AMENDED AGENDA
REGULAR MEETING
CITY COUNCIL, CITY OF ASHEBORO
THURSDAY, NOVEMBER 4, 2021, 7:00 PM

1. Call to order.

2. Silent prayer and pledge of allegiance.

3. Update by City of Asheboro United Way Campaign Co-Chairs Kristen Terry and John Evans.

4. Mayor Smith will recognize Finance Officer Deborah P. Reaves for her vital role in the city's receipt from the Government Finance Officers Association of a Certificate of Achievement for Excellence in Financial Reporting.

5. Public comment period.

6. Consent agenda:

   (a) Approval of the meeting minutes for the city council meeting held on October 7, 2021;

   (b) Acknowledgement of the receipt from the Asheboro ABC Board of its meeting minutes for August 30, 2021, including the FY 2020-2021 Asheboro ABC Board Audited Financial Statements;

   (c) Approval of an audit contract amendment that moves the completion date from October 31, 2021, to December 31, 2021;

   (d) Approval of the community development division's request to schedule for December 9, 2021, and to advertise, a legislative hearing on the application to rezone property at 481 and 539 Veterans Loop Road (a portion of Randolph County Parcel Identification Number 7659370575) from R10 to I2 zoning;

   (e) Approval of a resolution declaring the official intent of the City of Asheboro to purchase municipal vehicles and equipment and to reimburse the General Fund with installment financing proceeds; and

   (f) Approval of an ordinance to amend the General Fund (FY 2021-2022) in order to account for the expense associated with roof repairs at the Asheboro Regional Airport.

7. Legislative hearings with staff reports presented by Community Development Director Trevor Nuttall:

   (a) An application (RZ-21-13) to apply B2 zoning to a portion of 1801 United States Highway 64 East and 1819 United States Highway 64 East (Randolph County Parcel Identification Numbers 7761827912, 7761837067, and 7761837268); and

   (b) First reading of an ordinance amending the Code of Asheboro to include references to Chapter 160D of the North Carolina General Statutes and to implement, in compliance with Session Law 2021-138 (Senate Bill 300), the removal of the default criminal penalty associated with violations of city ordinances.

8. City Engineer Michael Leonard, PE will discuss the phased renovation of McCrary Ballpark:

   (a) Consideration of a contract between the City of Asheboro and CPL Architects and Engineers, PC; and

   (b) Announcement of the selection of Rogers Builders, Inc. as the Construction Manager at Risk for the project.

9. City Engineer Michael Leonard, PE will present an Asheboro Airport Authority recommendation for the selection of W. K. Dickson & Company, Inc. to provide engineering services for airport improvements for the next five years.

10. City Engineer Michael Leonard, PE will update the council on the proposed downtown area crosswalk improvements as part of our placemaking project.

11. Mayor Smith will discuss a special meeting to be held at 7:00 pm on Thursday, November 18, 2021, for the purpose of receiving additional engineering study information on the proposed Newbern Avenue storm sewer improvements.

12. Mayor Smith will lead a discussion of potential changes in the city council's meeting schedule for 2022.

13. Mayor Smith will lead a discussion of upcoming events and items not on the agenda.

14. Adjournment.

REGULAR MEETING
ASHEBORO CITY COUNCIL
CITY COUNCIL CHAMBER, ASHEBORO CITY HALL
THURSDAY, OCTOBER 7, 2021
7:00 PM

This being the time and place for a regular meeting of the Asheboro City Council, a meeting was held with the following elected officials and city management team members present:

David H. Smith	) – Mayor Presiding
Clark R. Bell	)
Edward J. Burks	)
Walker B. Moffitt	) – Council Members Present
Jane H. Redding	)
Katie L. Snuggs	)
Charles A. Swiers	)
Linda H. Carter	) –Council Member Absent

John N. Ogburn, III, City Manager
Michael L. Leonard, PE City Engineer
Trevor L. Nuttall, Community Development Director
Deborah P. Reaves, Finance Director
Jeffrey C. Sugg, City Attorney
Tammy M. Williams, Deputy City Clerk

1. Call to Order

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

2. Moment of Silent Prayer and Pledge of Allegiance

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

3. Old Business

Legislative Hearing (Case Nos. RZ-21-07 and SUB-21-01): Application to amend the RA6 (CZ) zoning on property located west of 1591 East Allred Street, approximately 100 feet east of Ridgewood Circle, to allow a residential planned unit development and to approve a subdivision sketch design.

Mayor Smith opened the legislative hearing on the above-described application by Davidson Land Development, LLC (the "Applicant"). This application has been continued from a total of three previous city council meetings held on the following dates: July 15, 2021; August 5, 2021; and September 16, 2021. The legislative hearing process was completed during the October 2021 regular council meeting, and the city council took substantive action on the application at this time.

The application pertains to approximately 4.04 acres of land identified by Randolph County Parcel Identification No. 7762740259. This single parcel of land will be hereinafter referred to as the "Zoning Lot."

The Applicant owns the Zoning Lot. The lot is zoned RA6 (CZ), and the Applicant is seeking approval of a site plan showing a residential planned unit development with a total of 16 two-story townhome style units.

The planning department staff report presented by Community Development Director Trevor Nuttall noted that the required legal notices for this legislative hearing were mailed by city staff to adjoining property owners on June 29, 2021, and September 20, 2021. Additionally, the statutorily mandated legal notice was published in a timely manner on two occasions in *The Courier-Tribune*, and the required signage giving notice of the pending land use case has been posted on the Zoning Lot since early July 2021.

Mr. Nuttall utilized a slide show to discuss the planning staff analysis of the zoning component of the application, which included the following points:

1. The Zoning Lot is located within the city limits and is eligible for the full array of municipal services.

2. East Allred Street is a state-maintained minor thoroughfare.

3. Most recently, a residential planned unit development consisting of ten (10) dwelling units was proposed and approved in 2018.

4. The RA6 (CZ) district, which is a conditional zoning district, would allow multi-family development in the form of townhomes. The proposed site plan is requesting a total of 16 two-story townhome style units with single-car garages.

5. The western portion of the Zoning Lot (approximately 1.6 acres) is located within a flood hazard area. The site plan indicates that the units are located outside of the flood hazard area, however grading and utilities are proposed within the flood hazard area. The project must comply with the Flood Damage Prevention Ordinance.

6. The zoning ordinance describes the RA6 Residential District as "intended to produce a high intensity of residential uses in close proximity to major nodes of non-residential development, characterized primarily by group housing, plus the necessary governmental and other support facilities to service that level of development. Land designated RA6 shall normally be located with access to minor thoroughfare or higher classification streets with access to local residential streets discouraged."

7. This request was filed during the transitional period when the existing and requested zoning district was classified as a conditional use district. Changes to state law have changed the request to a high density residential conditional zoning district. These requests are now reviewed under a legislative process that receives input from the Planning Board.

8. Since the previous request referenced in (3) above was granted in 2018, additional growth has occurred, including the continued construction of the Robins Nest Subdivision to the east and rezoning of the property on

the corner of East Allred Street and Gold Hill Road from a commercial to a residential district.

Mr. Nuttall noted that, when evaluating a rezoning application, careful consideration must be given to each goal and policy as outlined in the Land Development Plan.

Proposed Land Use Map Designation: Neighborhood Residential

Small Area Plan: East

Growth Strategy Map Designation: Primary Growth

There are four LDP goals and policies that are supportive of the request and three LDP goals and policies that are not supportive of the request.

LDP Goals/Policies Supporting the Request:

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

Checklist Item 11: The proposed rezoning will promote the type of development described in Design Principles.

Checklist Item 12: The property is located outside of the watershed.

Goal 4.1.6: The city will participate in the Nation Flood Insurance Program and utilize its Flood Damage Prevention regulations to strongly discourage development in high-risk areas.

LDP Goals/Policies Which Do Not Support the Request:

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

Checklist Items 13-14: 13.) The property is located within the Special Hazard Flood Area. 14.) Rezoning is located on steep slopes of greater than 20%.

Suggested Conditions from Planning Staff as of September 30, 2021:

(A) The site plan shows preservation of existing vegetation, outside of areas of necessary site disturbance, along the western and northern portions of the property. If the vegetation is not preserved in this area, a Type A Buffer or Screen shall be installed by the developer.

(B) The site plan shows a combination of preservation of existing vegetation and planted vegetation, outside of areas of necessary site disturbance, within the front yard along East Allred Street. At a minimum, vegetation required by Chapter 6 of the zoning ordinance shall be installed and maintained within the front yard along East Allred Street.

(C) Enclosure of concrete pads to the rear of dwellings or other additions to the rear of residential dwellings outside the common area shall not be considered a modification of the permit requiring city council review.

(D) Prior to a preliminary plat, the applicant shall submit details on the sewer connection involving the adjoining property to the north.

(E) Additional details on the recreation area, including identification of proposed play equipment/structure(s) and the labeling of sidewalk area between Cane Creek Court and the recreation area, shall be included on the preliminary plat.

(F) In compliance with Chapter 71 of the Code of Asheboro, area within the public right-of-way for turnaround at the end of Cane Creek Drive shall be controlled in such a manner as to prohibit parking in a way that interferes with emergency or sanitation vehicles.

(G) The site plan indicates mail delivery through two cluster mailboxes. If the postal service requires different facilities for mail delivery, such a change will not be considered a modification of the conditional zoning district requiring council action. If required within the public right-of-way, an area shall be provided that, at a minimum, is adequate for one drop-off space for a motor vehicle, including any maneuvering area. Any drop-off area shall be designed in accordance with commonly accepted traffic engineering practices. Construction of this area shall be the responsibility of the developer and is subject to approval of the City of Asheboro Public Works Division and/or Engineering Department. Alternatively, should the developer choose to construct the community mailbox and any associated vehicular areas in a location completely on private property, this activity shall not be considered a modification, subject to Section 4.05 of the Asheboro Zoning Ordinance.

(H) The developer shall ensure that no portion of structure located on Lot 16 encroaches into a City of Asheboro sanitary sewer easement.

(I) Any water meter located outside the public right-of-way shall be located within a City of Asheboro waterline easement.

(J) Prior to the issuance of a zoning compliance permit for the proposed land use, the Applicant shall submit documentation detailing the following approvals:

(ii) Driveway permit from the North Carolina Department of Transportation;
(ii) Erosion control approval from North Carolina Department of Environmental Quality; and
(iii) Information required to determine compliance with Flood Damage Prevention Ordinance requirements, including

any required certifications for utility construction or other development within Special Hazard Flood Areas (floodplains, floodways). A no-rise certification for utilities, such as sewer mains, constructed within the floodway shall be required prior to the issuance of a zoning compliance permit or construction activity within the floodway. If a no-rise certificate cannot be obtained due to forecasted rises as a result of the project, a CLOMR will have to be required from FEMA by the developer.

(K) Prior to the issuance of a zoning compliance permit for the proposed land use, the owner(s) of the Zoning Lot shall properly execute and deliver to the Zoning Administrator for recordation in the Office of the Randolph County Register of Deeds a Memorandum of Land Use Restrictions prepared by the city attorney for the purpose of placing notice of the conditions attached to this conditional zoning district in the chain of title for the Zoning Lot.

The city's planning staff prepared the following analysis concerning the consistency of the proposed development with the adopted comprehensive plans as well as the reasonableness of the proposal:

> The conditional zoning process allows for site plan review that can best ensure the property is developed in harmony with surrounding uses and also incorporate design elements promoted by the Land Development Plan's Neighborhood Residential designation. Such elements include sidewalks, open space, and recreation area that typically are not required in conventional subdivisions.
>
> Additionally, the conditional zoning process can lead to less disturbance of flood area, steep slopes, and other environmentally sensitive features that are unique to this property. Considering these factors, staff believes that the requested RA6 (CZ) district is consistent with the Land Development Plan and therefore reasonable and in the public interest.

In light of the above analysis, staff's recommendation was to approve the application, subject to the conditions identified and recommended by staff during the conditional zoning application process.

During a meeting on October 4, 2021, the City of Asheboro Planning Board voted, without unanimity, to concur with the planning staff's analysis and recommended approval of the requested conditional zoning district.

Mr. R. Thompson ("Tom") Wright, Esq., who is representing the Applicant in this matter, presented information and contentions in support of the application.

The following individuals presented information and contentions in opposition to the application: Mr. Thomas Tennison (1310 Ridgewood Drive); Ms. Hilda DeCortez (1591 East Allred Street); Mr. Carlos Maldonado (1591 East Allred Street); and Mr. John Christopher Vaughn (1335 Robins Nest Drive). Additionally, Mayor Smith shared a letter that had been received from Mr. William Ballentine (1372 Ridgewood Circle), who was unable to attend the council meeting, expressing concerns and opposition to the application.

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

As noted in the planning staff's zoning district and subdivision analysis, there is a 463-foot dead-end street proposed for the development. Measures will have to be taken to ensure that on-street parking does not impede the ability of emergency vehicles and city public works division trucks, such as sanitation trucks, to use the public right-of-way for turnaround purposes at the end of Cane Creek Drive.

During the council's discussion of this conditional zoning application, concerns were expressed about the impact of on-street parking on the congestion of a dead-end street in the high-density residential district that utilizes the one-car garage design proposed by the Applicant. The governing board members were concerned about the need of residents and visitors for on-street parking in the absence of other parking options. As presented, two overflow parking spaces are designed for the development.

The residential planned unit development is proposed for a high-density residential zoning district. Medium-density residential land uses are located to the north, east, and west of the Zoning Lot. Undeveloped residential land use is located to the south of the Zoning Lot.

At the conclusion of the deliberations, the governing board members analyzed the application differently from the planning staff and the planning board. With a combined motion that acted on the zoning map amendment application and adopted a consistency statement as well as a statement of reasonableness, Council Member Bell moved, and Council Member Redding seconded the motion, to deny the application for the requested RA6 (CZ) high-density residential zoning district and adopted the following combined consistency and reasonableness statements:

1. The requested zoning map amendment is not consistent with the Land Development Plan because the rezoning is not compliant with the Proposed Land Use Map. Additionally, the goals and policies outlined in the Land Development Plan are not supportive the Applicant's request because of the presence of the Special Hazard Flood Area and the presence of steep slopes greater than 20%; and

2. The proposed zoning amendment is not reasonable and contrary to the public interest. The placement of the proposed high-density residential planned unit development within a topographically challenging parcel of land is problematic for the surrounding neighborhood. Furthermore, the future neighborhood within the proposed planned unit development is challenged with reasonably foreseeable congestion that will be detrimental to the neighborhood. These concerns about neighborhood street congestion and its impact on the provision of municipal services are front and center in the analysis because of the impact of the one-car garage design on a development where overcoming limited space, topographic challenges, and flooding concerns produced limited opportunities for on-street parking that does not adversely impact other vehicles and equipment trying to use the public street. Only two overflow parking spaces are available for residents and guests when the one-car garage cannot accommodate a townhome's parking needs. The potential congestion would restrict the maneuvering area available for the city's public works division trucks and emergency response vehicles. Such an operational impediment to the provision of municipal services

is a significant concern that is unreasonable and not in the public interest.

When Mayor Smith asked for a vote on the above-stated combined motion, Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes. Consequently, the requested zoning map amendment was denied for the above-stated reasons.

With the denial of the zoning amendment application, the sketch design review (Case No. SUB-21-01) was not in a procedural posture to advance. The subdivision case is deemed withdrawn, pending further action by the Applicant.

4. Public Comment Period

Mayor Smith opened the floor for public comments, and none were offered. In the absence of any individual wishing to speak, Mayor Smith closed the public comment period and moved to the next agenda item.

5. Consent Agenda

Council Member Burks moved to approve/adopt, as presented, the entirety of the items on the consent agenda, and Council Member Snuggs seconded the motion. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes. Consequently, the following consent agenda items were approved and adopted as presented:

(a) The meeting minutes for the city council's regular meeting on September 16, 2021.

The approved meeting minutes are on file in the city clerk's office, and an electronic copy of the approved document is posted on the city's website.

(b) The dates and associated rules for the 2021-2022 duck and geese hunting season at Lake Reese.

Canada Geese (including White-Fronted Geese) and duck hunting has been successfully offered at Lake Reese for the past 13 years and will be offered again this season.

The proposed dates for the 2021-2022 hunting season at Lake Reese for Canada Geese (including White-Fronted Geese) and ducks are as follows:

November 13th, 15th, and 18th
December 18th, 20th, and 23rd
January 22nd, 24th, and 27th

Hunting hours are ½ hour before sunrise to sunset. The lake will be closed to other activities while hunting takes place. Hunters are required to call Lake Reese at least 24 hours in advance to reserve a space. If hunting reservations are not made, the lake will operate on its regular winter schedule.

(c) Scheduling of a legislative hearing on a zoning map amendment.

With the approval of the consent agenda, the Asheboro Community Development Division received authorization to schedule for November 4, 2021, and to advertise, a legislative hearing on an application to apply B2 zoning to a portion of the property at 1801 United States Highway 64 East and to the property at 1819 United States Highway 64 East (Randolph County Parcel Identification Numbers 7761827912, 7761837067, and 7761837268). The legislative hearing for the above-referenced land use case will be scheduled and advertised in accordance with the applicable statutes/ordinances and then heard during the city council's next regular meeting on November 4, 2021.

6. Legislative Hearing (Case No. RZ-21-12): A zoning map amendment application seeking to amend a B2 (CZ) zoning district to allow an accessory structure at an existing funeral parlor/crematorium.

Mayor Smith opened the legislative hearing on the above-described conditional zoning application that was filed by Charles C. Hodges, Jr. (the "Applicant"). The zoning map amendment application pertains to approximately 1.11 acres of land owned by the Applicant at 222 Brewer Street and 224 Brewer Street in Asheboro (the "Zoning Lot"). The Zoning Lot is more specifically identified by the following Randolph County Parcel Identification Numbers: 7751949927, 7751956082, 7751957092 and 7751958081.

The planning department staff report presented by Community Development Director Trevor Nuttall noted that the required legal notices for this legislative hearing were mailed by city staff to adjoining property owners on September 20, 2021. Additionally, the statutorily mandated legal notice was published in a timely manner on two occasions in *The Courier-Tribune*, and the required signage giving notice of the pending land use case has been posted on the Zoning Lot.

Mr. Nuttall utilized a slide show to discuss the planning staff analysis of the application, which included the following points:

1. The Zoning Lot is inside the city limits.

2. Brewer Street is a city-maintained collector street.

3. The current use of the Zoning Lot is a funeral parlor, including a crematorium as an accessory use.

4. The existing conditional use permit allowed expansion of structures proposed at that time (623 square feet). The Applicant proposed an additional 616-square foot accessory building in 2019, leaving an addition of only 7 square feet that could be permitted by staff. Due to the size of the currently proposed structure (30' x 18', 540 square feet), a new conditional zoning district request has been filed.

5. The proposed structure is to be used for storage only, with no cremation processes proposed.

6. The area is characterized by a mix of uses, including office, institutional, and residential uses. Medical and office uses have set a transitional pattern between the commercial uses located farther west and the residential uses located to the east.

7. In 2015, the Land Development Plan Proposed Land Use Map was updated to change the designation of this property from "Urban Residential" to "Office and Institutional."

8. The East Small Area Plan encourages neighborhood scale commercial uses in appropriate locations.

In reviewing this request, careful consideration has been given to each goal and policy as outlined in the Land Development Plan. Some goals and policies will either support or not support the request, while others will be neutral or not applicable. The following list contains the goals and policies that either support or do not support the application:

Proposed Land Use Map Designation: Office & Institutional

Small Area Plan: East

Growth Strategy Map Designation: Primary Growth

LDP Goals/Policies Supporting the Request:

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

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

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

Checklist Items 12-13: Location is outside of the watershed areas and the flood zone.

LDP Goals/Policies Which Do Not Support the Request:

There were no goals or policies which were not supportive of the rezoning request.

The city's planning staff prepared the following analysis concerning the consistency of the proposed development with the adopted comprehensive plans as well as the reasonableness of the proposal:

Since the Land Development Plan Proposed Land Use Map was revised to propose office and institutional activity in 2015, the request is more compatible with the Proposed Land Use Map than when the property was rezoned to B2 (CZ) in 2013. The Zoning Lot is used primarily for purposes (funeral parlor) that are consistent with the LDP's office and institutional designation.

Although the current zoning designation and the approved crematorium component of the existing use is more intensive than many office and institutional uses, the sole purpose of the current request is to allow an accessory structure that would likely have no greater impact on adjoining properties than the existing use or a similar accessory structure permitted in any other zoning district.

> The request also complies with the intent of the East Small Area Plan to provide for appropriate neighborhood-scale commercial uses while the conditional zoning process can help ensure such development is compatible with the current surrounding land uses.

In light of the above analysis, staff's recommendation was to approve the application, subject to the following conditions that have been identified and recommended by staff as part of the conditional zoning application process:

(A) The proposed accessory structure shall be limited to storage.

(B) Consistent with Section 2.03(D)(2) of the Asheboro Zoning Ordinance, prior to the issuance of a zoning compliance permit, the applicant shall submit information specifying the height of the proposed accessory structure, which shall in no case exceed the maximum height of 25 feet prescribed for accessory structures in Section 5.04(31)(4) of the Asheboro Zoning Ordinance.

(C) A minimum of 5 feet shall be maintained between the proposed accessory structure and the eastern property boundary.

(D) A Type "A" buffer or screen shall be maintained between the Zoning Lot and the adjoining property to the east as required by Section 6.06(D) of the Asheboro Zoning Ordinance.

(E) Prior to the issuance of a zoning compliance permit for the proposed land use, the owner(s) of the Zoning Lot shall properly execute and deliver to the Zoning Administrator for recordation in the Office of the Randolph County Register of Deeds a Memorandum of Land Use Restrictions prepared by the city attorney for the purpose of placing notice of the conditions attached to this conditional zoning in the chain of title for the Zoning Lot.

During a meeting on September 13, 2021, the City of Asheboro Planning Board voted to concur with the planning staff's analysis and recommended approval of the requested conditional zoning district.

With the conclusion of Mr. Nuttall's presentation of the planning staff's analysis, Mayor Smith asked if there was anyone else who would like to address the council on the question of the requested zoning map amendment.

The Applicant spoke in favor of his request. Mr. Hodges explained that the accessory structure will only be used for the storage of supplies needed for the funeral home's operations.

Ms. Iniah Attaway then raised the contention that she has an ownership interest in the Zoning Lot even though she was omitted from the application process. However, the Applicant asserts that he is the owner of the Zoning Lot. The tax records reviewed by city staff are supportive of the Applicant's ownership claims.

Ms. Attaway stated that she has not procured a title search to examine the validity of her contentions. In the absence of any other information, the governing board did not find a sufficient basis for halting the conditional zoning application process.

Mayor Smith and the governing board members were unequivocal in stating that they were not rendering a final opinion on title to the Zoning Lot. They were only addressing the appropriateness of the Applicant proceeding with his conditional zoning application. Ms. Attaway was urged to seek legal counsel who could conduct a title search on her behalf.

When no one else asked to address the governing board about the Applicant's request, Mayor Smith then transitioned to the deliberative phase of the proceedings.

At the conclusion of the deliberations, the governing board members concurred with the analysis received from the planning staff and the planning board. With a combined motion that acted on the zoning map amendment application and adopted a consistency statement as well as a statement of reasonableness, Council Member Bell moved, and Council Member Snuggs seconded the motion, to approve the application for the requested B2 (CZ) general commercial conditional zoning district and adopted the following combined consistency and reasonableness statements:

1. The zoning map amendment application is consistent with the Land Development Plan because the requested conditional zoning is consistent with the Proposed Land Use Map, is compliant with the objectives of the Growth Strategy Map, is compatible with the applicable Small Area Plan, and the proposed development is located outside of watershed areas and the flood zone; and

2. The proposed zoning amendment is reasonable and in the public interest. As noted above, the funeral parlor use of the Zoning Lot is compatible with the Land Development Plan's office and institutional designation. The current request is focused on obtaining approval for an accessory structure to be used for the storage of materials and supplies needed for the existing land use. The proposed accessory structure cannot reasonably be expected to have any greater impact on adjoining properties than the existing use or a similar accessory structure permitted in any other zoning district. Furthermore, the conditions attached as part of the conditional zoning process help ensure that the proposed development is compatible with surrounding land uses.

When Mayor Smith asked for a vote on the above-stated combined motion, Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes. Consequently, the zoning map amendment ordinance requested by the Applicant to apply B2 (CZ) conditional zoning to the Zoning Lot, with the above-stated conditions proposed by city staff and accepted by the Applicant, was approved by the city council for the above-stated reasons.

7. Engineering Items

(a) McCrary Park Improvements:

In order to be in compliance with the applicable procurement laws and regulations, Mr. Michael Leonard, PE has initiated the qualification-based selection process prescribed by the Mini-Brooks Act to procure the services of a design professional for the McCrary Park Improvements Project. This process, which is based primarily on the firm or individual's qualifications, not

the cost of the service or fees, is used for contracts involving architectural, engineering, or surveying services. Mr. Leonard plans to report on the results of this procurement process during the next regular meeting in November 2021.

No formal action was requested of the council at this time, and none was taken.

(b) Zoo City Sportsplex.

Field Turf USA participates as a vendor in the Keystone Purchasing Network, which is a cooperative purchasing program that complies with federal and state purchasing and procurement guidelines, specifically including the federal Uniform Guidance.

The city has received from Field Turf USA, Inc. a proposal for the installation of artificial turf for fields 1-4 at the Zoo City Sportsplex in the amount of $3,296,707.37.

City Engineer Michael Leonard, PE requested council permission to proceed with the next stage of procurements needed for the Zoo City Sportsplex Project, and Finance Director Deborah Reaves advised the council that, in order to proceed with the proposed procurement of field turf, two project fund amendments would have to be approved.

After some discussion, the council members expressed their approval for proceeding with the project, specifically including acting favorably on the recommendations received from the city engineer and the finance director. In order to formally grant the requested approvals, Council Member Bell moved by means of a three-part motion to (A) grant authorization to city staff to proceed, subject to strict adherence to all applicable federal and state procurement laws and regulations, with procuring the quoted artificial turf from Field Turf USA; (B) to approve, by reference, an Ordinance to Amend the American Rescue Plan Act 2021 Fund; and (C) to approve, by reference, an Ordinance to Amend the Zoo City Sportsplex Fund (74). Council Member Burks seconded this three-part motion.

Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes. With the adoption of this three-part motion, the governing board authorized city staff to procure, in strict compliance with all applicable procurement laws and regulations, the above-described artificial turf, and approved the next two ordinances printed below.

31 ORD 10-21

ORDINANCE TO AMEND
AMERICAN RESCUE PLAN ACT 2021 FUND
FY 2021-2022

WHEREAS, The American Rescue Plan Act 2021 fund was established June 10th, 2021 outlining an anticipated $7,590,000 in funds.

WHEREAS, the first distribution of funds received August 26, 2021 was in the amount of $4,133,505 establishing a total anticipated allocation of $8,267,010.

WHEREAS, the American Rescue Plan Act of 2021 (the "ARPA") provided funds to the City for ARPA eligible uses.

WHEREAS, the ARPA interim final rule prepared by the Department of the Treasury (the interim final rule) suggests a recipient should first identify the negative impact of the Covid-19 public health emergency and second, assess the nature and extent of the harm and thirdly, identify how the intervention is in direct response to the disease itself or the harmful consequences of the economic disruptions resulting from or exacerbated by the Covid-19 public health emergency.

WHEREAS, the interim final rule allows community responses that address negative economic impacts of the COVID-19 public health emergency, including through initiatives that support tourism, travel and hospitality industries that were operating prior to the pandemic and were affected by closures and other efforts designed to contain the pandemic.

WHEREAS, the interim final rule places emphasis on, among other objectives, promoting healthy childhood environments citing that Children's economic and family environments have a long-term impact on their future economic outcomes.

WHEREAS, leisure and hospitality employment shed 44% of its North Carolina workforce, or 226,000 jobs, over prior year employment numbers as the pandemic raged in the spring of 2020 according to US Bureau of Labor statistics and while there has been some recovery to the labor market, it is still feeling significant COVID-19 impacts with 59,000 fewer jobs in June, 2021 than in January of 2020.

WHEREAS, the North Carolina Zoo (Zoo), located in Randolph County, is a significant economic driver for Asheboro and Randolph County, saw daily attendance fall by as much as 73% at the height of the pandemic, forcing it to cut its temporary workforce and defer projects that had been anticipated to drive more attendance to the Zoo.

WHEREAS, declining attendance at the Zoo and the cancelation of other events, such as the entire 2020 Asheboro Copperheads Coastal Plains League baseball season and 2020 American Legion baseball season, including the Mid-Atlantic Regional Tournament that had been slated to be held at the McCrary Baseball Park in Asheboro, resulted in measurable and considerable negative economic impacts.

WHEREAS, the Randolph County Tourism Development Authority reports that area hotels in the summer of 2020 experienced an average monthly occupancy decrease of 32% as compared to 2019 levels and various publications project full recovery not to occur until at least 2023.

WHEREAS, ARPA encourages investment in Qualified Census tracts (QCTs) outlining areas of low to moderate income families.

WHEREAS, the City of Asheboro has three QCTs encompassing 6.72 square miles of the Asheboro City Limits.

WHEREAS, the City of Asheboro is investing in the development of Zoo City Sportsplex (Sportsplex), an outdoor recreational facility in southeastern Asheboro first supported by the 1998 Parks and Recreation Master Plan that will include 8 multi-purpose playing fields and other leisure amenities that is located within 2 miles, 2.8 miles and 3.3 miles of the City's three different QCTs.

WHEREAS, the Sportsplex expected to be operated by the Randolph-Asheboro YMCA (YMCA) and will provide the outdoor recreation opportunities envisioned in the ARPA and will serve the community's youth, including children from families in QCTs who will benefit from the YMCA's "Investing in People" scholarship program

which covers the cost of participation for individuals lacking the financial resources to participate.

WHEREAS, the Sportsplex, located one mile from the Zoo, is expected to not only provide a healthy environment for 31,000 youth annually but also will bring an estimated 73,000 spectators to the facility annually, thereby providing support to industries hardest hit by the COVID-19 public health emergency.

WHEREAS, the City of Asheboro has determined an investment in the Zoo City Sportsplex is in alignment with the goals of ARPA and is an eligible use of ARPA funds.

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.

WHEREAS, the City Council of the City of Asheboro wants 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 item be increased:

Account#	Revenue Description	Increase
64-300-0000	ARPA Funds	$677,010

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

Account #	Expense Description	Increase/decrease)
64-400-0001	Contrib. to ZCSP fund- turf	$3,296,708
64-800-0000	Unallocated	677,010
64-800-0000	Unallocated	(3,269,708)
		$677,010

Adopted this 7th day of October, 2021.

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

ATTEST:

/s/Tammy M. Williams
Tammy M. Williams, Deputy City Clerk

32 ORD 10-21

ORDINANCE TO AMEND THE ZOO CITY SPORTSPLEX FUND (74)
FY 2021-2022

WHEREAS, in June 2021, $700,000 was allocated from ARPA Fund to pay for Water & Sewer improvements at Zoo City Sportsplex; and

WHEREAS, the City of Asheboro is ready to execute a contract for Field Turf at the Zoo City Sportsplex, and

WHEREAS, the preliminary cost estimate for the field turf is approximately $3,296,708; and

WHEREAS, the City of Asheboro desires to use a contribution from the ARPA fund for this purpose; and

WHEREAS, the City of Asheboro desires amend the Zoo City Sportsplex fund budget to incorporate these changes 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:

That the following Revenue line items be increased:

Line Item	Description	Increase
74-300-6400	Contribution from ARPA Fund-W&S (6-2021 ord)	700,000
74-300-6400	Contribution from ARPA fund-Turf (10-2021 ord)	3,296,708
	3,996,708	

That the following Expense line items be increased:

Line Item	Description	Increase
74-400-0001	Construction- W&S	700,000
74-400-0004	Field Turf	3,296,708
		3,996,708

Adopted this the 7th day of October 2021.

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

ATTEST:

/s/Tammy M. Williams
Tammy M. Williams, Deputy City Clerk

(c) Asheboro Regional Airport

(i) City Engineer Michael Leonard, PE presented the analysis of bids received for roof coating needed for two roofs that are part of the North Carolina Aviation Museum at the Asheboro Regional Airport. There were four bids received on September 28, 2021, and, of the four, only three are considered responsive.

The following bid tabulation was presented to the council.

McRae Roofing	$85,590.00	
BIRS, Inc.	$95,791.00	
GMG Inc.	$143,612.00	
Legacy Construction	$77,369.00	(This bid was deemed non-responsive because it did not meet the solids, percent by volume, specification.)

Based on the above-listed bid tabulation, the engineering staff recommended the award of the contract to McCrae Roofing, as the lowest responsive, responsible bidder, at a bid of $85,590.00.

In response to this recommendation, Council Member Moffitt moved, and Council Member Swiers seconded the motion, to award the above-described roof coating contract for Museum Roof 1 and 2 at the North Carolina Aviation Museum to McRae Roofing, as the lowest responsive, responsible bidder, at a contract price of $85,590.00. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes.

(ii) In order to make improvements recommended by engineering staff that require pouring a concrete pad between two museum building areas at the airport, and in order to appropriate the 10% match for federal funding for a new corporate hangar building, Finance Director Deborah Reaves recommended the adoption of an ordinance to amend the General Fund. The governing board concurred with these recommendations.

Accordingly, Council Member Bell moved, and Council Member Moffitt seconded the motion, to adopt the following ordinance by reference. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes.

33 ORD 10-21

ORDINANCE TO AMEND THE GENERAL FUND
FY 2021-2022

WHEREAS, the City of Asheboro would like pour a concrete pad to help with drainage and create a “patio type” area between the two Airport Museum Building areas for an estimated cost of $18,000; and

WHEREAS, the City of Asheboro would like to appropriate the 10% match for federal funding for a new 80' by 80' corporate hangar building; and

WHEREAS, the City of Asheboro desires amend the 2020-2021 budget to incorporate this expense and 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:

That the following Revenue line items be increased:

Line Item	Description	Increase
10-399-0000	Fund Balance Allocation	$26,373

That the following Expense line items be increased:

Line Item	Description	Increase
10-650-1500	Building Maintenance and repair	$18,000
10-650-6600	Contribution to Airport Improvement Fund	8,373
		$26,373

Adopted this the 7th day of October 2021.

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

ATTEST:

/s/Tammy M. Williams
Tammy M. Williams, Deputy City Clerk

(iii) In order to properly account for changes in revenues and expenditures associated with the use of federal funding for a new corporate hangar building, Finance Director Deborah Reaves recommended the adoption of an ordinance to amend the Airport Improvements Fund (#66). The governing board concurred with these recommendations.

Accordingly, Council Member Bell moved, and Council Member Swiers seconded the motion, to adopt the following ordinance by reference. Council Members Bell, Burks, Moffitt, Redding, Snuggs, and Swiers voted aye. There were no dissenting votes.

34 ORD 10-21

ORDINANCE TO AMEND
THE AIRPORT IMPROVEMENTS FUND (#66)
FY 2021-2022

WHEREAS, the City of Asheboro would like to use federal funding for the Asheboro Regional Airport to construct one new 80' x 80' aircraft storage hangar in the existing corporate area at the south end of Asheboro Regional Airport; and

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

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:

Account	Description	Increase
66-350-0003	Grant proceeds- Corporate Hangar Design Build	75,349
66-350-0001	GF Contrib. – Corporate Hangar Design Build	8,373
	Total Increase	83,722

Section 2: That the following expense line items are increased:

Account	Description	Increase
66-986-0000	Corporate Hangar Design / Build	83,722

Adopted this the 7th day of October 2021.

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

ATTEST:

/s/Tammy M. Williams
Tammy M. Williams, Deputy City Clerk

8. Upcoming Events and Items Not Listed on the Agenda

No formal council action was taken during this portion of the meeting.

With no further business to conduct, the meeting was adjourned at 8:11 p.m.

Tammy M. Williams, Deputy City Clerk **David H. Smith, Mayor**

Minutes of the meeting of the Asheboro Alcoholic Beverage Control Board held on August 30, 2021 (September Meeting)

The Asheboro ABC Board met on Monday, August 30, 2021, at 5:30 PM, in the Board office, 700 South Fayetteville Street, Asheboro, NC. Present at the board meeting were the Chair, Board Member Steve Knight, Board Member Bob Morrison and General Manager Rodney Johnson (GM). A quorum being present, the Chair called the meeting to order for the transaction of business and business transacted as follows:

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

Board Minutes from the August 2, 2021, meeting were reviewed and approved by the Board.

The Chair recognized guests from Hope Community Alliance (CHA), including Kelly Link, Cassie, and Mabe. A presentation was made by CHA about the organization and there was a question-and-answer session. The Board thanked CHA for their presentation and the CHA representatives left the meeting.

Steve Knight and the GM reviewed Board finances and reported all finances remain consistent (sales and expenses).

Monthly drafts and EFT payments from August will be reviewed at the Board's October 1, 2021, meeting.

The grant request from Community Hope Alliance (CHA) asking for $6,000 from 2021 3rd Quarter funds and $8,000 from 2021 4th Quarter funds was reviewed by the Board. After discussion, and upon motion by Bob Morrison, the Board approved awarding all requested funds to CHA. If needed, monies from 2022 1st and 2nd Quarter funds may be advanced and used to fully fund the request.

The current lease agreement for the property located at 700 South Fayetteville Street, Asheboro, NC, ends the last day of November 2021. The landlord has offered another ten-year lease under the same terms and conditions as the previous lease and will submit a new proposed lease to the Board for its consideration before the Board's October meeting.

The Board reviewed and accepted the Fiscal Year 2020-2021 Asheboro ABC Board Audited Financial Statements completed by Durham Lewis CPA, PLLC (attached hereto and incorporated herein by reference).

The Board discussed locations for a possible 2nd store in North Asheboro. The Board directed the GM prepare verbiage providing a description of the type of location the Board is seeking.

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

1. Asheboro ABC sales statistics comparing:

    - July 2021 sales with the previous month indicate:
        - An overall +9.9% change (all sales and tax collections)

    - July 2021 sales with sales from the same month last year indicate:
        - Retail Sales +7.8%
        - Mixed Beverage Sales: +51%
        - Sales Tax Collections: +8%
        - Overall Collections: +11.75%

    - July 2021 bottle sales with bottle sales from the same month last year indicate:
        - Retail Bottle Sales: -1.6%
        - Mixed Beverage Bottle Sales: +51.6%
        - Overall Bottle Sales: +1%

The next regular Asheboro ABC Board meeting will be held Monday, October 4, 2021, at 5:30 p.m.

There being no further business, the meeting was adjourned.

Prepared by Rodney Johnson, GM, and Approved by the Board 10-4-21 GM

ASHEBORO BOARD
OF ALCOHOLIC BEVERAGE CONTROL
ASHEBORO, NORTH CAROLINA

AUDITED FINANCIAL STATEMENTS

JUNE 30, 2021 and 2020

Board of Directors

Chairman
Brooke Schmidly

Board Member
Stephen Knight

Board Member
Robert Morrison

Finance Officer
Rodney Johnson

Prepared By
DURHAM LEWIS CPA, PLLC
ROCKINGHAM, NORTH CAROLINA

Asheboro Board of Alcoholic Beverage Control

(A component unit of The City of Asheboro)

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PO Box 128
230 South Lawrence Street
Rockingham, NC 28379
Phone: 910-997-3195
Fax: 910-997-3199

Independent Auditor's Report

Board of Directors
Asheboro Board of Alcoholic Beverage Control
Asheboro, NC

Report on the Financial Statements

We have audited the accompanying financial statements of the Asheboro Board of Alcoholic Beverage Control, a component unit of the City of Asheboro, which comprise the Statements of Net Position as of June 30, 2021 and 2020 and the related Statements of Revenues, Expenses, and Changes in Net Position, and Statements of Cash Flows for the years then ended and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Asheboro Board of Alcoholic Beverage Control as of June 30, 2021 and 2020, and the respective changes in financial position, and where applicable, cash flows thereof for the years ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters
Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis and Schedule of Proportionate Share of Net Pension Liability (Asset) and Schedule of Board Contributions to Retirement Plan for the last eight years as listed in the table of contents be presented to supplement the 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. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted principally of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audits were conducted for the purpose of forming opinions on the financial statements as a whole. The Schedules of Store Expenses, Administrative Expenses, Warehouse Expenses, Distributions of Profits, and Schedule of Revenues and Expenditures – Budget and Actual are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The Schedules of Store Expenses, Administrative Expenses, Warehouse Expenses, Distributions of Profits, and Schedule of Revenues and Expenditures – Budget and Actual are the responsibility of management and were derived from and related directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures applied in the 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 basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements taken as a whole.

Durham Lewis CPA, PLLC
Rockingham, North Carolina
August 23, 2021

Management's Discussion and Analysis

This section of the Asheboro Board of Alcoholic Beverage Control (*the Board)* financial report represents our discussion and analysis of the financial performance of the Board for the year ended June 30, 2021. This information should be read in conjunction with the audited financial statements included in this report.

Financial Highlights

- Working capital was approximately $687,379.
- A total of $442,000 in distributions was made by the Board to the City of Asheboro during the year.

Overview of the Financial Statements

The audited financial statements of the Board consist of 3 components. They are as follows:

- *Management's Discussion and Analysis*
- *Basic Financial Statements*
- *Additional Information Required by the ABC Commission*

The *Basic Financial Statements* are prepared using the full accrual basis of accounting. They consist of three statements. The first statement is the **Statement of Net Position.** Assets and liabilities are classified between current and long-term. This statement provides a summary of the Board's investment in assets and obligations to creditors. Liquidity and financial flexibility can be evaluated using the information contained in this statement.

The next statement is the **Statement of Revenues, Expenses, and Changes in Net Position.** This statement is used in evaluating whether the Board has recovered all of its costs through sales. Its information is used in determining credit worthiness.

The final required statement is the **Statement of Cash Flows.** This statement reports cash inflows and outflows in the following categories: operating, investing, and financing activities. Based on this data, the user can determine the sources of cash, the uses of cash, and the change in cash.

The notes to the financial statements provide more detailed information and should be read in conjunction with the statements.

The ABC Commission requires some schedules in addition to the information required by generally accepted accounting principles. They include the **Schedule of Store Expenses, Schedule of Administrative Expenses, Schedule of Warehouse Expenses, Schedule of Distributions of Profits,** and the **Schedule of Revenues and Expenditures – Budget and Actual.**

Financial Analysis of the Board

Net position is an indicator of the fiscal health of the Board. Assets exceeded liabilities by $912,057 in 2021. The largest components of net position were cash and inventory. Together they totaled 93% of the total net position.

Following is a summary of the Statement of Net Position:

Condensed Statements of Net Position

	2021	2020	2019	$ Change	% Change
Current assets	$ 1,144,869	$ 1,004,648	$ 970,316	$ 140,221	14%
Non-current assets	20,647	26,734	27,475	(6,087)	-23%
Total assets	$ 1,165,516	$ 1,031,382	$ 997,791	$ 134,134	13%
Deferred outflows of resources	$ -	$ (2,489)	$ 20,337	$ 2,489	-100%
Current liabilities	$ 159,663	$ 279,024	$ 300,703	$ (119,361)	-43%
Non-current liabilities	59,676	66,820	56,925	(7,144)	-11%
Total liabilities	$ 219,339	$ 345,844	$ 357,628	$ (126,505)	-37%
Deferred inflows of resources	$ 34,120	$ 3,595	$ 3,595	$ (30,525)	-849%
Net invested in capital assets	$ 20,537	$ 26,624	$ 27,365	$ (6,087)	-23%
Restricted net position	151,128	126,495	107,447	24,633	19%
Reserved for capital improvement	286,555	246,505	204,384	40,050	16%
Unrestricted net position	453,837	279,830	317,709	174,007	62%
Total net position	$ 912,057	$ 679,454	$ 656,905	$ 232,603	34%

Net position increased significantly from the prior year.

Income from operations increased by 56% from the prior year due to the effect of the Covid Pandemic.

Following is a summary of the changes in net position:

Table 2

Condensed Statements of Revenues, Expenses, and Changes in Net Position

	2021	2020	2019	$ Change	% Change
Operating revenues	$ 5,120,802	$ 4,284,232	$ 3,641,626	$ 836,570	20%
Less: Taxes on gross sales	1,180,837	982,456	840,527	198,381	20%
Net sales	$ 3,939,965	$ 3,301,776	$ 2,801,099	$ 638,189	19%
Cost of sales	2,622,553	2,240,084	1,873,868	382,469	17%
Gross profit	$ 1,317,412	$ 1,061,692	$ 927,231	$ 255,720	24%
Less: Operating expenses	571,398	583,186	534,913	(11,788)	-2%
Income from operations	$ 746,014	$ 478,506	$ 392,318	$ 267,508	56%
Non-operating revenue and expences	50	2,121	2,297	(2,071)	-98%
Loss on disposal of assets	-	-	(598)	-	0%
Change in net position before distributions	$ 746,064	$ 480,627	$ 394,017	$ 265,437	55%
Distributions	513,461	458,078	388,872	55,383	12%
Change in net position	$ 232,603	$ 22,549	$ 5,145	$ 210,054	932%
Net position, beginning	679,454	656,905	651,760	22,549	3%
Net position, ending	$ 912,057	$ 679,454	$ 656,905	$ 232,603	34%

	2021	2020	2019	$ Change	% Change
Retail Liquor Sales	$ 4,533,465	$ 3,895,713	$ 3,197,438	$ 637,752	16%
Mixed Beverage Sales	575,900	374,592	435,952	201,308	54%
Retail Wine Sales	11,437	13,927	8,236	(2,490)	-18%
Total Sales	$ 5,120,802	$ 4,284,232	$ 3,641,626	$ 836,570	20%

Capital Asset and Debt Administration

Capital Assets

Investment in capital assets as of June 30, 2021 totals $20,357 (net of accumulated depreciation).

Table 3
Summary of Changes in Capital Assets (net of depreciation)

	2021	2020	2019	$ Change	% Change
Leasehold Improvement	$ -	$ -	$ -	-	0.00%
Equipment	20,537	27,624	27,635	(7,087)	-25.66%
Total	$ 20,537	$ 27,624	$ 27,635	$ (7,087)	-25.66%

Economic Factors

The effects of the Covid virus accounted for the increase in sales.

Requests for Information

This report is intended to provide a summary of the financial condition of the Board. Questions or requests for additional information should be addressed to:

Rodney Johnson, Finance Officer
Asheboro Board of Alcoholic Beverage Control
700 S. Fayetteville Street
Asheboro, NC 27203

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Net Position
as of June 30, 2021
and June 30, 2020

	2021	2020
ASSETS		
CURRENT ASSETS		
Cash	$ 450,651	$ 416,945
Investments	286,555	246,505
Inventories	399,928	332,497
Prepaid Expenses	7,735	8,701
Total Current Assets	$ 1,144,869	$ 1,004,648
NON-CURRENT ASSETS		
Property Plant and Equipment (net of accumulated depreciation)	$ 20,537	$ 26,624
Utility Deposits	110	110
Total Non-Current Assets	$ 20,647	$ 26,734
TOTAL ASSETS	$ 1,165,516	$ 1,031,382
DEFERRED OUTFLOWS OF RESOURCES		
Deferred Outflows of Pension Plan Resources	$ -	$ (2,489)
Total Deferred Outflows of Resources	$ -	$ (2,489)
LIABILITIES		
CURRENT LIABILITIES		
Accounts Payable	$ 103,041	$ 234,432
Accrued Liabilities	29,998	34,729
Distributions Payable	26,624	9,863
Total Current Liabilities	$ 159,663	$ 279,024
NON-CURRENT LIABILITIES		
Net Pension Liability	$ 59,676	$ 66,820
Total Liabilities	$ 219,339	$ 345,844
DEFERRED INFLOWS OF RESOURCES		
Deferred Inflows of Pension Resources	$ 34,120	$ 3,595
Total Deferred Inflows of Resources	$ 34,120	$ 3,595
NET POSITION		
Net Investment in Capital Assets	$ 20,537	$ 26,624
Restricted for Working Capital	151,128	126,495
Reserve for Capital Improvement	286,555	246,505
Unrestricted	453,837	279,830
Total Net Position	$ 912,057	$ 679,454

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Revenues, Expenses, and Changes in Net Position
For the Years Ended June 30, 2021
and June 30, 2020

	2021	2020
OPERATING REVENUE		
Liquor Sales - Regular	$ 4,533,465	$ 3,895,713
Mixed Beverage Sales	575,900	374,592
Wine Sales	11,437	13,927
Total Gross Sales	$ 5,120,802	$ 4,284,232
DEDUCT TAXES ON GROSS SALES		
State Excise Tax	$ 1,114,090	$ 932,619
Mixed Beverage Tax - NCDOR	47,163	32,696
Mixed Beverage Tax - NCDHHS	4,716	3,269
Rehabilitation Tax (Bottle)	14,067	12,843
Sales & Use Tax Wine	801	1,029
Total Taxes	$ 1,180,837	$ 982,456
NET SALES	$ 3,939,965	$ 3,301,776
DEDUCT COST OF SALES		
Cost of Liquor Sold	$ 2,612,290	$ 2,229,698
Cost of Wine Sold	10,263	10,386
Total Cost of Sales	$ 2,622,553	$ 2,240,084
GROSS PROFIT ON SALES	$ 1,317,412	$ 1,061,692
DEDUCT OPERATING EXPENSES		
Store Expenses	$ 511,800	$ 518,911
Warehouse & Delivery Expenses	35,198	34,925
Administrative Expenses	18,313	17,296
Depreciation Expense	6,087	12,054
Total Operating Expenses	$ 571,398	$ 583,186
INCOME FROM OPERATIONS	$ 746,014	$ 478,506
Non-operating Revenues (Expenses)		
Interest Income	$ 50	$ 2,121
Loss on Disposal of Fixed Assets	-	-
Total non-operating revenue (expenses)	$ 50	$ 2,121
CHANGE IN NET POSITION BEFORE DISTRIBUTIONS	$ 746,064	$ 480,627
DEDUCT DISTRIBUTIONS		
Law Enforcement	$ 29,775	$ 17,949
Alcohol Education & Rehab	41,686	25,129
Change in Net Position Before Profit Distributions	$ 674,603	$ 437,549
Profit Distributions - City of Asheboro	442,000	415,000
CHANGE IN NET POSITION	$ 232,603	$ 22,549
NET POSITION - JULY 01	679,454	656,905
NET POSITION - JUNE 30	$ 912,057	$ 679,454

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Statements of Cash Flows
For the Years Ended June 30, 2021
and June 30, 2020

	2021	2020
CASH FLOWS FROM OPERATING ACTIVITIES		
Cash received from customers	$ 5,120,802	$ 4,284,232
Cash payments to suppliers for goods & services	(2,832,074)	(2,250,375)
Cash payments to employees for services	(317,868)	(328,720)
Cash payments for operating expenses	(226,877)	(217,632)
Cash payments for taxes	(1,173,576)	(956,181)
Net Cash Provided By Operating Activities	$ 570,407	$ 531,324
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES		
Acquisition of capital assets	$ -	$ (11,313)
Net Cash (Used) by Capital and Related Financing Activities	$ -	$ (11,313)
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES		
Law enforcement & alcohol education distributions	$ (54,700)	$ (43,508)
Profit distributions to City of Asheboro	(442,000)	(415,000)
Net Cash (Used) by Non-Capital Financing Activities	$ (496,700)	$ (458,508)
CASH FLOWS FROM INVESTING ACTIVITIES		
Interest earned on investments	$ 50	$ 2,121
Net Cash Provided by Investing Activities	$ 50	$ 2,121
NET INCREASE IN CASH	$ 73,757	$ 63,624
CASH - Beginning of Year	663,449	599,825
CASH - End of Year	$ 737,206	$ 663,449
Reconciliation of Net Income from Operations to Net Cash Provided by Operating Activities		
Net Income from Operations	$ 746,014	$ 478,506
Adjustments to reconcile income from operations to net cash provided by operating activities		
Depreciation	6,087	12,054
Pension expense	20,892	32,721
Changes in Assets and Liabilities		
(Increase) Decrease in inventory	(67,432)	30,755
(Increase) Decrease in prepaid expenses	966	(1,462)
Increase (Decrease) in accounts payable	(143,381)	(43,749)
Increase (Decrease) in payroll taxes payable	-	-
Increase (Decrease) in accrued liabilities	-	(3,776)
Increase (Decrease) in liquor taxes payable	7,261	26,275
Net Cash Provided by Operating Activities	$ 570,407	$ 531,324

The accompanying notes are an integral part of the financial statements.

Asheboro Board of Alcoholic Beverage Control
(A component unit of the City of Asheboro)
Notes to the Financial Statements
June 30, 2021

Note 1. Summary of Significant Accounting Policies

A. Principles Used in Determining the Scope of the Entity for Financial Reporting

The Asheboro Board of Alcoholic Beverage Control (the Board), a component unit of the City of Asheboro, is a corporate body with powers outlined by General Statutes [Chapter 18B-701]. The governing body of the City of Asheboro appoints the members of the Board.

The Board is required by State Statute to distribute its surpluses to the general fund of Asheboro, which represents a benefit to the City. Therefore, the Board is reported as a discretely presented component unit in the City's financial statements.

B. Organizational History

The Board was organized after a city-wide election held July 29, 2008. The Asheboro City Council appointed three individuals to serve on the Board with terms of three years, two years, and one year. The Asheboro ABC Store opened for business November 18, 2008.

C. Basis of Presentation

All activities of the Board are accounted for within a single proprietary (enterprise) fund. Proprietary funds are used to account for operations that are (a) financed and operated in a manner similar to private business enterprises where the intent of the governing body is that the cost of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that the periodic determination of revenues earned, expenses incurred, and/or the change in net position is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

D. Basis of Accounting

The financial statements have been prepared on the accrual basis of accounting. All sales are made for cash (or bank card) and recorded at the time of sale; revenues are recorded when earned, expenses are recognized when incurred. As permitted, the Board has elected to apply only applicable FASB Statements and Interpretations issued before November 30, 1989, in its proprietary operation, unless those pronouncements conflict with or contradict GASB pronouncements.

E. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make certain estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the Statement of Net Position date, and reported amounts of revenues and expenses during the reporting period. Estimates are used to determine depreciation expense, the allowance for doubtful accounts and certain claims and judgment liabilities, among other accounts. Actual results may differ from those estimates.

F. Pensions

For purposes of measuring the net pension asset, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Local Governmental Employees' Retirement System (LGERS) and additions to/deductions from LGERS' fiduciary net position have been determined on the same basis as they are reported by LGERS. For this purpose, plan and member contributions are recognized in the period in which the contributions are due. The Board's employer contributions are recognized when due and the Board has a legal requirement to provide the contributions. Benefits and refunds are recognized when due and payable in accordance with the terms of LGERS. Investments are reported at fair value.

G. Assets, Liabilities, and Net Position

(1) Deposits

All deposits of the Board are made in board-designated official depositories and are collateralized as required by State law [G.S. 159-31]. The Board may designate, as an official depository, any bank or savings association whose principal office is located in North Carolina. Also, the Board may establish Time deposit accounts such as NOW and SuperNOW accounts, money market accounts, and certificates of deposit.

All the Board's deposits are either insured or collateralized by using one of two methods. Under the Dedicated Method, all deposits that exceed the federal depository insurance coverage level are collateralized with securities held by the Board's agent in the Board's name. Under the Pooling Method, which is a collateral pool, all uninsured deposits are collateralized with securities held by the State Treasurer's agent in the name of the State Treasurer. Since the State Treasurer is acting in a fiduciary capacity for the Board, these deposits are considered to be held by the Board agent in the Board's name. The amount of the pledged collateral is based on an approved averaging method for non-interest bearing deposits and the actual current balance for interest bearing deposits. Depositories using the Pooling Method report to the State Treasurer the adequacy of their pooled collateral covering uninsured deposits. The State

Treasurer does not confirm this information with the Board or the escrow agent. Because of the inability to measure the exact amount of collateral pledged for the Board under the Pooling Method, the potential exists for under collateralization, and this risk may increase in periods of high cash flows. However, the State Treasurer of North Carolina enforces strict standards of financial stability for each depository that collateralizes public deposits under the Pooling Method.

At June 30, 2021 and 2020, the Board's deposits had carrying amounts of $731,110 and $657,853 and bank balances of $712,069 and $649,969 respectively. The bank balance was covered by federal depository insurance on the first $250,000 with the remainder covered by the Pooling Method.

(2) Investments

State law [G.S. 159-30(c)] authorizes the Board to invest in obligations of the United States or obligations fully guaranteed both as to principal and interest by the United States; obligations of the State of North Carolina; bonds and notes of any North Carolina local government or public authority; obligations of certain non-guaranteed federal agencies; certain high quality issues of commercial paper and banker's acceptances; and the North Carolina Capital Management Trust (NCCMT), an SEC registered (2a-7) money market mutual fund.

The Board's money market investments that have a remaining maturity at the time of purchase of one year or less and non-participating interest earnings and investment contracts are reported at amortized cost.

(3) Cash and Cash Equivalents

For purposes of the Statement of Cash Flows, the Board considers all highly liquid investments (including restricted assets) with a maturity of three months or less when purchased to be cash equivalents.

(4) Accounts Receivable

All retail transactions are point of sale and the Board does not sell any items on credit. Claims receivable is the amount of breakage incurred by the store but still unreimbursed by the distiller.

(5) Inventories

Inventories are valued at the lower of cost (FIFO) or market.

(6) Property Plant and Equipment

Property and equipment are stated at cost and are being depreciated over their useful lives on a straight-line basis as follows:

	Beginning Balances	Increases	Decreases	Ending Balances
Capital assets being depreciated				
Leasehold Improvements	$ 620	$ -	$ -	$ 620
Equipment	211,964		6,553	205,411
Total capital assets being depreciated	$ 212,584	$ -	$ 6,553	$ 206,031
Less accumulated depreciation for:				
Leasehold Improvements	$ 620	$ -	$ -	$ 620
Equipment	185,341	6,087	6,553	184,872
Total accumulated depreciation	$ 185,961	$ 6,087	$ 6,553	$ 185,492
Capital Assets, net	$ 26,622			$ 20,537

When an asset is disposed of, the cost of the asset and the related accumulated depreciation are removed from the books. Any gain or loss on disposition is reflected in the earnings for the period.

(7) Net Position

Net position consists of the following:

a. Restricted for law enforcement – this applies only when the Board employs its own ABC officer.
b. Restricted for capital improvements – State law [G.S. 18B-805 (d)] requires approval of the appointing authority to establish this account. The Board has received approval from the Asheboro City Council to establish an account to accumulate funds for future capital projects. At June 30, 2021, this account had a balance of $286,555.
c. Restricted for working capital – North Carolina Alcoholic Beverage Control Commission Rule [.0902] defines working capital as the total of cash, investments, and inventory less all unsecured liabilities. An ABC Board shall set its working capital requirements at not less than two weeks' average gross sales of the last fiscal year nor greater than three months' average gross sales of the last fiscal year. Average gross sales means gross receipts from the sale of alcoholic beverages less distributions required by State law [G.S. 18B-805 (b) (2), (3) and (4)].

d. Net Invested in capital assets – this component of net position consists of capital assets, including any restricted capital assets, net of accumulated depreciation and reduced by the outstanding balances of any borrowings that are attributable to the acquisition, construction, or improvement of those assets. If there are significant unspent related debt proceeds at year-end, the portion of the debt attributable to the unspent proceeds is not included in the calculation of invested in net capital assets. Rather, that portion of the debt is included in the same assets component as the unspent proceeds.

e. Unrestricted net position – this component of net position consists of net position which does not meet the definition of restricted or net investment in capital assets debt.

Note 2. Stewardship, Compliance and Accountability

Compliance with N.C. General Statutes

A. The Asheboro ABC Board was in compliance with the General Statutes of North Carolina at June 30, 2021.

Note 3. Detail Notes on All Funds

Pension Plan Obligations

A. Local Government Employees' Retirement System

Plan Description. Local Government Employees' Retirement System. The Board contributes to the statewide Local Government Employees' Retirement System (LGERS), a cost sharing multiple-employer defined benefit pension plan administered by the State of North Carolina. LGERS provides retirement and disability benefits to plan members and beneficiaries. Article 3 of G.S. Chapter 128 assigns the authority to establish and amend benefit provisions to the North Carolina General Assembly. The Local Government Employees' Retirement System is included in the Comprehensive Annual Financial Report (CAFR) for the state of North Carolina. The State's CAFR includes financial statements and required supplementary information for LGERS. That report may be obtained by writing the office of the State Controller, 1410 Mail Service Center, Raleigh, NC 27699-1410, or by calling (919) 981-5454, or at www.osc.nc.gov.

Benefits Provided. LGERS provides retirement and survivor benefits. Retirement benefits are determined as 1.85% of the member's average final compensation times the member's years of creditable service. A member's average final compensation is calculated as the average of a member's four highest consecutive years of compensation. Plan members are eligible to retire with full retirement benefits at age 65 with five years of creditable service,

at age 60 with 25 years of creditable service, or at any age with 30 years of creditable service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years of creditable service or at age 65 with five years of creditable service, at age 60 with 25 years of credible service, or at any age with 30 years of credible service. Plan members are eligible to retire with partial retirement benefits at age 50 with 20 years credible service or at age 60 with five years credible service. Survivor benefits are available to eligible beneficiaries of members who die while in active service or within 180 days of their last day of service and who have either completed 20 years of creditable service regardless of age or have completed five years of service and have reached age 60. Eligible beneficiaries may elect to receive a monthly Survivor's Alternate benefit for life or a return of the member's contributions. The plan does not provide for automatic post-retirement benefit increases. Increases are contingent upon actuarial gains of the plan.

Contributions. Contribution provisions are established by General Statute 128-30 and may be amended only by the North Carolina General Assembly. The Board employees are required to contribute 6% of their compensation. Employer contributions are actuarially determined and set annually by the LGERS Board of Trustees. The Board's contractually required contribution rate for the year ended June 30, 2021, was 10.15% for general employees, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employees during the year. Contributions to the pension plan from the Board were $22,932 for the year ended June 30, 2021.

Refunds of Contributions. Board employees, who have terminated service as a contributing member of LGERS, may file an application for a refund of their contributions. By state law, refunds to members with at least five years of creditable service include 4% interest. State law requires a 60 day waiting period after service termination before the refund may be paid. The acceptance of a refund payment cancels the individual's right to employer contributions or any other benefit provided by LGERS.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

At June 30, 2021, the Board reported a liability of $59,676 for its proportionate share of the net pension liability. The net pension liability was measured as of June 30, 2019. The total pension liability used to calculate the net pension asset was determined by an actuarial valuation as of December 31, 2019. The total pension liability was then rolled forward to the measurement date of June 30, 2020 utilizing update procedures incorporating the actuarial assumptions. The Board's proportion of the net pension asset was based on a projection of the Board's long-term share of future payroll covered by the pension plan, relative to the projected future payroll covered by the pension plan of all participating LGERS employers, actuarially determined. At June 30, 2021, the Board's proportion was .167%, which was a decrease of .004% from its proportion measured as of June 30, 2020.

For the year ended June 30, 2021, the Board recognized pension expense of $43,911. At June 30, 2021, the Board reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 7,536	$ -
Changes of assumptions	4,441	-
Net difference between projected and actual earnings on pension plan investments	8,398	-
Changes in proportion and differences between contributions and proportionate share of contributions	13,745	-
The Board's contributions subsequent to the measurement date	22,931	-
Total	$ 57,051	$ -

$22,931 reported as deferred outflows or resources related to pensions resulting from Board contributions subsequent to the measurement date will be recognized as an increase of the net pension asset in the year ended June 30, 2022. Other amounts reported as deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended June 30:		
2022	$	12,135
2023		12,044
2024		7,454
2025		2,485
2026		-
Thereafter		-
Total	$	34,118

Actuarial Assumptions. The total pension liability in the December 31, 2019 actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation	3.0 percent
Salary increases	3.50 to 8.10 percent, including inflation and productivity factor
Investment rate of return	7.00 percent, net of pension plan investment expense, including inflation

The plan currently uses mortality tables that vary by age, gender, employee group (i.e. general, law enforcement officers) and health status (i.e. disabled and healthy). The current mortality rates are based on published tables and based on studies that cover significant portions of the U.S. population. The healthy mortality rates also contain a provision to reflect future mortality improvements.

The actuarial assumptions used in the December 31, 2019 valuation were based on the results of an actuarial experience study for the period January 1, 2014 through December 31, 2018.

Future ad hoc COLA amounts are not considered to be substantively automatic and are therefore not included in the measurement.

The projected long-term investment returns and inflation assumptions are developed through review of current and historical capital markets data, sell-side investment research, consultant whitepapers, and historical performance of investment strategies. Fixed income return projections reflect current yields across the U.S. Treasury yield curve and market expectations of forward yields projected and interpolated for multiple tenors and over multiple year horizons. Global public equity return projections are established through analysis of the equity risk premium and the fixed income return projections. Other asset categories and strategies' return projections reflect the foregoing and historical data analysis. These projections are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class as of June 30, 2021 are summarized in the following table:

Asset Class	Target Allocation	Long - Term Expected Real Rate of Return
Fixed Income	29.00%	1.40%
Global Equity	42.00%	5.30%
Real Estate	8.00%	4.30%
Alternatives	8.00%	8.90%
Credit	7.00%	6.00%
Inflation protection	6.00%	4.00%
Total	100.00%	

The information above is based on 30-year expectations developed with the consulting actuary for the 2018 asset liability and investment policy study for the North Carolina Retirement systems, including LGERS. The long-term nominal rates of return underlying the real rates of return are arithmetic annualized figures. The real rates of return are calculated from nominal rates by multiplicatively subtracting a long-term inflation assumption of 3.00%. All rates of return and inflation are annualized.

Discount rate. The discount rate used to measure the total pension liability was 7.00%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at statutorily required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of the current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the Board's proportionate share of the net pension asset to changes in the discount rate. The following presents the Board's proportionate share of the net pension liability calculated using the discount rate of 7.00%, as well as what the Board's proportionate share of the net pension asset or net pension liability would be if it were calculated using a discount rate that is one percentage lower (6.00 percent) or one percentage point higher (8.00 percent) than the current rate:

	1% Decrease (6.00%)	Discount Rate (7.00%)	1% Increase (8.00%)
The Board's proportionate share of the net pension liability (asset)	$ 121,077	$ 49,676	$ 8,648

Pension plan fiduciary net position. Detailed information about the pension plan's fiduciary net position is available in the separately issued Comprehensive Annual Financial Report (CAFR) for the State of North Carolina.

Note 4. Leases

The Board has an operating lease for its single facility at 700 South Fayetteville Street, Asheboro, NC. The lease is a 10-year lease expiring December 30, 2023.

Lease Payment Schedule:		
FYE June 30, 2022	$	64,800
FYE June 30, 2023	$	64,800
FYE June 30, 2024	$	32,400
FYE June 30, 2025	$	-
FYE June 30, 2026	$	-
Thereafter	$	-

The Lessor is responsible for building insurance and property taxes. The table above is a summary of the lease obligations of the Board according to the lease that was in place on June 30, 2021.

Note 5. Related Party Transactions

There were no related party transactions for the fiscal year ended June 30, 2021.

Note 6. Vacation and Sick Leave Compensation

The Board's policy is to give full-time employees paid vacation days ranging from six days per year to twenty one days per year depending on length of employment. The amount of accrued vacation at year end was $15,823.

Employees are not limited in the amount of sick leave that can be accumulated. Sick leave does not vest but unused sick leave accumulated at the time of retirement may be used in the determination of length of service for retirement benefit purposes. Since the Board has no obligation for accumulation of sick leave until it is actually taken, no accrual for sick leave has been made.

Note 7. Debt

The Board had no debt as of June 30, 2021.

Note 8. Distributions of Income

NC General Statute 18B-805 (e) requires that the entire net income, after deducting amounts required for law enforcement and alcohol education and retaining proper working capital, be paid quarterly to the appropriate local government entity. The distributions paid and accrued by the Asheboro ABC Board for the year ended June 30, 2021 totaled $442,000. Profit distributions of $3,324,500 have been made since the Board's inception.

Note 9. Law Enforcement and Alcohol Education Expenses

The Board is required by law to expend at least 5% of its profits for law enforcement and 7% of its profits for the treatment of alcoholism or substance abuse, or for research or education on alcohol or substance abuse. Profits are defined by law for these calculations as income before law enforcement and education expenses, less 3 ½% markup provided in G.S. 18B-804 (b) (5) and the bottle charge provided for in G.S. 18B-804 (b) (6b). The following schedule summarizes the Board's expenditures for these items during 2021:

Income before required distributions	$	739,503
Less 3 1/2% tax & bottle charge		143,991
Profit subject to expense percentages	$	595,512
Law Enforcement Expenditures	$	29,775
Actual % of Profit		5%
Provision for Alcoholic Education & Rehabilitation	$	41,686
Actual % of Profit		7%

Note 10. Disbursement of Taxes Included in Selling Price

A state excise tax, at the rate of 30% on the retail (net sales) price is charged monthly on liquor sales (excluding wine sales).

Transactions for this account for the years are summarized as follows:

	2021	2020
Taxes payable – beginning of year	$ 89,133	$ 62,405
Taxes collected during the year	1,114,090	932,619
Taxes remitted to the Department of Revenue	1,111,953	905,891
Taxes payable – end of year	$ 91,270	$ 89,133

The excise tax is computed in accordance with G.S. 18B-805 (i).

The accrued North Carolina excise tax at June 30, 2021 was remitted to the North Carolina Department of Revenue on July 14, 2021.

A bottle charge of one cent on each bottle containing 50 milliliters or less and five cents on each bottle containing more than 50 milliliters is collected and distributed monthly to the county commissioners for alcohol education and rehabilitation. For the year ended June 30, 2021, payments to the county were based on the following bottle sales:

Regular Bottles	227,574	@.05	$ 11,378
Mixed Beverage Bottles	24,000	@.05	1,200
Miniature Bottles	148,974	@.01	1,490
Total payment for the year ended June 30, 2021			$ 14,067

A "mixed beverage tax" at the rate of $20.00 per 4 liters is charged on the sale of liquor to be resold as mixed beverages. One-half of the mixed beverage tax is submitted monthly to the North Carolina Department of Revenue. Five percent of the mixed beverage tax is submitted monthly to the NC Department of Health and Human Services.

The mixed beverage taxes for the years ended June 30, 2021 and 2020 was:

	2021	2020
NC Department of Revenue (50%)	$ 47,160	$ 32,696
NC Department of Health and Human Services (5%)	4,716	3,269
Profit Retained (45%)	42,444	29,423
Total	$ 94,320	$ 65,388

At June 30, taxes payable were:

	2021	2020
NC Department of Revenue - Excise Tax	$ 91,271	$ 89,133
NC Department of Revenue - Mixed Beverage Tax	5,170	3,030
NC Department of Health and Human Services - Mixed Beverage	517	303
Randolph County - Bottle Tax	1,137	1,177
Total	$ 98,095	$ 93,643

Note 11. Surcharge Collected

The total amount of surcharge collected for the fiscal year was $31,279. The bailment surcharge rate was $1.15 per case for the year.

Note 12. Liquor Sales Tax

The total amount of sales tax collected by the Board and remitted to the Department of Revenue for the fiscal year was $319,663. The current sales tax rate is 7%.

Note 13. Retail Outlets

The Asheboro Board of Alcoholic Beverage Control operated with one retail outlet:

Asheboro, North Carolina	
Gross Sales	$5,120,802
Change in Net Position	$ 232,603

Note 14. Working Capital

The Board is required by the Alcoholic Beverage Control Commission rule [.0902] to set its working capital requirements at not less than two weeks average gross sales of the last fiscal year. (Gross sales are gross receipts from the sale of alcoholic beverages less distributions as defined in G.S. 18B-805(b)(2), (3), and (4)).

The Board's position on this requirement is as follows:

Minimum Amount	$	151,128
Maximum Amount	$	982,332
Actual Amount	$	687,379

The Board has met the minimum amount of working capital.

Note 15. Breakage Expense

Breakage expense absorbed by the Board for the year was $0.

Note 16. Subsequent Events

Subsequent events have been evaluated through August 23, 2021, which is the date the financial statements were available to be issued.

Note 17. Risk Management

The Board is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The Board has property, general liability, liquor legal liability insurance and worker's compensation coverage and employee health coverage.

There have been no significant reductions in insurance coverage from coverage in the prior year and settled claims have not exceeded coverage in any of the past three fiscal years.

In accordance with G.S. 18B-700(i), each Board member is bonded in the amount of $50,000 secured by a corporate surety.

In accordance with G.S. 18B-803(b) and (c), the store manager(s) is bonded for $50,000. All other employees who have access to funds are bonded under a blanket bond for $50,000.

SUPPLEMENTARY INFORMATION

Asheboro Board of Alcoholic Beverage Control
Schedule of Proportionate Share of Net Pension Liability (Asset)
Required Supplementary Information
For the Last Eight Years*

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Board's proportion of the net pension liability (asset)(%)	0.00167%	0.00207%	0.00223%	0.00232%	0.00192%	0.00227%	0.03000%	0.02980%
Board's proportion of the net pension liability (asset)($)	$ 59,676	$ 56,530	$ 52,903	$ 35,443	$ 40,749	$ 10,188	$ (12,680)	$ 20,492
Board's covered - employee payroll	$ 225,930	$ 259,885	$ 261,712	$ 252,102	$ 238,323	$ 198,556	$ 186,305	$ 170,640
Board's proportionate share of the net pension liability (asset) as a percentage of its covered-employee payroll	26.41%	21.75%	20.21%	14.06%	17.10%	5.13%	-6.81%	12.01%
Plan fiduciary net position as a percentage of the total pension liability**	88.61%	90.86%	91.63%	94.18%	91.47%	98.09%	102.64%	94.35%

* The amounts presented for each fiscal year were determined as of the prior year ending June 30.

**This will be the same percentage for all participant employers in the LGERS plan.

See Auditor's Report

Asheboro Board of Alcoholic Bev+D7:W65erage Control
Schedule of Board Contributions to Retirement Plan
Required Supplementary Information
For the Last Eight Years

Local Government Employees' Retirement System

	2021	2020	2019	2018	2017	2016	2015	2014
Contractually required contribution	$ 22,932	$ 23,260	$ 20,283	$ 18,908	$ 17,248	$ 13,153	$ 13,172	$ 12,064
Contributions in relation to the contractually required contribution	$ 22,932	$ 23,260	$ 20,283	$ 18,908	$ 17,248	$ 13,153	$ 13,172	$ 12,064
Contribution deficiency (excess)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
Board's covered - employee payroll	$ 225,930	$ 259,885	$ 261,712	$ 252,102	$ 238,323	$ 198,556	$ 186,305	$ 170,640
Contributions as a percentage of covered-employee payroll	10.15%	8.95%	7.75%	7.50%	7.24%	6.62%	7.07%	7.07%

See Auditor's Report

Asheboro Board of Alcoholic Beverage Control
Schedule of Store Expenses
For the Years Ended June 30, 2021
and June 30, 2020

	2021	2020
Salaries & Wages	$ 313,137	$ 324,944
Payroll Tax	24,714	25,588
Group Insurance	1,677	1,521
Retirement	43,911	55,981
Data Processing	4,730	5,878
Utilities	2,798	2,526
Repairs & Maint - Bldg	2,584	518
Repairs & Maint - Equip	2,835	4,170
Janitorial Service	1,301	673
Store Supplies	13,893	9,063
Insurance - General	13,332	12,101
Bank Card Fees	53,903	42,634
Rent	32,400	32,400
Drug Testing Expense	585	764
Training	-	150
Total Store Expenses	$ 511,800	$ 518,911

Asheboro Board of Alcoholic Beverage Control
Schedule of Administrative Expenses
For the Years Ended June 30, 2021
and June 30, 2020

	2021	2020
Telephone	$ 3,501	$ 1,750
Board Members' Fees	3,600	3,300
Office Supplies	1,133	1,726
Dues & Subscriptions	288	288
Internet Services	1,528	2,857
Postage	210	330
Maintenance Agreements	1,490	1,498
Bank Service Charges	502	742
Professional Fees	4,800	4,700
Travel	-	84
Alarm Service and Security Services	1,261	21
Total Administrative Expenses	$ 18,313	$ 17,296

Asheboro Board of Alcoholic Beverage Control
Schedule of Warehouse Expenses
For the Years Ended June 30, 2021
and June 30, 2020

	2021	2020
Utilities	$ 2,798	$ 2,525
Rent	32,400	32,400
Total Warehouse Expenses	$ 35,198	$ 34,925

Asheboro Board of Alcoholic Beverage Control
Schedule of Distributions of Profits
For the Year Ended June 30, 2021

Distribution	Recipient	Amount	Date of Distribution	Restrictions on Use
Law Enforcement				
	City of Asheboro	4,100	10/14/20	None
	City of Asheboro	6,100	11/09/20	None
	City of Asheboro	12,600	05/26/21	None
Total paid during year		$ 22,800		
Alcohol Education				
	Randolph Community College	$ 5,700	10/16/20	Funds are to be spent on qualified alcohol education programs
	Randolph Community College	4,600	11/09/20	Funds are to be spent on qualified alcohol education programs
	Community Hope Alliance	3,900	11/09/20	Funds are to be spent on qualified alcohol education programs
	Randolph Community College	3,000	02/18/21	Funds are to be spent on qualified alcohol education programs
	Community Hope Alliance	5,000	02/18/21	Funds are to be spent on qualified alcohol education programs
	Randolph Community College	2,000	05/21/21	Funds are to be spent on qualified alcohol education programs
	Community Hope Alliance	3,850	05/21/21	Funds are to be spent on qualified alcohol education programs
	Path of Hope	3,850	05/21/21	Funds are to be spent on qualified alcohol education programs
Total paid during year		$ 31,900		
Distributions to the City Of Asheboro				
	City of Asheboro	$ 18,000	07/01/20	None
	City of Asheboro	19,000	08/03/20	None
	City of Asheboro	19,000	09/09/20	None
	City of Asheboro	19,000	10/02/20	None
	City of Asheboro	19,000	11/04/20	None
	City of Asheboro	19,000	12/02/20	None
	City of Asheboro	40,000	12/14/20	None
	City of Asheboro	19,000	01/04/21	None
	City of Asheboro	19,000	02/04/21	None
	City of Asheboro	19,000	03/03/21	None
	City of Asheboro	19,000	04/02/21	None
	City of Asheboro	19,000	05/06/21	None
	City of Asheboro	19,000	06/04/21	None
	City of Asheboro	175,000	06/11/21	None
Total paid during year		$ 442,000		
Total Distributions Paid		$ 496,700		

Reconciliation of amounts paid to amounts shown on Statement of Revenues, Expenses, and Changes in Net Position	Law Enforcement	Alcohol Education	Profit Distribution to Primary Government
Beginning overpayment (payable)	$ (4,158)	$ (5,705)	$ -
Paid during year	22,800	31,900	442,000
Total payments	$ 18,642	$ 26,195	$ 442,000
Required distribution for the year	29,775	41,686	442,000
Ending overpayment (payable)	$ (11,133)	$ (15,491)	$ -

Asheboro Board of Alcoholic Beverage Control
Schedule of Revenues and Expenditures – Budget and Actual
Year Ended June 30, 2021

	2021 Original Budget	2021 Amended Budget	2021 Actual	Variance Positive (Negative)
Revenues				
Operating Revenues:				
Sales	$ 5,463,151	$ 5,136,047	$ 5,120,802	$ (15,245)
Non-operating Revenues:				
Interest	-	-	50	50
Total Revenues	$ 5,463,151	$ 5,136,047	$ 5,120,852	$ (15,195)
Expenditures:				
Taxes based on revenue	$ 1,256,525	$ 1,181,291	$ 1,180,837	454
Cost of Goods Sold	2,860,505	2,689,234	2,622,553	66,681
Operating Expenses:				
Salaries and benefits	436,207	427,050	337,833	89,217
Payroll taxes	34,897	34,164	24,714	9,450
Rent	64,800	64,800	64,800	-
Utilities	15,180	15,180	11,886	3,294
Repairs & maintenance	7,000	7,500	6,909	591
Office and store supplies	11,000	13,348	16,537	(3,189)
Insurance - general & bonds	15,500	15,500	13,332	2,168
Travel and training	2,500	500	-	500
Professional fees	17,000	14,000	13,715	285
Dues and subscriptions	550	400	288	112
Bank fees and charges	56,175	57,213	54,405	2,808
Contingencies & Miscellaneous	5,000	5,000	-	5,000
Capital Outlay	-	-	-	-
Total Expenditures	$ 4,782,839	$ 4,525,180	$ 4,347,809	$ 177,371
Distributions				
Law enforcement	$ 34,016	$ 30,543	$ 29,775	$ 768
Alcohol education & rehab	47,622	42,761	41,686	1,075
City of Asheboro	528,674	467,563	442,000	25,563
Reserve for working capital	30,000	30,000	-	30,000
Reserve for future facilities	40,000	40,000	40,050	(50)
Total	$ 680,312	$ 610,867	$ 553,511	$ 57,356
Total Expenditures & Distributions	$ 5,463,151	$ 5,136,047	$ 4,901,320	$ 234,727
Revenues over Expenditures and other Financing (Uses)	$ -	$ -	$ 219,532	$ 219,532
Reconciliation from budgetary basis (modified accrual) to full accrual:				
Reconciling items:				
Reserve for capital improvement			40,050	
Depreciation			(6,087)	
Retirement Expense			(20,892)	
Change in net position			$ 232,603	

LGC-205 Amendment **AMENDMENT TO CONTRACT TO AUDIT ACCOUNTS** Rev. 10/2021

Whereas	Primary Government Unit: City of Asheboro
and	Discretely Presented Component Unit (DPCU) (if applicable): N/A
and	Auditor: William R. Huneycutt, CPA, PLLC

entered into a contract in which the Auditor agreed to audit the accounts of the Primary Government Unit and DPCU (if applicable)

for Fiscal Year Ending: 06/30/21 and originally due on Audit Report Due Date: 10/31/21

hereby agree that it is now necessary that the contract be modified as follows.

☑ Modification to date

☐ Modification to fee

Original due date	Modified due date
10/31/21	12/31/21
Original fee	Modified fee

Primary (choose 1)	Other (choose 0-2)	Reason(s) for Contract Amendment
○	☐	Change in scope
○	☐	Issue with unit staff/turnover
○	☑	Issue with auditor staff/workload
○	☐	Third-party financial statements not prepared by agreed-upon date
○	☐	Unit did not have bank reconciliations complete for the audit period
○	☐	Unit did not have reconciliations between subsidiary ledgers and general ledger complete
○	☐	Unit did not post previous years adjusting journal entries resulting in incorrect beginning balances in the general ledger
○	☐	Unit did not have information required for audit complete by the agreed-upon time
○	☐	Delay in component unit reports
○	☐	Software - implementation issue
○	☐	Software - system failure
○	☐	Software - ransomware/cyberattack
○	☐	Natural or other disaster
⊙	☐	Other (please explain)

Plan to Prevent Future Late Submissions

If the amendment is submitted to extend the due date, please indicate the steps the unit and auditor will take to prevent late filing of audits in subsequent years. Indicate NA if this is an amendment due to a change in cost only.

Additional Information

Please provide any additional explanation or details regarding the contract modification.

Auditor had to be quarantined for indirect exposure to COVID 19. This caused a delay in completing audits already started prior to the beginning of fieldwork for the City of Asheboro audit. Also, a family emergency in the auditor's family caused a delay in beginning fieldwork.

By their signatures on the following pages, the Auditor, the Primary Government Unit, and the DPCU (if applicable), agree to these modified terms.

SIGNATURE PAGE

AUDIT FIRM

Audit Firm* William R. Huneycutt, CPA, PLLC	
Authorized Firm Representative* (typed or printed) William R. Huneycutt	Signature*
Date* 10/15/21	Email Address steve@wrhuneycuttcpa.com

GOVERNMENTAL UNIT

Governmental Unit* City of Asheboro	
Date Primary Government Unit Governing Board Approved **Amended** Audit Contract* (If required by governing board policy)	
Mayor/Chairperson* (typed or printed) David Smith, Mayor	Signature*
Date	Email Address dreaves@ci.asheboro.nc.us

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

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE
ONLY REQUIRED IF FEES ARE MODIFIED IN THE AMENDED CONTRACT

(Pre-audit certificate not required for hospitals)

Required by G.S. 159-28(a1) or G.S. 115C-441(a1)

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.

Primary Governmental Unit Finance Officer* N/A	Signature*
Date of Pre-Audit Certificate*	Email Address*

ORDINANCE TO AMEND THE GENERAL FUND
FY 2021-2022

WHEREAS, the two original roofs at the NC Aviation Museum have been leaking in multiple areas, and;

WHEREAS, the City of Asheboro received three bids for repair pm September 28, 2021 and the lowest responsive bid was for $85,590 with McCrae Roofing in Asheboro NC, and;

WHEREAS, the City of Asheboro desires amend the 2021-2022 budget to incorporate this expense and 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:

That the following Revenue line items be increased:

Line Item	Description	Increase
10-399-0000	Fund Balance Allocation	$85,600

That the following Expense line items be increased:

Line Item	Description	Increase
10-650-1500	Building Maintenance and repair	$85,600

Adopted this the 4th day of November 2021.

_____
David H. Smith, Mayor

ATTEST:

_____
Holly H. Doerr, CMC, NCCMC, City Clerk

RZ-21-13: Rezone from R10 Medium-Density Residential Zoning and R40 Low-Density Residential Zoning to B2 General Commercial

1801 US Hwy.64 East (Portion) 1819 US Hwy. 64 East

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-21-13**

Date 10-4-2021

Applicant HR Gallimore

Legal Description

The property of Phillip Martin Ragsdale and Delbert Gordon Ragsdale Jr., located at 1809 and a portion of 1801 US Hwy. 64 East, totaling approximately 1.93 acres +/- and more specifically identified by Randolph County Parcel Identification Numbers 7761837268, 7761837067, and 7761827912

Requested Action Rezone from R10 Medium-Density Residential and R40 Low-Density Residential to B2 General Commercial

Existing Zone R10 and R40

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-21-13** **Date** 10/4/2021 Planning Board

General Information

Applicant HR Gallimore

Address 231 South Fayetteville Street

City Asheboro NC 27203

Phone 336-626-5560

Location 1801 US Hwy.64 East (Portion) 1819 US Hwy. 64 East

Requested Action Rezone from R10 Medium-Density Residential and R40 Low-Density Residential to B2 General Commercial

Existing Zone R10/R40 **Existing Land Use** Single-family dwelling

Size 1.93 acres +/- **Pin #** 7761837268, 7761837067, 7761827912

Applicant's Reasons as stated on application

Site calls to be commercial per the LDP. Consistent with the sector.

Surrounding Land Use

North Undeveloped Residential **East** Commercial

South Commercial/Undeveloped (Future Ag. Center) **West** Commercial

Zoning History N/A

Legal Description

The property of Phillip Martin Ragsdale and Delbert Gordon Ragsdale Jr., located at 1819 and a portion of 1801 US Hwy. 64 East, totaling approximately 1.93 acres +/- and more specifically identified by Randolph County Parcel Identification Numbers 7761837268, 7761837067, and 7761827912. **Legal notices were published on October 22nd and 29th, 2021. Legal notices were mailed on Monday, October 18, 2021.**

Analysis

1. The property is outside of the city limits.
2. US Hwy. 64 East is considered a state-maintained boulevard, which is classified as a type of major thoroughfare.
3. The requested B2 district is described by the zoning ordinance as "intended to serve the convenience goods, shoppers goods retail and service needs of the motoring public, both local and transient. This district should always be located with access directly to minor thoroughfares or higher classification streets, but never local residential streets." The request would allow any use allowed by right in the B2 zoning district.
4. The area, including properties adjacent to the subject property, have seen a transition to primarily commercial uses.
5. The western portion of the property is subject to an access easement (Ragsdale Road).
6. Along with other zoning requirements (including but not limited to paving of required parking, landscaping, etc.), new commercial construction requiring a Building Permit and located on a street with curb and gutter generally requires the owner or developer to sidewalk along the property's public street frontage.

Rezoning Staff Report

RZ Case # **RZ-21-13**

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	Commercial
Small Area Plan	East
Growth Strategy Map Designation	Economic Development

LDP Goals/Policies Which Support Request

Checklist Item 1: Complies with LDP 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 7: The proposed rezoning is compatible with the applicable Small Area Plan

Checklist Items 12-14: 12.) Property is located outside of the watershed area, Special Hazard Flood Area, or Area with Steep Slopes (>20%).

LDP Goals/Policies Which Do Not Support Request

2.1.5: The 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.

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

The request is consistent with the Land Development Plan Proposed Land Use map's designation of the property for commercial use. The map also recommends commercial use for adjoining properties.

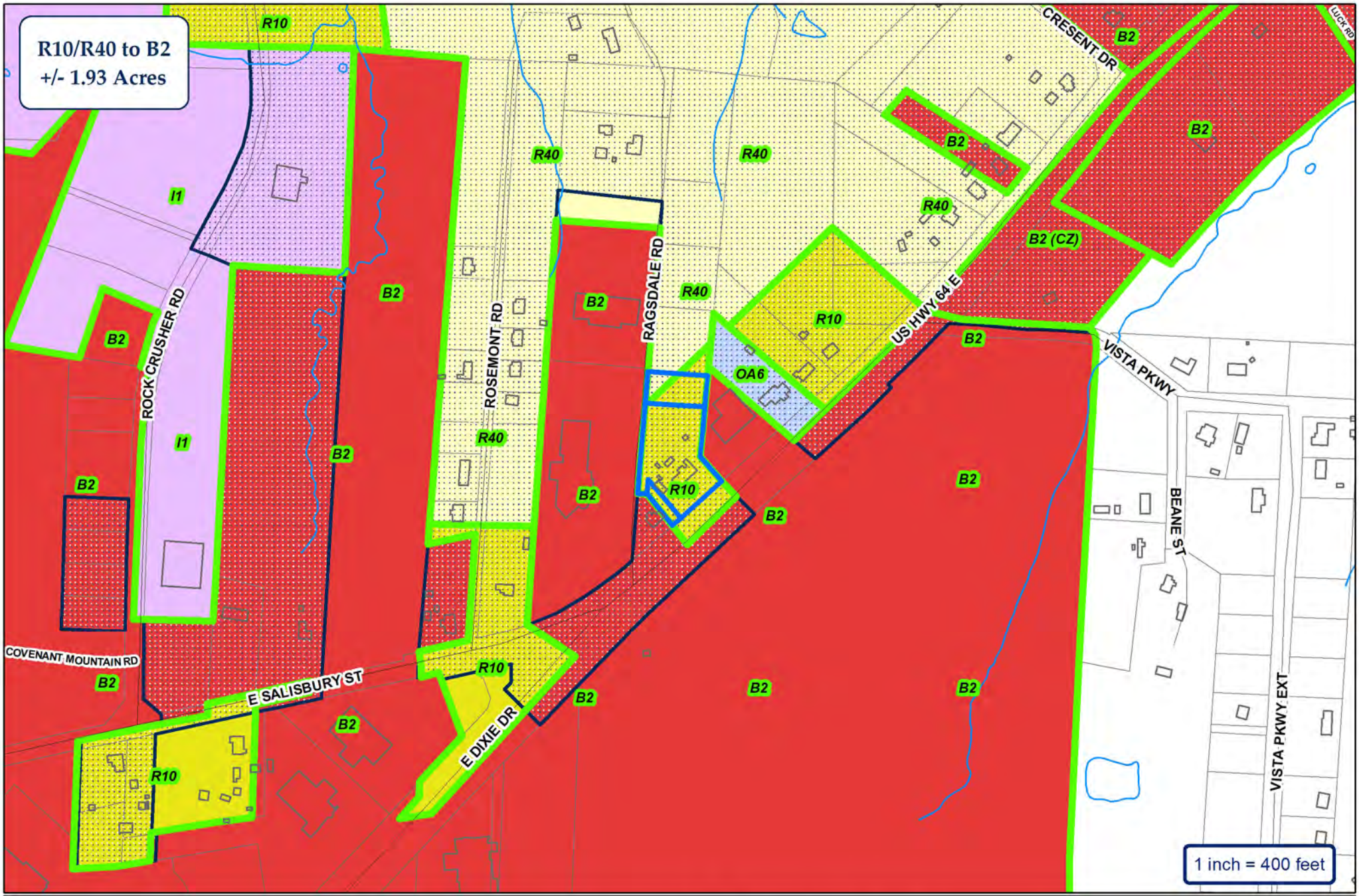
The East Small Area plan advocates for the expansion of commercial uses on US 64 East, which have been occurring for several decades, and properties on both sides of the subject property are zoned B2 and have commercial activities occurring

Also, the designation of the property on the growth strategy map as part of an "economic development area" supports the B2 rezoning.

Although ideally a transitional land use separates a heavier commercial and lighter residential use, the residentially zoned property adjacent to the property is vacant and requirements for buffers or screening between these uses and the presence of other commercial and industrial uses in the area help mitigate compatibility concerns.

Considering these factors, staff believes that the proposed zoning map amendment is reasonable and in the public interest.

Recommendation Approve.



CITY OF ASHEBORO
NORTH CAROLINA
Exactly where you want to be.

ETJ

City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-21-13

Parcel: 7761827912, 7761837067 & 7761837268

Subject Property
Zoning

N
W
E
S

Map_ID	Owner
A1	RAGSDALE, PHILIP MARTIN (RAGSDALE, DELBERT GORDON)
A2	RAGSDALE, PHILIP MARTIN (RAGSDALE, DELBERT GORDON JR)
A3	RAGSDALE, PHILIP MARTIN (RAGSDALE, DELBERT GORDON)
B	KEARNS, NEALE A (KEARNS, JOHN W)
C	JOINES, SHADE J (JOINES, TISH F)
D	RANDOLPH COUNTY NORTH CAROLINA
E	RAGSDALE, PHILIP MARTIN (RAGSDALE, DELBERT GORDON)
F	1709 PROPERTIES LLC

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ETJ

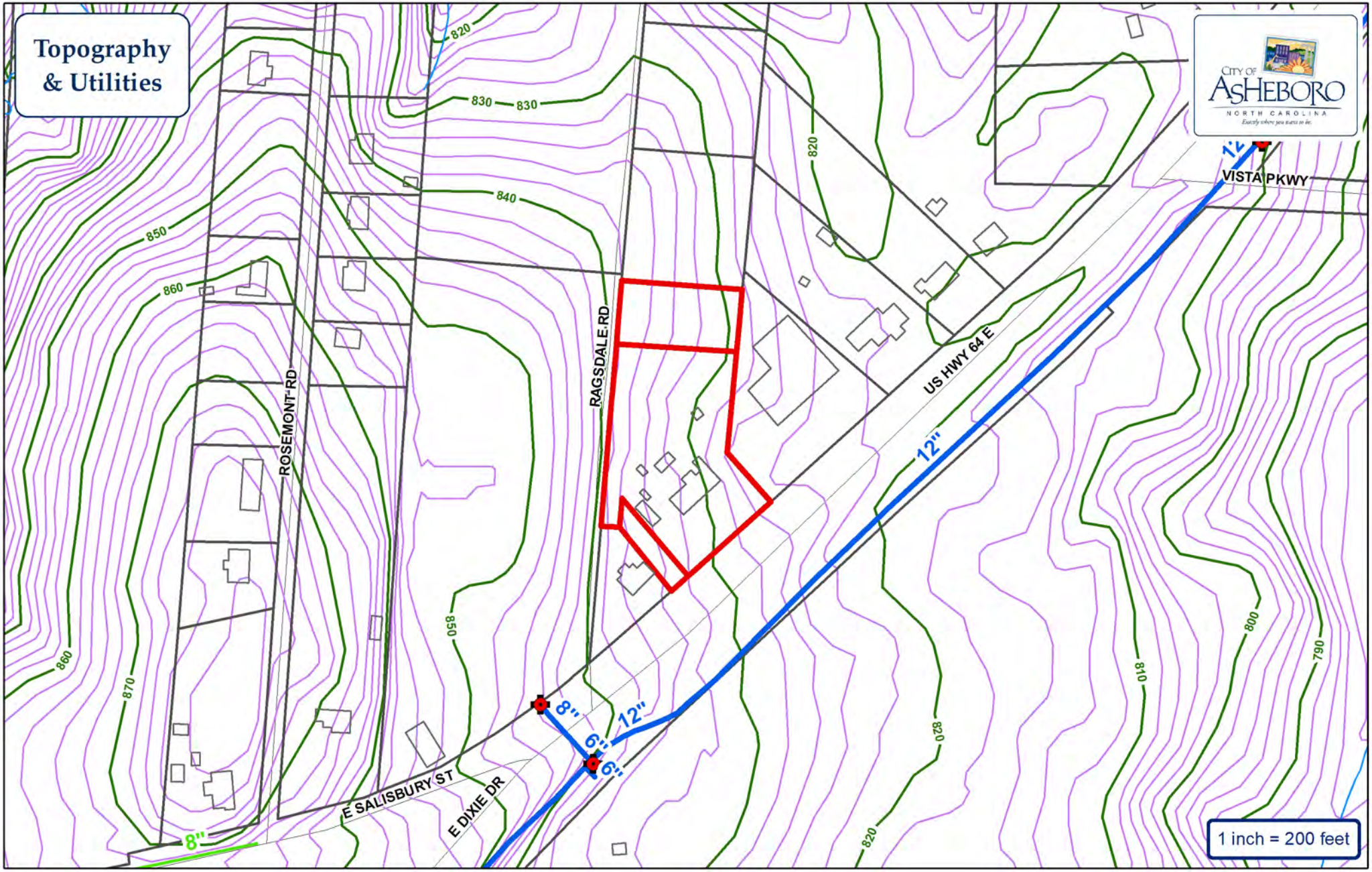
City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-21-13

Parcel: 7761827912, 7761837067 & 7761837268

Subject Property
Adjoining Properties
Zoning

N
W
E
S



Water Main
Sewer Main
Force Main
Fire Hydrant
PS Pump Station
Watershed

City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-21-13

Parcel: 7761827912, 7761837067 & 7761837268

Subject Property

N W E S

CITY OF ASHEBORO
NORTH CAROLINA
Exactly where you want to be.

City of Asheboro Planning & Zoning Department

Rezoning Case: RZ-21-13

Parcel: 7761827912, 7761837067 & 7761837268

Subject Property
Zoning

N
W
E
S

APPLICANT INFORMATION

Applicant H.R. Gallimore

Applicant's Phone # 336-626-5520

Applicant's Address 231 S. Fayetteville St.
Asheboro, NC 27203

Applicant Email Address HRGallimore@gmail.com

PROPERTY INFORMATION FOR MAP AMENDMENTS

Property Owner's Name Delbert Ragsdale Estate

Location of Property 1819 US Highway 64 East, Asheboro

Property Size (ac. or s.f.) 1.93 acres

Randolph County Property Identification Number (PIN#) 7761837268, 7761837067
7761827912

Current Zoning District R-10

Requested Zoning District B-2

Date Property Title Acquired 6/3/1947

Deed Book 393/613 1038/227 ~~Page~~ 1102/261

Subdivision _____ Section _____ Lot # _____

Plat Book 19 Page 26

ORDINANCE AMENDMENT INFORMATION

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

Site calls to be Commercial per the LDP

For questions (2) and (3), if either of these questions apply, please state a reason. If you believe these do not apply, please check "does not apply".

2. 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.

NO

Does not apply ☐

3. 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?

Consistant with the Sector.

Does not apply ☐

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

NO

APPLICATION 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.

Applicant Signature

H R Gallimore

Printed Name of Authorized Signatory (if different from Applicant)

Position/Relationship of Authorized Signatory to Applicant

AGENT

Owner Signature (if different than Applicant)

Owner Address

510 College Dr
Raeford, NC 28376

Telephone Number

910-309-7120

Printed Name of Authorized Signatory (if different from Owner)

Philip M Ragsdale

Position/Relationship of Authorized Signatory to Owner

Owner

STAFF USE

Received by: JTL **Date:** 9-7-21 **Case Number:** A-21-13

Discussion of and recommendation concerning text amendments to Asheboro Code of Ordinances, pertaining to local planning and development regulation as a result of recently enacted state law (Senate Bill 300)

Discussion of and recommendation concerning text amendments to Asheboro Code of Ordinances as a result of recently enacted state law (Senate Bill 300)

Introduction: Text amendments are proposed to the Asheboro Code of Ordinances on matters that affect land use to ensure compliance with recent state legislation. Following the necessary Code of Asheboro amendments, staff will present related amendments to the zoning and subdivision ordinances during future meetings

An overview of the actions needed as a result of Senate Bill 300, published by the UNC School of Government, is attached. Additional information will be presented during the November 4, 2021 City Council meeting.

Code of Asheboro Text Amendments Legal Description: In order to act upon amendments designed to conform existing ordinance references/citations to the enactment of Chapter 160D of the North Carolina General Statutes, and in order to implement the decriminalization of certain ordinances in compliance with Session Law 2021-138 (Senate Bill 300), the Asheboro City Council will hold a legislative hearing on the question of amending the following Chapters in the Code of Asheboro pertaining to local planning and development regulation; Chapter 10 (extraterritorial jurisdiction), Chapter 34 (community appearance commission and planning board), Chapter 94 (fair housing and the redevelopment commission), Chapter 95 (fire prevention), Chapter 150 (buildings), Chapter 151 (housing code), Chapter 152 (nonresidential building maintenance code), Chapter 153 (subdivisions) and Chapter 154 (zoning).
Publish Thursdays, October 22, 2021 and October 29, 2021

Proposed Consistency Statement: These amendments are proposed to comply with recent changes in state law. While all changes to the Asheboro Code of Ordinance are not directly addressed in the Land Development Plan, the Plan generally supports keeping regulations related to land use periodically updated.

The City's Charter also states that "the City of Asheboro shall have and may exercise all powers which are granted to municipal corporations by the general laws of North Carolina and all powers which, under the Constitution of North Carolina, it would be competent for this Charter specifically to enumerate." The proposed amendments are to help ensure the Asheboro Code of Ordinances are not in conflict with state law.

Given these factors, and to ensure local compliance with state law, staff believes that the proposed text amendments are consistent with the Land Development Plan and are therefore reasonable and in the public interest. Therefore staff recommends approval of the proposed amendments.

This item was presented to the Asheboro Planning Board on Monday, November 1, 2021. It recommended approval of the text amendments, along with the consistency statement proposed by staff.

Coates' Canons Blog: Legislature Decriminalizes Local Ordinances

By Frayda Bluestein

Article: https://canons.sog.unc.edu/legislature-decriminalizes-local-ordinances/

This entry was posted on October 07, 2021 and is filed under Board Member Powers & Authority, Enforcement, Legislative Decisions, Ordinances & Police Powers, Police Power Regulations

For some time, under North Carolina law, violations of city and county ordinances have been treated as misdemeanors or infractions unless the ordinance explicitly said that they were not. Starting in 2018, the General Assembly embarked on a project to decriminalize local government ordinances. Some of you may remember the call for a list of your ordinances that were criminally enforceable to be sent to two join legislative committees. This was no small feat, as described here and here. The law at the time (GS 153A-123, counties; 160A-175, cities) held that unless the city or county provided otherwise, a violation of an ordinance was a misdemeanor or infraction as provided by G.S. 14-4. So, by default, if city or county didn't take action otherwise, ordinances were enforced criminally. The result for some units, is that the majority of ordinances were criminally enforced. This year the legislature removed the default criminal penalty, and modified local governments' authority to enforce ordinances criminally. This blog post summarizes the changes. These provisions become effective on December 1, 2021.

The changes were part of an omnibus law focusing on law enforcement and policing issues. This part is at [Part XIII] of the law.

The first part of the provision is a rewrite of the authority under GS 153A-123 and 160A- 175 regarding ordinance enforcement. These parallel sections now read:

> *Except for the types of ordinances listed in subsection (b1) of this section, violation of a [county/city] ordinance may be a misdemeanor or infraction as provided by G.S. 14-4**only if the [county/city] specifies such in the ordinance.** An ordinance may provide by express statement that the maximum fine, term of imprisonment, or infraction penalty to be imposed for a violation is some amount of money or number of days less than the maximum imposed by G.S. 14-4. Notwithstanding G.S. 153A-45, no ordinance specifying a criminal penalty may be enacted at the meeting in which it is first introduced.*

The law also adds a new subsection (b1) to the statutes, which lists types of ordinances that local governments are prohibited to enforce criminally. These lists are set out at the bottom this blog.

To implement these changes, cities and counties will have to review each ordinance and make any changes, specifically those that they want to continue as enforced criminally, and to comply with the prohibitions listed under (b1). These changes must specified and modified in each ordinance, and these amendments must be done by ordinance. See this blog post for more about amending ordinances.

Finally, the legislature revised GS 14-4, by adding a new subsection (c) provision as set out below.

"§ 14-4. Violation of local ordinances misdemeanor.
(a) Except as provided in subsection (b) or (c) of this section, if any person shall violate an ordinance of a county, city, town, or metropolitan sewerage district created under Article 5 of Chapter 162A, he shall be guilty of a Class 3 misdemeanor and shall be fined not more than five hundred dollars ($500.00). No fine shall exceed fifty dollars ($50.00) unless the ordinance expressly states that the maximum fine is greater than fifty dollars ($50.00).

(b) If any person shall violate an ordinance of a county, city, or town regulating the operation or parking of vehicles, he shall be responsible for an infraction and shall be required to pay a penalty of not more than fifty dollars ($50.00).

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(c) A person may not be found responsible or guilty of a local ordinance violation punishable pursuant to subsection (a) of this section if, when tried for that violation, the person produces proof of compliance with the local ordinance through any of the following:

(1) No new alleged violations of the local ordinance within 30 days from the date of the initial alleged violation.

(2) The person provides proof of a good-faith effort to seek assistance to address any underlying factors related to unemployment, homelessness, mental health, or substance abuse that might relate to the person's ability to comply with the local ordinance.

Here are the Lists of ordinances that may not be enforced criminally

For Counties:

153A-12 (b1): No ordinance of the following types may impose a criminal penalty:

(1) Any ordinance adopted under Article 18 of this Chapter, Planning and Regulation of Development or, its successor, Chapter 160D of the General Statutes, except for those ordinances related to unsafe buildings;

(2) Any ordinance adopted pursuant to G.S. 153A-134, Regulating and licensing businesses, trades, etc.;

(3) Any ordinance adopted pursuant to G.S. 153A-138, Registration of mobile homes, house trailers, etc.;

(4) Any ordinance adopted pursuant to G.S.153A-140.1, Stream-clearing programs

(5) Any ordinance adopted pursuant to G.S. 153A-143, Regulation of outdoor advertising or, its successor, G.S. 160D-912, Outdoor advertising;

(6) Any ordinance adopted pursuant to G.S. 153A-144, Limitations on regulating solar collectors or, its successor, G.S. 160D-914, Solar collectors;

(7) Any ordinance adopted pursuant to G.S. 153A-145, Limitations on regulating cisterns and rain barrels;

(8) Any ordinance regulating trees.

For Cities:

GS 160A-175(b1): No ordinance of the following types may impose a criminal penalty:(

1) Any ordinance adopted under Article 19 of this Chapter, Planning and Regulation of Development, or its successor, Chapter 160D of the General Statutes, except for those ordinances related to unsafe buildings;

(2) Any ordinance adopted pursuant to G.S.160A-193.1, Stream-clearing programs;

(3) Any ordinance adopted pursuant to G.S. 160A-194, Regulating and licensing businesses, trades, etc;

4) Any ordinance adopted pursuant to G.S. 160A-199, Regulation of outdoor advertising or, its successor, G.S. 160D-912, Outdoor advertising;

(5) Any ordinance adopted pursuant to G.S. 160A-201, Limitations on regulating solar collectors or, its successor, G.S. 160D-914, Solar collectors;

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(6) Any ordinance adopted pursuant to G.S. 160A-202, Limitations on regulating cisterns and rain barrels;

(7) Any ordinance adopted pursuant to G.S. 160A-304, Regulation of taxis;

(8) Any ordinance adopted pursuant to G.S. 160A-306, Building setback lines;

(9) Any ordinance adopted pursuant to G.S. 160A-307, Curb cut regulations

(10) Any ordinance regulating trees.

Links

- www.ncleg.net/EnactedLegislation/Statutes/HTML/BySection/Chapter_14/GS_14-4.html
- www.ncleg.gov/Sessions/2021/Bills/Senate/PDF/S300v8.pdf

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Proposed 2022 Meeting Schedule Discussion

Meeting Month	**Standard Meeting Date**	**Alternate Meeting Date**
January	6th	
February	10th	
March	10th	
April **[City Hall Closed Friday, April 15, 2022]**	7th	
May	5th	
June	9th	
July **[City Hall Closed Monday, July 4, 2022]**	7th	14th
August	4th	
September **[City Hall Closed Monday, September 5, 2022]**	8th	
October	6th	
November	10th	
December	8th	