S. Park Streets.
6. The rezoning request for a 0.43 acre +/- portion of 437 Sunset Ave. is included because a question has arisen as to the status of a portion of the property's zoning district classification. Despite extensive staff research, the determination of whether the southern portion of the property is zoned RA6 or B2 cannot be conclusively determined.
7. The requested OA6 district permits single-family and multi-family residential uses, plus office, institutional (such as places of worship, schools, and certain light commercial activities (such as banks and funeral homes).

Rezoning Staff Report

RZ Case # RZ-16-07

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.

Proposed Land Use Map Designation City Activity Center
Small Area Plan Central
Growth Strategy Map Designation Primary Growth

LDP Goals/Policies Which Support Request

Checklist Item 1: Rezoning is compliant with the Proposed Land Use Map (**supporting item only applies to 159 S. Park St. and 437 Sunset Ave.**)

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*) (**supporting item only applies to 159 S. Park St. and 437 Sunset Ave.**)

Checklist Item 4: The proposed rezoning is compatible with surrounding land uses. (**supporting item only applies to 159 S. Park St. and 437 Sunset Ave.**)

Checklist Item 7: The proposed rezoning is compatible with the applicable Small Area Plan (**supporting item only applies to 159 S. Park St. and 437 Sunset Ave.**)

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 (**Supporting item applies to all three properties**)

Policy 2.1.5: City will ensure development regulations provide appropriate transitional land uses, such as office and institutional, between high-intensity industrial/commercial and low-intensity residential uses. (**Supporting item only applies to 159 S. Park St.**)

Rezoning Staff Report

RZ Case # RZ-16-07

Page 3

LDP Goals/Policies Which Do Not Support Request

Checklist Item 1: Rezoning is not compliant with the Proposed Land Use Map (**non-supporting item only applies to 420 Hill St.**)

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*) (**non-supporting item only applies to 420 Hill St.**)

Checklist Item 4: The proposed rezoning is not compatible with surrounding land uses. (**non-supporting item only applies to 420 Hill St.**)

Checklist Item 6: Existing infrastructure is adequate to support the desired zone. (water, sewer, roads, schools, etc.) (**non-supporting item only applies to 159 S. Park St. and 420 Hill St.**)

Checklist Item 7: The proposed rezoning is not compatible with the applicable Small Area Plan (**non-supporting item only applies to 420 Hill St.**)

Staff's Final Analysis Concerning Consistency with Adopted Comprehensive Plans, Reasonableness and Public Interest

All three parcels have a "City Activity Center" designation on the proposed land use map, a designation which promotes a mix of complementary uses, and as the historic core of Asheboro, emphasizes the importance of context unique to each property when evaluating rezoning requests. Therefore, staff's specific recommendations are as follows:

437 Sunset Ave.: Considering the property's long-term commercial history, its location on a section of Sunset Ave. that is primarily commercial, and a lack of significant environmental impediments to commercial zoning, staff finds that the B2 zoning on the entirety of this property is consistent with the LDP and is therefore reasonable and in the public interest.

159 S. Park St.: This area has seen an increasing number of office, institutional, and most recently, medical activities mixed with residential uses, and properties along this segment of S. Park St. have become increasingly transitional between the primarily residential areas to the south and west, commercial areas to the north, and central business district to the northeast. The OA6 district allows continued viable residential use of the property and the property is located outside of areas of significant environmental concern. The only negative factor (Checklist Item 6) is due to the limited size of the property, and limited on-street parking in the vicinity, which may preclude certain uses requiring significant off-street parking to stand on their own without reciprocal parking from an adjoining property. However, staff believes the OA6 zoning on this parcel is overall consistent with the Land Development Plan and the context of the area in which it is located. Therefore, staff believes the requested rezoning for this parcel is reasonable and in the public interest.

420 Hill St.: The Land Development Plan and specifically the Central Small Area plan emphasize preservation of residential neighborhoods, and, while continuing to accommodate residential uses, the extension of OA6 zoning along Hill Street may also introduce land uses that are incompatible with surrounding land uses, especially without a site-specific development plan. The Zoning Ordinance Statement of Intent also discourages the application of OA6 zoning to lower classification residential streets. Considering these factors, staff believes that the existing RA6 zoning is consistent with the adopted LDP and is therefore reasonable and in the public interest.

In light of the above analysis, staff recommends the following:

Recommendation

Approval of the request to rezone property located at 437 Sunset Ave. from RA6 to B2.

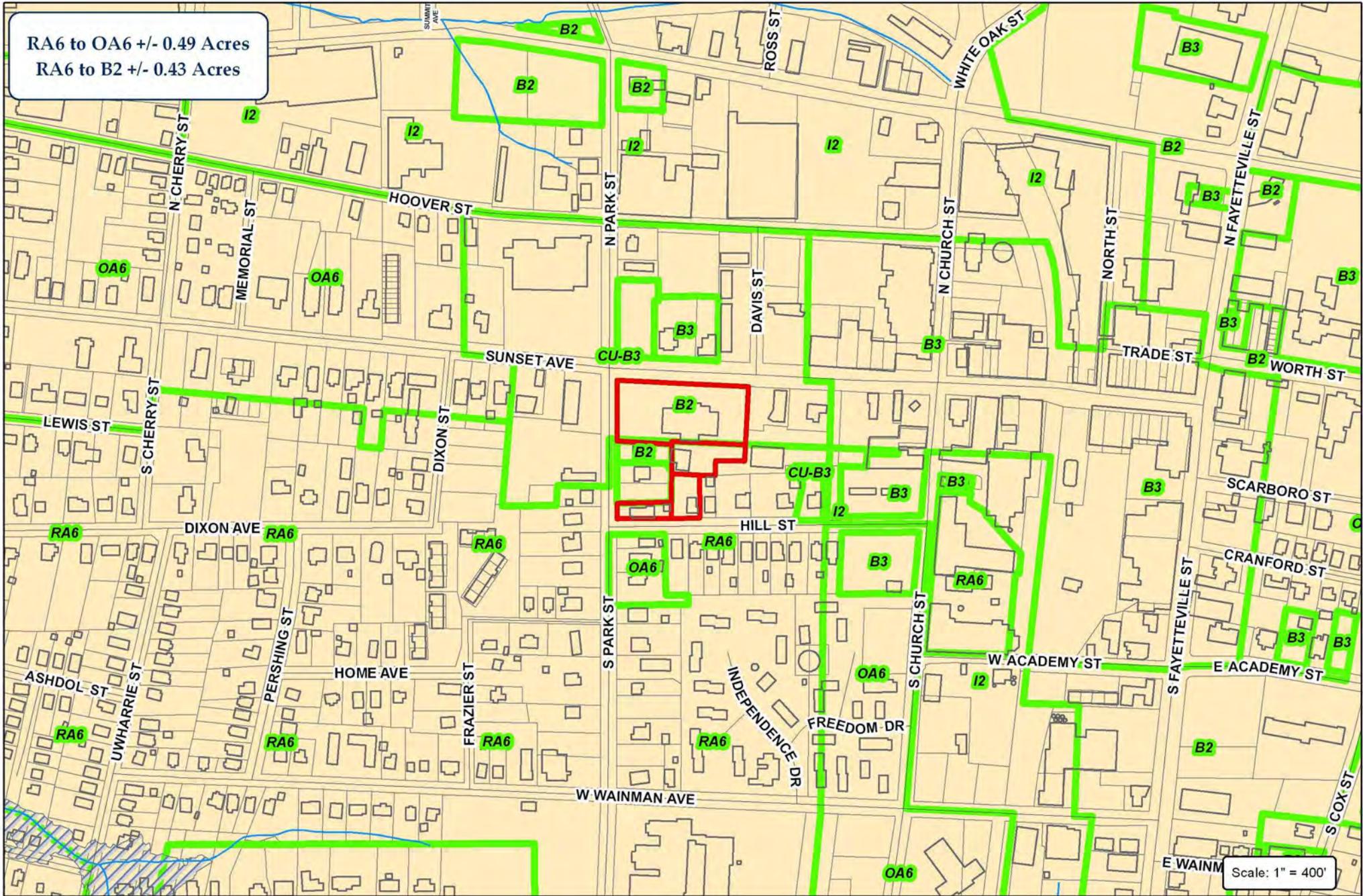
Approval of the request to rezone property located at 159 S. Park St. from RA6 to OA6.

Denial of the request to rezone property located at 420 Hill St. from RA6 to OA6.

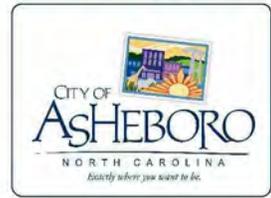
Summary of staff's analysis concerning rezoning request for 437 Sunset Ave., 159 S. Park St., and 420 Hill St. (RZ-16-07)
 Goals, Policies, and Recommendations for each property

Property	LDP Goals/Policies Supporting request	LDP Goals/Policies not supporting request	Overall recommendation
437 Sunset Ave.	Checklist items 1, 3, 4, 7, 12-15	N/A	Approve
159 S. Park St.	Checklist items 1, 3, 4, 7, 12-15, 2.1.5	Checklist Item 6	Approve
420 Hill St.	Checklist Items 12-15	Checklist Items 1, 3, 4, 6, and 7	Deny

RA6 to OA6 +/- 0.49 Acres
 RA6 to B2 +/- 0.43 Acres



Scale: 1" = 400'

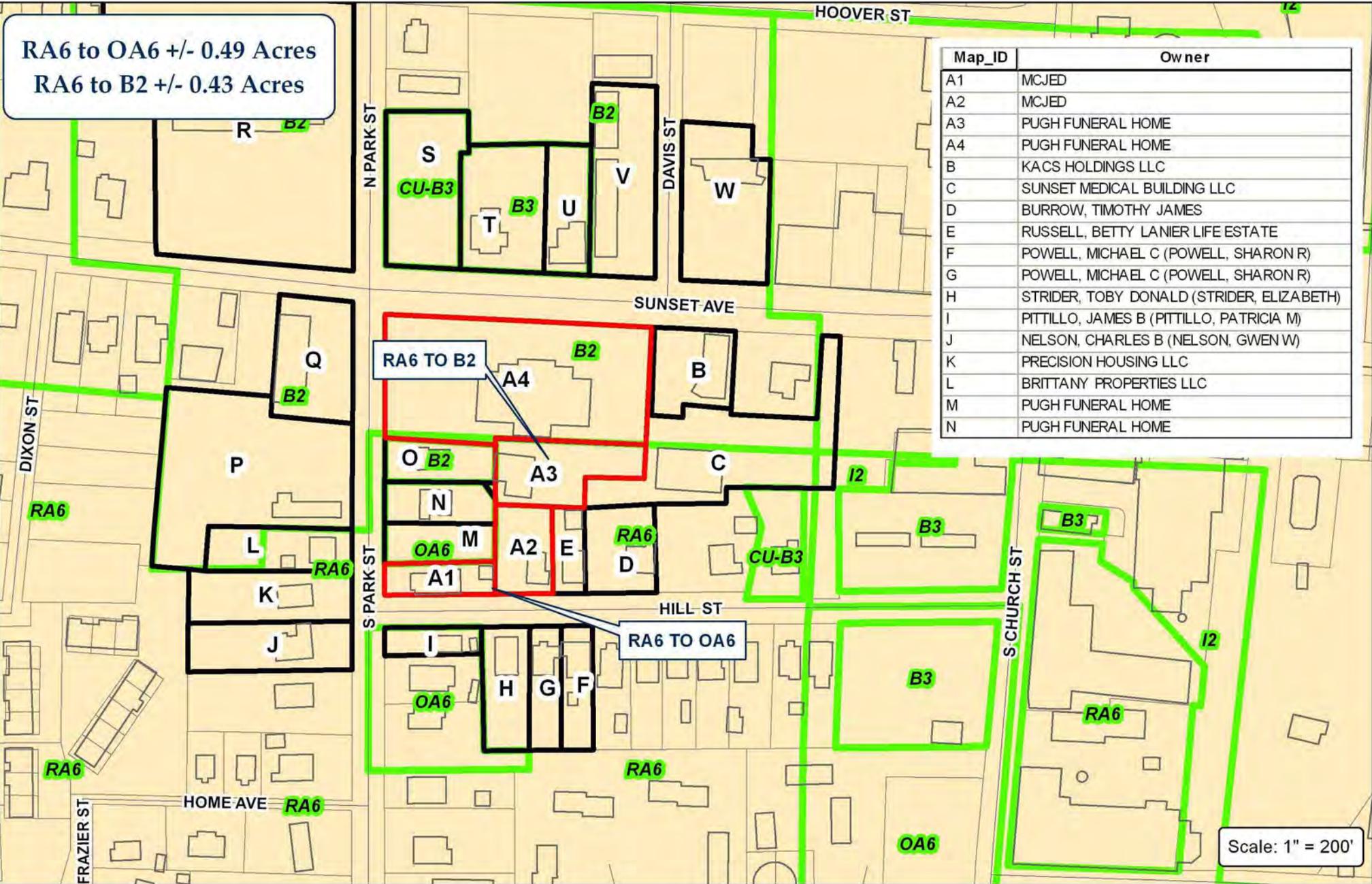


City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-16-07

Parcels: 7751624365, 7751626400 & 7751626653 (pt.)

-  Subject Property
-  Zoning
-  City Limits
-  ETJ

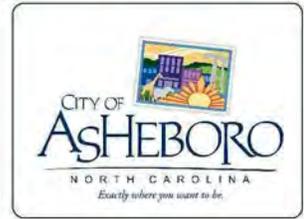




RA6 to OA6 +/- 0.49 Acres
 RA6 to B2 +/- 0.43 Acres

Map_ID	Owner
A1	MCJED
A2	MCJED
A3	PUGH FUNERAL HOME
A4	PUGH FUNERAL HOME
B	KACS HOLDINGS LLC
C	SUNSET MEDICAL BUILDING LLC
D	BURROW, TIMOTHY JAMES
E	RUSSELL, BETTY LANIER LIFE ESTATE
F	POWELL, MICHAEL C (POWELL, SHARON R)
G	POWELL, MICHAEL C (POWELL, SHARON R)
H	STRIDER, TOBY DONALD (STRIDER, ELIZABETH)
I	PITTILLO, JAMES B (PITTILLO, PATRICIA M)
J	NELSON, CHARLES B (NELSON, GWEN W)
K	PRECISION HOUSING LLC
L	BRITTANY PROPERTIES LLC
M	PUGH FUNERAL HOME
N	PUGH FUNERAL HOME

Scale: 1" = 200'



**City of Asheboro
 Planning & Zoning Department**

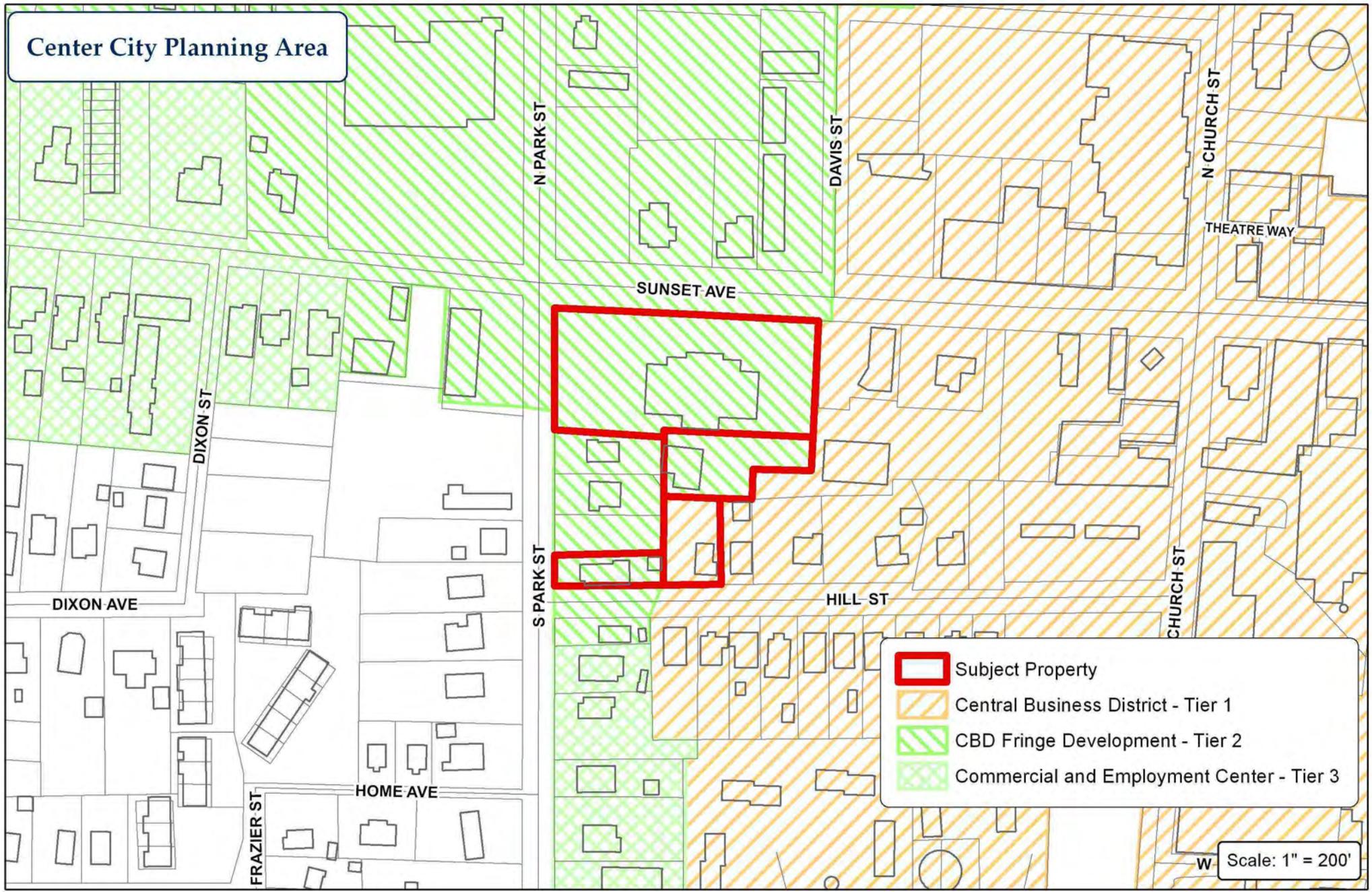
Rezoning Case: RZ-16-07

Parcels: 7751624365, 7751626400 & 7751626653 (pt.)

- Subject Property
- Adjoining Properties
- Zoning
- City Limits



Center City Planning Area



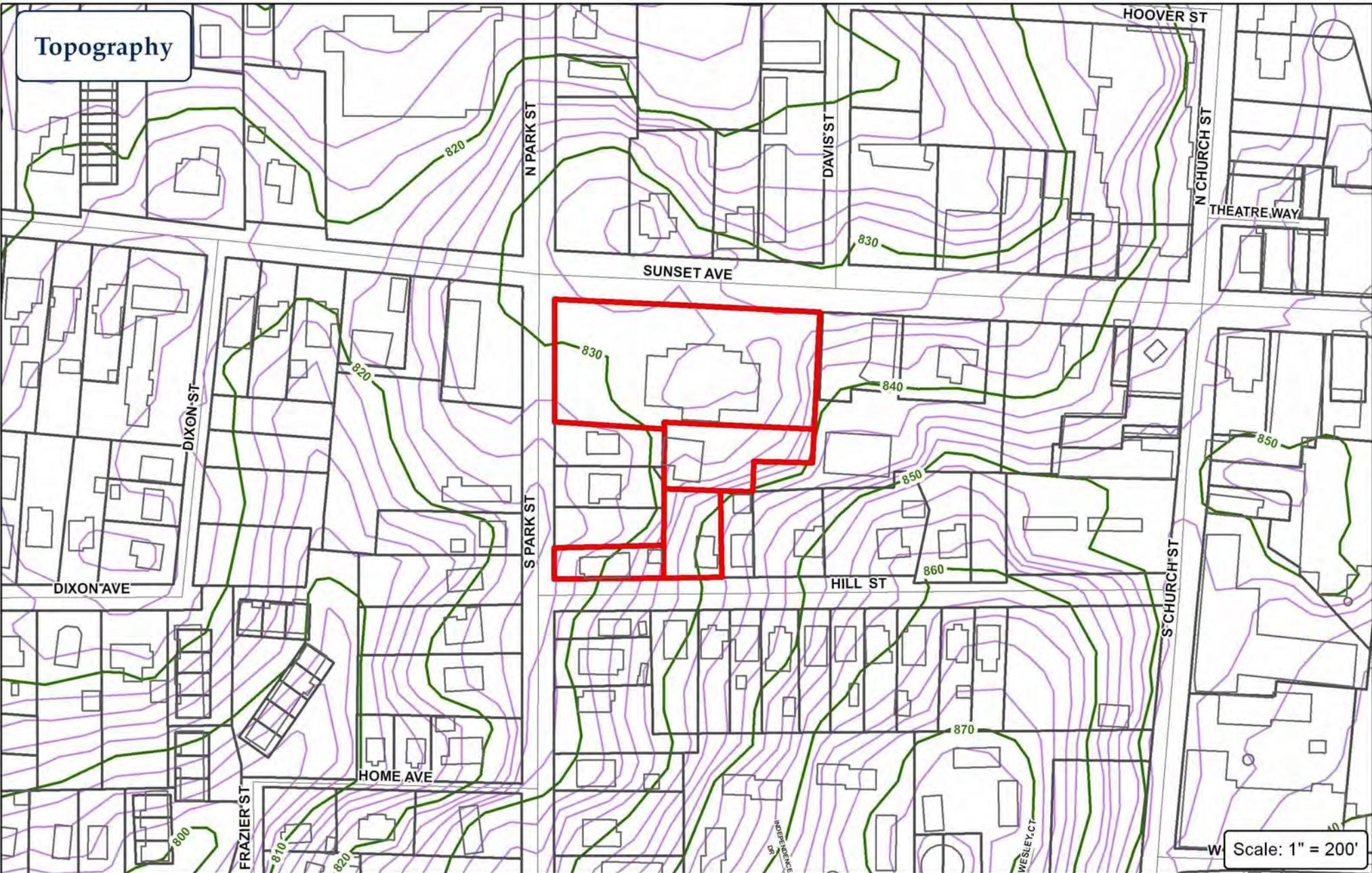
	Subject Property
	Central Business District - Tier 1
	CBD Fringe Development - Tier 2
	Commercial and Employment Center - Tier 3



City of Asheboro
Planning & Zoning Department
Rezoning Case: RZ-16-07

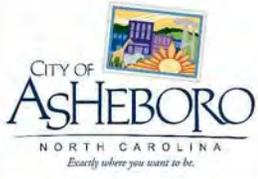
Parcels: 7751624365, 7751626400 & 7751626653 (pt.)





Topography

Scale: 1" = 200'



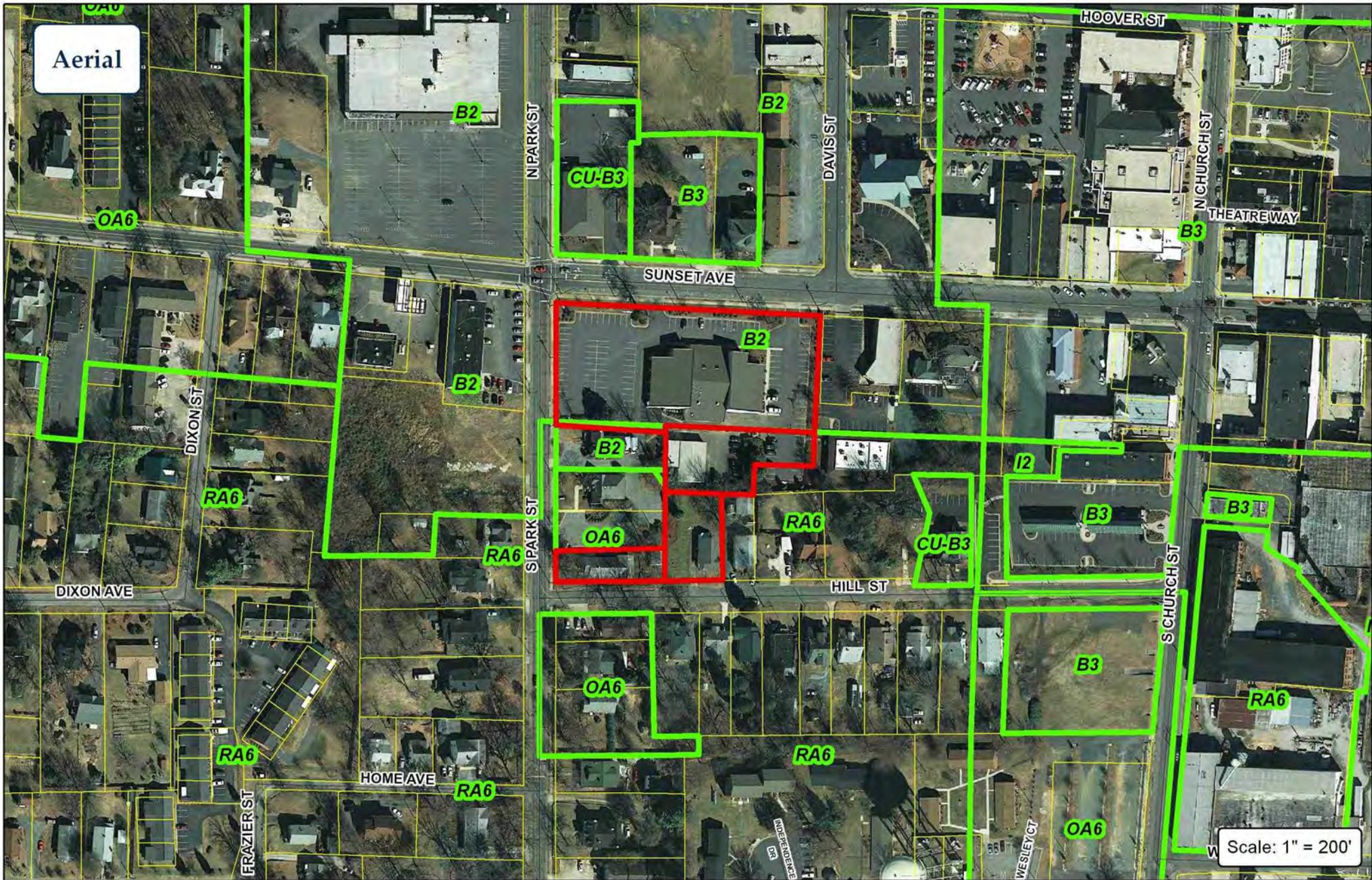
**City of Asheboro
Planning & Zoning Department**

Rezoning Case: RZ-16-07

Parcels: 7751624365, 7751626400 & 7751626653 (pt.)

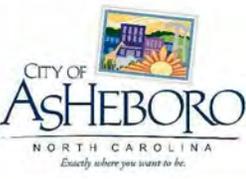
 Subject Property





Aerial

Scale: 1" = 200'



City of Asheboro
 Planning & Zoning Department
 Rezoning Case: RZ-16-07

Parcels: 7751624365, 7751626400 & 7751626653 (pt.)

Subject Property
 Zoning



Odd Fellows Cemetery

Nomination for Cultural Heritage Site by Mac Whatley

Randolph County Tax Dept PIN# 7761431737; access is from Martin Luther King, Jr. Drive, across a driveway on PIN 7761440023, located directly across the street from Booker T. Washington Drive.

Historic Owner: Trustees of Diamond Star Lodge No. 3711, Grand United Order of Odd Fellows.

In February 1953, Mrs. Addie McAlister Keeling, the daughter of Col. A.C. McAlister and granddaughter of Dr. John Milton Worth, deeded a parcel of land south of Cedar Falls Road to the Town of Asheboro; the lot was evidently already in use as a cemetery “for the Negro population of the Town” (DB 400, PG 637). The cemetery was described as lying east of “Mt. Calvary Drive,” a private road which was also deeded to the Town, which also provided access to the “Odd Fellows Cemetery” (DB400, PG638). For more than 60 years the City has maintained the Mt. Calvary cemetery property deeded to them, but the private “Odd Fellows Cemetery” area to the South, known for generations as “Potter's Field” or the “Colored Cemetery,” was never officially deeded to the City and gradually became overgrown. It comes as no surprise that the legal history of these tracts are a tangled mess, as in the post-Civil War period neither white nor black citizens took much care to preserve cemetery records. This report attempts to gather together what can be found about this tract of land, and the fraternal order that it is associated with.

Before 1865, black and white citizens lived together and worshipped together. Negroes, both free and enslaved, lived in and around the homes of the white population where they served, with blacks segregated on the Sabbath into the balconies of both the Presbyterian and Methodist Episcopal buildings. Likewise, there were apparently no separate cemeteries. In the old Asheboro Cemetery on Salisbury street, at or near the site of the original Methodist Episcopal Church, there is a marker headed “To the Memory of our Colored Friends.” Presumably the names inscribed on that granite block are those of Negro citizens buried alongside white citizens and whose original wooden or rock grave markers had vanished.

Even after churches separated, it isn't clear that burials became segregated. What appears to be the first church just for African Americans in Asheboro was “Bulla’s Grove,” an African Methodist Episcopal congregation located at or near the site of the present 801 South Fayetteville Street, on the southeast side of Bulla Street intersection. The church was built on an acre of land deeded on January 15, 1869 to David Worth, Jesse Lytle, Donald Steth and J.H. Hoover by local attorney Bolivar B. Bulla and his wife Tibitha. (DB/P- rec. 1-31-1877). It is not known that a graveyard was established around the Bulla’s Grove church; even when the church was rebuilt in 1885 it is unclear if there was an actual Negro residential community around the church or if it was an unsuccessful attempt to create a new African-American neighborhood on what was then the far southern outskirts of the Town, far from both whites and blacks.¹

In 1921 the Bulla family traded the South Fayetteville location for a new lot on the southeast corner of Burns and Greensboro streets, and Bulla’s Grove took on the name of St. Luke Methodist Church. The history of the church states that the move was “due to the shifting of the Negro population,” but the area on North Main and Greensboro was much closer to the traditional center of

Asheboro's Negro community. Free black citizens had apparently clustered in the North Main area even before the Civil War; the first school for Negro children in Asheboro was established there after 1865.ⁱⁱ

The area from Salisbury north to Burns Street and East to North Main, including Greensboro Street, was the subdivision of the Burns family, who lived in a large house on what is now the parking lot of First Methodist Church. Earlier in the 19th century that site had been the home of Benjamin Elliott, whose surrounding farm including all four corners of the Salisbury Street/ Plank Road intersection, and ran North east to what is now Greensboro Street.

The new Burns real estate development sold primarily to black families in the same way that that Bulla Street area was earlier developed for the same purpose by B.B. Bulla, and the Old Cedar Falls Road/ Glovinia/ Franks St. neighborhood of "East Asheboro" was developed by the McAlister family. The fourth Negro neighborhood in late 19th century Asheboro was centered around Allen's Temple A.M.E. Church on Peachtree Street just north of Bossong Hosiery Mill. That church was organized in 1896, but is now gone and only marked by what remains of its graveyard. All but the East Asheboro African- American neighborhoods have been gentrified out of most of their connection to African-American history.

Pre-railroad Asheboro centered around the Randolph County Courthouse, built on the 2-acre square of Publick Ground at the junction of Salisbury and Main Streets. Until 1889, all of the major white-owned businesses, boarding houses, hotels and homes centered there, spreading west and south. At the northeast corner of the Publick Ground was the Worth Store, originally run by Jonathan Worth, his brother John Milton, and their children. It was rebuilt about 1890 by Colonel A.C. McAlister, the son-in-law of Dr. J.M. Worth, and became known as the McAlister Store (it survives as the westernmost section of the building that once housed radio station WGWR). Just to the north of the Worth Store was the site of the ill-fated county jail built in 1849 and destroyed by fire in 1850 (for safety's sake it was rebuilt on the outskirts of town at the southeast corner of Cox and Salisbury).

Standing for generations on the northwest corner of the Public Ground was the Hoover House hotel, home of circuit-riding judges and attorneys. About 1885 the hotel's "Long House" barroom on the corner of Main and Salisbury was replaced by the Ross and Rush Livery Stable, which used the hotel's former corrals and pasture lying to the north and down the hill. Just to the northwest, at the bottom of the hollow between Cox and Main, rose a spring known as Abram's Spring, feeding Abram's Branch that ran across Main Street toward Penn Wood Branch. This spring had been one of the determining factors that located the new county seat at this location in 1792.

The 1890 history of Randolph County by local attorney J.A. Blair, rather floridly described the founding of the town: "Here at the crossing of two Indian trails, where the gushing spring went gurgling over the rocks beneath the branches of giant trees... there was a small cabin... near the spring a little north of where the old Hoover House now stands, and an old man lived there by the name of Abram. He had a small patch cleared around his house and lived chiefly by fishing and hunting, and, it is said, could stand in his door and shoot deer and wild turkeys."ⁱⁱⁱ In the early 20th century the Boy Scout troop sponsored by First Methodist Church met in a "Boy Scout Hut" at or near the site of the Abram's Cabin on the north side of the branch.

North of Abram's Creek the African-American community in 19th century Asheboro spread out over the hill crowned by St. Luke's church, down to the point where North Main forded the stream. The

town's first public school for Negro children was halfway up the hill, established about 1882 and run by William Ernest Mead, a white Quaker missionary from New York. Sidney Robins remembered him

“as master of ceremonies at a Colored Schools Commencement in the Court Room of the old courthouse of an evening. I recall that the white people of the town had been invited, even urged or asked, to be present. Again he was quite in evidence as master of ceremonies at large, with capable Negro teachers managing their classes or prompting their pupils. It was a gala occasion, nothing left out except these gowns for graduates of lower schools that we see nowadays... the Colored schools, or the Negro people of Asheboro, outgrew Uncle Mead or his kind of leadership.... But the thing is natural enough anyhow. I suppose that as our Negro people began to rise, they began to want to do their own flying. They began to want to have teachers and officers of their own race.... He eventually resented a little their graduation in sentiment from his leadership, and that was natural too. They came to seem to him not appreciative enough of that sort of missionary work to which he had given his life. I wonder if all missionaries do not come to share this feeling of his in proportion as they have been successful. If we succeed at all, we make self-starters and democrats out of our pupils.”^{iv}

Swaim's gentle and gentlemanly explanation that the African-American community wanted “to do their own flying” may be the cause that more and more separate black institutions such as the “Negro Branch” of the Asheboro Public Library began to be built on the hillside after 1885. But it could also have been the hidden hand of Jim Crow, excluding blacks from membership in white institutions. African-American congregations may well have felt more comfortable with black ministers and black teachers in black churches and black schools. But segregation decreed a separate school system for black children, a system which was not funded on an equal level to the white system.

Similarly, “fraternal institutions” and “benevolent societies” such as the Masons and Knights of Pythias began as all-white organizations, and when African-Americans sought membership, spun off independent black lodges. Prince Hall, a former slave living in Boston, joined the Masons in 1775, and in 1787 the Ancient, Free and Accepted Masons were established there as the first African-American masonic lodge. With freedom came the ability to freely associate, and more and more African-American institutions came into being. Far from being mere social outlets, African-American fraternal lodges provided burial insurance for members, college scholarships, and assistance during times of illness or death. From 1870 to 1920 these societies were the primary providers of mutual benefits, financial support and care to members and their communities in the days before public assistance and welfare. The most prominent and active African-American fraternal organization in 19th-century North Carolina (and in Randolph) were the now almost-forgotten Odd Fellows.

The name “Odd Fellow” indirectly derives from medieval merchant, trade or craft guild membership practices. “Fellows” were masters of the “art and mystery” or their craft who, in larger communities and cities, banded together in professional associations such as the goldsmiths, glaziers, masons, carpenters and textile workers. In smaller communities where there were too few Fellows of any one trade to form a guild, “Odd Fellows” arose to join together in a “lodge” or union of miscellaneous workers to work together to protect and improve their position in society.

The Odd Fellows order is said to have been established by knights meeting in a London pub in 1452, but the earliest surviving records, dated 1748, are of “Loyal Aristarcus Lodge No. 9”, meeting at a London inn. Unofficial lodges are said to have existed in New York in the 18th century, but American Odd

Fellowship is agreed to have been founded in Baltimore on April 26, 1819 with the creation of Washington Lodge No.1, chartered by the Manchester Unity of Odd Fellows in England. Their stated purpose was to "Visit the sick, relieve the distressed, bury the dead and educate the orphan." The Odd Fellows were considered one of the most liberal social organizations, and in 1851 became the only fraternity in the United States to include both men and women.^v

Membership in the American lodges was limited to whites only, despite quite a bit of interest from black citizens. African-Americans in Weldon, N.C. had begun meeting as independent Odd Fellows in March 1841, with a second informal lodge formed in Wilmington soon after. In 1842 members of the the Philomathean Institute in New York petitioned the British Odd Fellows to grant them a charter directly. They sent an African American sailor named Peter Ogden to Manchester, where he received a warrant authorizing black Americans to form lodges. The Grand United Order of Odd Fellows was organized in Philadelphia in 1842. Membership has always been open to people of any race, though it has remained a predominantly African American Order. That same year the white American lodges declared their independence from the British lodges, forming the Independent Order of Odd Fellows. The whites only clause was not removed by the IOOF until 1971. The African American Odd Fellows lodges never separated from the English order.^[27]

The period from 1870 to 1920 has been called the "Golden Age of Fraternalism" in America,^{vi} and Randolph County was no exception. The county's first white Masonic group met at Hanks' Lodge in Franklinville starting in 1850 (Hanks Lodge #128 of the Ancient, Free and Accepted Masons), with Balfour Lodge #188 established in Asheboro several years later. By 1880 there were masonic lodges in Ramseur (Marietta #144); Coleridge (Deep River #164); Erect (Mt. Olivet #195); and Liberty? (Oakland #501). The "Pride of Randolph #380," established in Asheboro around 1880, was apparently the first African-American lodge of Masons.

Another popular national lodge, the Fraternal order of the Knights of Pythias was established as a white organization in 1864. The African-American "Silver Star Lodge #29" of the Knights of Pythias was only established in Asheboro after 1890.^{vii} The K.O.P. Met on a lot near St. Luke Church on "the street leading to the Colored Graded School," a/k/a "School House Street" and now known as Burns Street.^{viii} In addition to those fraternities Randolph County in 1907 had lodges of the Loyal Order of Moose, the Woodmen of the World, the Junior Order of United American Mechanics (Trinity, Caraway, Randleman and Franklinville), the "Royal Arcanum" (founded in Boston in 1877 to provide "Widows and Orphans Benefits"); the C.M.A. or "Coming Men of America" (a secret society for boys, founded in 1894 under the motto "Our Turn Next"); and the Improved Order of Red Men (Minnehaha Tribe #64 met in Ramseur). Just to confuse things more, there was also an Asheboro lodge of the all-white Odd Fellows, Randolph Lodge #272.^{ix}

The Odd Fellows, with large black and white membership, were the largest of all fraternal organizations. From 50 active lodges in 1863, the African-American GUOOF expanded to 2,253 lodges and 36 Grand Lodges in 1897. Although still in existence, membership in the US has declined, due to the

mainstream IOOF no longer being segregated, and the decline in fraternal membership in general. The national headquarters of the GUOOF is still in Philadelphia, but since 1981 the national headquarters of the IOOF has been in Winston-Salem.^x

A Grand Lodge of the Grand United Order of Odd Fellows was organized in North Carolina in 1843, but the first GUOOF lodge of record in the state was the Republican Star Lodge No. 1383 in Elizabeth City established on May 10, 1869 by the Free Virginia Lodge No. 963 from Portsmouth, Virginia. In Raleigh, the Vitru (also seen as Vitro and Virtue) Lodge No. 1616 first met on January 12, 1874.^{xi}

An un-named GUOOF Lodge (“#43”) purchased property in Liberty in 1895^{xii}, and another (#6737) settled in Randleman in 1908^{xiii} but the best known and longest-lived Odd Fellowship in Randolph was Diamond Star Lodge No. 3711, organized in Asheboro before 1894. In that year they purchased a lot and building on the west side of North Main Street, just north of the Ross and Rush livery stable.^{xiv} Before that time they were said to have been meeting in the upper floor of the McAlister store. In an unusual move, in 1897 the state legislature passed a bill to officially incorporate the Diamond Star Lodge of Odd Fellows in Asheboro.^{xv}

Only a little information can be gained from deed records regarding the philanthropic activities of the Odd Fellows in Asheboro. In 1921 the Odd Fellows sold a half interest in their property to the “Pride of Randolph #380” Masons^{xvi}; this may have generated funds that allowed the Odd Fellows to purchase a lot on Greensboro Street “adjoining the School House and Holiness Church,”^{xvii} which they sold to the Asheboro Graded School District in 1925.^{xviii} This may have been a trade that ultimately resulted in the construction of the new Central School building that replaced the old school on Greensboro Street.

At some point in the early 20th century the lodge apparently acquired a lot south of Cedar Falls Road and north of what is now Martin Luther King Street for use as the first African-American cemetery in Asheboro. When the cemetery was read by the Randolph County Genealogical Society, it was noted as “Oddfellow Cemetery (Also known as McAlister/ Potter/ Oddfellow Cemetery). This cemetery is located behind Mt. Calvary City Cemetery. McAlister Cemetery starts at the fence and goes about 50'. Oddfellow has 1 acre started at the end of McAlister and goes to the next street. Potter is the area next to the brick house on the North end, per Mr. Buddy Matthews. This is a Black cemetery.”^{xix} There were 81 marked graves found in the first two sections, with another 33 unmarked burials discovered from death certificates. “Potter's Field” is an ancient term for the burial site of paupers and indigent people, the phrase coming from Matthew 27: 3 through 27:8. After Judas Iscariot had hanged himself, the Jewish priests used the 30 pieces of silver paid him to purchase the Akeldama, a pit where potter's clay had been dug, for use as a stranger's burial site.

There is no deed on record for the Odd Fellows cemetery, nor the McAlister or Potter's Field sections; early African-American deeds and wills were often lost before registration, and there is an

example of the Odd Fellows themselves obtaining a new deed “to replace a deed that has been lost.”^{xx} But as early as 1932, a map of the Burns estate depicts an adjoining “colored Cemetery” between the Cedar Falls Road and the “Road to Franklinville.”^{xxi} The area shown was generally within the property owned by the John Milton Worth heirs, and known as the “McAlister Estate” after the death of Col. A.C. McAlister. When the Odd Fellows sold their lodge property in 1936, was it to pay for the cemetery?^{xxii} In 1953 Addie McAlister Keeling deeded a tract on Cedar Falls Road to the City of Asheboro that was named Mt. Calvary Cemetery, and has since that time been the primary burial ground for African-Americans in Asheboro.^{xxiii} Its access driveway easement stated that it runs “to the Southwest corner of the Odd Fellows Cemetery.”^{xxiv} There is a deed on record to the Odd Fellows from Addie McAlister Keeling, but it is for a lot on Vienna Street that was subsequently sold in 1989 in the last recorded legal transaction by the Trustees of the Odd Fellows.^{xxv}

Who were the local Odd Fellows? From the deed records cited, the known trustee members of the Diamond Star Lodge from 1894 to 1989 are Henry McSwain, George Staley, Ches Thrift, Zachariah Franks, Wilson B. Baldwin, Charles T. Reed, Allen Garner (1921); George W. Staley, Isaac Craven, Hal Cranford, James T. Morrison, Jr. (1940); John Green, H.B. Cranford, H.L. Leak, John Jiminez (1946); Gladys B. Matthews, Grady Lane, Thomas Ritter (1989). There were likely many more actual members than just the trustees, but unless lodge records surface, their names are not known. Were they a mysterious, secret society like the Masons and Illuminati? How were they regarded in the local community?

One of the only published accounts of the public activities of African-American fraternal organizations is a rather biased, condescending and probably racist article published in 1894, largely describing the activities of African-American social organizations in New Orleans and Mobile. I believe it is worth quoting at length for the vivid details it brings to life which are not otherwise available:

The negro now... has become a member of various societies and organizations, generally of a benevolent character, and to these he devotes all the surplus energy of his nature. They have taken the place of politics especially in the thoughts and aspirations of the city negro, and to ride on a gaily caparisoned horse as marshal of his society, wearing a dress suit and a silk hat, with a bright colored sash across his breast, and a truncheon decked with ribbons in his hand, is to reach the summit of the hopes and ambition of many an aspiring descendant of Ham. For one of the main ends and objects of these associations, Odd Fellows, Knights of Tabor, Heart of Hearts, Sons of Zebediah, Daughters of Deborah, Brothers of Lazarus, Sisters of Martha, is to have an annual parade and excursion or picnic. These exhibitions of pomp and pageantry generally take place in the summer, and it is a sight for men and angels to see a procession of colored brothers marching up and down the principal streets of a Southern city on a hot day in July or August, clad in broadcloth and stovepipe hats, with regalia gorgeous enough to call forth the admiration of the white enthusiast in mystic matters... The brass band blares, the horses of the marshals curvet and prance and whisk their plaited tails, and the men in regalia try to keep step to the music with the proud consciousness that the eyes of thousands are upon them. For this great day they have saved and stinted during the whole year, and there is pride and joy in every drop of perspiration that oozes from their foreheads. Crowds of colored people, principally women and children, accompany the procession on the sidewalks and cast admiring glances upon the members, while from hotel, restaurant, barber shop and private residence, members of other

societies come out to view the parade critically with emulation in their eyes, and condescension in their approval....^{xxvi}

Mention has been made of colored Odd Fellows. Their lodges are not recognized by the white Odd Fellows in this country. It is said that they received their authority, observances, ritual, &c, from an English source. It is certain that in their parades they carry the British flag alongside the stars and stripes. There are quite a number of them in the South. One of the largest processions witnessed by the writer last spring in New Orleans was that of these colored Odd Fellows. It seemed as if they would never get done coming up St. Charles avenue. But these societies are not confined to cities. They exist also in the country, and the negro house servant or laborer, male and female, would sooner go hungry than fail to pay his or her monthly dues. The etiquette in these country societies is very strict on one point, and that is that the members shall never fail to give the titles of "Mr.," "Mrs.," and "Miss" when they meet or address each other. Occasionally they have candy pullings and other festive gatherings, but the most momentous occasions with them are when the funeral sermon of some member is preached after he or she has been dead some six months or more. For the negro enjoys the luxury of melancholy. His favorite melodies are plaintive, and the songs that colored children sing in their games are in a minor key.^{xxvii}

That this kind of celebration was not limited to the urban South is found in an account in the Asheboro newspaper of the Fourth of July, 1907:

Patriotic Exercises Among the Colored People of Asheboro.

Although the morning of the 4th looked gloomy, at a very early hour numbers of people began to assemble, the first feature of the day being a game of ball between Mitchell and Asheboro. The score was 11 to 18 in favor of Asheboro. At half past seven o'clock the arrival of the Thomasville brass band was announced to the delight of all.

At 2:00 in the afternoon a game of ball was called between Biscoe and Asheboro. As usual the score stood 37 to 1 in favor of Asheboro. The last but not least was at half past six when the band marched to [the] Public Square and played Abernathy and Victory Forever. The music was enjoyed by both white and colored.

The day passed off quietly.

At 12 o'clock the band met the northbound train and escort the crowd to a point where the procession of [GUOOF] Diamond Star Lodge 3711 of Asheboro was formed, after which the band led a march to the First Congregational Church, East Asheboro, where the corner stone was solemnly placed, C.T. Reid acting as master of ceremonies. This was very interesting to all present.

At half past seven o'clock strains of sweet music were heard in the McAlister-Morris building- a high time for the Odd Fellows. This was another marked occasion, everything being in good order. Am glad to say we are advancing toward higher civilization. May the work of God prevail amidst white and colored.

Yours for good, H. DAVID, Pastor, First Congregational Church.xxviii

The overgrown cemetery adjoining Mt. Calvary in East Asheboro is the last surviving remnant of Diamond Star Lodge # 3711, the Asheboro chapter of the Grand United Order of Odd Fellows. It is emblematic of the charitable and beneficial work of what may be Asheboro's first and oldest African-American fraternal order. Its history sheds light on a lost world of 19th century African-American culture.

ⁱ Allen's Temple AME Church was apparently the second Negro congregation. It was located at the intersection of Chestnut and Peachtree Streets, approximately at the location of 301 Peachtree Street. Allen's Temple was consolidated with Bulla's Grove to create St. Luke United Methodist Church.

ⁱⁱ The trustees and members of Bulla's Grove were a Who's Who of African American Asheboro: William Lytle, George McCain, Benjamin Smitherman, Jordan McCain, John Bell, & Andrew Smitherman; Charlie Reid, Harry Cox, Wesley Brower, Adam Brower, Jeff Hoover, and Thomas Carter. Female members Harriett Hoover, Della McCain, Mattie Pitts, Delphinia Hill, Louisa Bell, Jennie Reid, and Cornelia Brower were responsible for placing the first organ in the church.

ⁱⁱⁱ J.A. Blair, *Reminiscences of Randolph County* (Raleigh, 1890), p 43.

^{iv} Sidney S. Robins, *Sketches of My Asheboro* (Randolph Historical Society, 1972), page 27.

^v https://en.wikipedia.org/wiki/Independent_Order_of_Odd_Fellows

^{vi} https://en.wikipedia.org/wiki/Golden_age_of_fraternalism

^{vii} Silver Star Lodge #29, Knights of Pythias bought from Jesse Lytle land on East side Fayetteville street at the intersection of the street leading to the Colored Graded School (162/288, 1915) and a year later, another lot on "School House Street" (183/264, 1916) (This is now Burns Street). The trustees of the Knights of Pythias were M.S. Brewer, Albert Henley and Ed Lynn).

^{viii} Randolph county Deed Books 162, Page 288 (1915) and 183, Page 264 (1916), purchased from Jesse Lytle. When the property was sold in 1930 (DB227, Pg 421) the KOP Trustees were M.S. Brewer, Albert Henley, and Ed Lynn.

^{ix} The Courier (Asheboro), 27 June 1907, "Odd Fellows Elect Officers" C.A. Hayworth was elected Noble Guardian.

^x https://en.wikipedia.org/wiki/Independent_Order_of_Odd_Fellows

^{xi} See the RALEIGH HISTORIC LANDMARK DESIGNATION, 1985, of the Grand United Order of Odd Fellows (GUOOF) Building, 115 East Hargett St.
http://rhdc.org/sites/default/files/Grand%20United%20Order%20of%20Odd%20Fellows%20Landmark%20App_web.pdf

^{xii} Randolph County Deed Book 90, Page 369.

^{xiii} Randolph County Deed Books 125, Page 207 and 138, Page 247.

^{xiv} Randolph County Deed Book 86, Page 106.

^{xv} House bill passed 1 March 1897, cited in Warrenton Gazette, 5 March 1897.

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- xvi Randolph Deed Book 208, Page 316 (1921). Trustees of the Masons: Gilmer Davis, J.W. Brown, George Phillips.
- xvii Randolph County Deed Book 190, Pg. 559 (1921)
- xviii Randolph County Deed Book 220, Page 212 (1925)
- xix Randolph County Genealogical Society journal, date, pages 200-205.
- xx Randolph County Deed Book 327, Page 125 (1940)
- xxi Plat entitled "Map #3 of the Burns Estate", Randolph County Deed Book 268, Page 461 (15 March 1932)
- xxii Their Lot on N. Main Street behind what was the livery stable was sold to B.S. Morris at Randolph County Deed Book 278, Pages 84 & 232, 1936.
- xxiii Randolph County Deed Book 400, Page 637 (25 Feb. 1953)
- xxiv Randolph County Deed Book 400, Page 638 (Right of Way for Mt. Calvary Drive, 25 Feb. 1953)
- xxv A 7752 Square foot lot purchased from Addie McAlister Keeling & h/ Jeffrey "on East side Vienna St." (Deed Book 354, Page 543, 1946); sold to Matthews in 1989 (Deed Book 1249, Page 232). The last named Trustees, were Gladys B. Matthews, Grady Lane, and Thomas Ritter.
- xxvi Ledyard, Erwin. "Social Life of the Southern Negro." *The Southern States: An illustrated Monthly Magazine Devoted to the South*. Baltimore: Manufacturer's Record Publ. Co., August 1894; p.299-300.
<http://digital.ncdcr.gov/u?/p249901coll37,12204> (accessed August 11, 2015).
- xxvii Ibid, p. 301.
- xxviii The Courier (Asheboro, NC), Thursday July 18, 1907, page 8.

ASP RENTAL
ALAN S PUGH
PO BOX 4021
ASHEBORO, NC 27204

MAY 10 , 2016

JOHN OGBURN CITY MANAGER
CITY OF ASHEBORO
PO BOX 1106
ASHEBORO, NC 27204

RE : 161 / 175 CRANFORD ST

DEAR JOHN :

AS A CURRENT PROPERTY OWNER ON CRANFORD ST , AND HAVE BEEN AN OWNER FOR 12 YEARS, IVE ALWAYS WONDER WHY THE STREET HAS A STOP SIGN ON EITHER END OF STREET, WITH A 1 WAY SIGN ON THE COX STREET END. IF YOU NOTE THE STREET IS THE SAME DEMINISION FROM COX ST TO FAYETTEVILLE ST.

AS AN ADDED BENEFIT TO RENT MY OFFICE , 161 CRANFORD ST, I WOULD PROPOSE TO CITY COUNCIL TO CHANGE FROM 1 WAY AT COX ST END , TO REMOVE THE SIGNS AND MAKE THE STREET DUAL WAY .

THANK YOU FOR YOUR CONSIDERATION ON THIS MATTER.

ALAN S PUGH

SOUTH FAYETTEVILLE STREET (US HWY 220 BUS.)

SCARBORO STREET
(ONE WAY GOING EAST)

SOUTH COX STREET (SR 2327)

CRANFORD STREET

CHANGE TO TWO WAY TRAFFIC FOR ENTIRE BLOCK

25'

25'



**RETURN TO TWO-WAY TRAFFIC
CRANFORD STREET**

Asheboro Township, City of Asheboro
Randolph County, North Carolina

