



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

DENISE H. CANADA
DIVISION DIRECTOR

September 28, 2026

Town of Robbins Town Council
P.O. Box 296
Robbins, NC 27325-0296

Via Regular Mail & Email

Re: Commencement of Withholding of a Portion of Sales Tax Distribution

Town of Robbins Town Council,

Since the Town of Robbins did not submit its FY 2025 annual audit by June 30, 2026, the Town is deemed to have consented to the withholding of a portion of its monthly sales tax distribution under N.C. Gen. Stat. § 159-34.

As you know, in response to the Notice of Noncompliance issued April 29, 2026, your Town filed a written appeal to the Local Government Commission as allowed under N.C. Gen. Stat. § 159-34(f). The Local Government Commission considered the appeal at its September 1, 2026, meeting and voted to deny that appeal, with adoption of the enclosed resolution.

As a result, under N.C. Gen. Stat. § 159-34(g), a portion of the Town's monthly sales tax distributions will be withheld up to a total cumulative amount. Based on the records currently on file with our office, those calculations are as follows:¹

Monthly Withholding (5% of one-twelfth of unit's annual general fund budget adopted beginning of the fiscal year)	Total cumulative Withholding (150% of cost of audit per contract (if contract signed), or 150% of actual fee for most recently filed audit)
\$9,139.25	\$102,000

Please see the enclosed monthly schedule of withholdings.

¹ A final invoice for the FY 2022 audit has not been submitted as of the date of this letter. If the final invoice reflects an audit fee amount that is different than \$68,000 for the Town of Robbins, the cumulative withholding amount will be updated via a communication to the Department of Revenue and to the Town.

If the FY 2025 audit report is filed and accepted by our office, all amounts withheld will be released to the unit. Otherwise, all withheld amounts are released after two years.

The Secretary of the North Carolina Department of Revenue will be notified of the amount to withhold, with withholdings anticipated to begin in November 2026. If you have questions about the withholdings, please contact staff with the North Carolina Department of Revenue at NCDOR_DistributionUnit@ncdor.gov.

The staff of the Local Government Commission are committed to supporting the Town throughout this process, and we are available to assist with any questions or next steps. Please contact LGCNotifications@nctreasurer.gov with any questions regarding this process.

Sincerely,



Denise Canada
Secretary, Local Government Commission;
Deputy Treasurer, State and Local Government Finance Division

Enclosures: Schedule of monthly withholding
 September 1, 2026 LGC Resolution

cc: Chris Nida, North Carolina League of Municipalities, *via email* cnida@nclm.org

Schedule of Withholding: Town of Robbins

Total Cumulative Withholding: \$102,000

Equal to 150% of the cost of FY 2025 annual audit (if a contract was executed), or 150% of the actual fee for the most recently filed audit report. The Town has not submitted an audit contract for FY 2025; however, the contracted amount for the most recently filed audit report is \$68,000 for the FY 2022 audit.

Monthly withholding equals 5% of one-twelfth of the unit's annual general fund budget adopted at the beginning of the fiscal year in which the withholding begins.

FY 2027 general fund budget: \$2,193,419

Town of Robbins		
Month	Monthly Withholding	Cumulative Amount Withheld
November 2026	\$9,139.25	\$9,139.25
December 2026	\$9,139.25	\$18,278.49
January 2027	\$9,139.25	\$27,417.74
February 2027	\$9,139.25	\$36,556.98
March 2027	\$9,139.25	\$45,696.23
April 2027	\$9,139.25	\$54,835.48
May 2027	\$9,139.25	\$63,974.72
June 2027	\$9,139.25	\$73,113.97
July 2027	\$9,139.25	\$82,253.21
August 2027	\$9,139.25	\$91,392.46
September 2027	\$9,139.25	\$100,531.70
October 2027	\$1,468.30	\$102,000.00

September 1, 2026 LGC Resolution



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BRADFORD B. BRINER
STATE TREASURER OF NORTH CAROLINA

DENISE H. CANADA
DIVISION DIRECTOR

RESOLUTION DENYING APPEALS BASED ON "OTHER GOOD CAUSE WITH EVIDENCE" PURSUANT TO THE LOCAL GOVERNMENT COMMISSION'S REVISED GUIDELINES; AND ACKNOWLEDGING SALES TAX WITHHOLDING FROM REMAINING UNITS

WHEREAS, the municipalities listed within Attachment A and Attachment B (together the "Units") failed to submit a fiscal year 2025 annual audit report as required by G.S. 159-34(a) within nine (9) months of fiscal year end;

WHEREAS, on April 29, 2026, the Secretary of the Local Government Commission ("Secretary") provided a Notice of Noncompliance to each Unit as required by G.S. 159-34(e);

WHEREAS, the Units have failed to comply with the Notice of Noncompliance and have not submitted their fiscal year 2025 annual audit report within twelve (12) months of fiscal year end;

WHEREAS, as provided by G.S. 159-34(e), the Units are deemed to have given consent to the withholding of a portion of their sales tax distributions as further provided in G.S. 159-34(g);

WHEREAS, the Units listed within Attachment A have each submitted a written notice of appeal prior to the initiation of action to withhold a portion of sales tax distributions pursuant to G.S. 159-34(f);

WHEREAS, the Units listed within Attachment B have not filed a written notice of appeal pursuant to G.S. 159-34(f) prior to the initiation of action to withhold a portion of sales tax distributions;

WHEREAS, the Commission emphasizes the importance of every unit of local government submitting required annual audit reports in a timely manner pursuant to G.S. 159-34(a); and

WHEREAS, the Commission expects all Units identified within Attachment A and Attachment B to make every effort to file all missing audit reports as soon as possible;

NOW, THEREFORE, BE IT RESOLVED that:

1. The Commission finds that the Units' explanations, as described within Attachment A, do not show that the failure of each Unit to submit its fiscal year 2025 annual audit report is due to a circumstance within the Commission's established [guidelines of other good cause](#);
2. The Commission finds that the Units identified within Attachment A have not provided sufficient relevant evidence of other good cause to show that the failure of each Unit to submit its fiscal year 2025 annual audit report is due to a circumstance within the Commission's established guidelines; and therefore, those appeals are DENIED;

Resolution Denying Appeals Based on Other Good Cause; Acknowledging Sales Tax Withholding from Remaining Units
September 1, 2026 Meeting
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3. The Commission directs the Secretary to provide written notice to each Unit within Attachment A that each Unit's appeal has been considered by the Commission and has been denied due to lack of sufficient evidence of other good cause to support the basis for its appeal and that a portion of sales tax distributions will be withheld from those Units pursuant to G.S. 159-34(g);
4. The Commission directs the Secretary to provide written notice to each Unit within Attachment B that a portion of sales tax distributions will be withheld from those Units pursuant to G.S. 159-34(g); and
5. The Commission directs the Secretary to provide the North Carolina Secretary of Revenue with a schedule of the required sales tax withholding, including the total cumulative amount to be withheld from each Unit listed within Attachment A and Attachment B.

I, Denise Canada, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on September 1, 2026.

WITNESS my hand this 1st day of September 2026.



Denise H. Canada, Secretary
North Carolina Local Government Commission

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ATTACHMENT A:

**APPEALS DENIED FOR FAILURE TO PROVIDE SUFFICIENT EVIDENCE
OF OTHER GOOD CAUSE TO SUPPORT THE APPEAL
PURSUANT TO THE LGC'S REVISED GUIDELINES**

1.	Town of Aurora The Town of Aurora has not submitted audit reports for fiscal years 2023, 2024, and 2025. In its appeal letter, the Town explains that a new deputy finance officer was hired in March 2026. The Town is working with the NC League of Municipalities Accounting, Instruction, and Mentorship (AIM) program. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
2.	Town of Autryville The Town of Autryville has not submitted audit reports for fiscal years 2024 and 2025. In its appeal letter, the Town refers to continued issues related to implementation and operation of financial software. The software conversion took place in FY 2023. The Town also describes operating with limited administrative staffing. The Town has contracted with a third-party bookkeeper to assist. The Town remains behind in submitting its annual audit reports, and no recent issues or events were identified that would explain the continued delay in audit submission. The recommendation is to deny the appeal.
3.	Town of Candor The Town of Candor has not submitted audit reports for fiscal years 2022, 2023, 2024, and 2025. In its appeal letter, the Town explains that it has been working with the audit firm to bring the outstanding audits up to date. The Town has also been working with the NC League of Municipalities Accounting, Instruction, and Mentorship (AIM) program. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal letter does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
4.	Town of Dover The Town of Dover has not submitted audit reports for fiscal years 2023, 2024, and 2025. In its appeal letter, the Town explains that it contracted with a third-party bookkeeper to correct the unit's books and to catch up with bookkeeping. A draft of the FY 2023 audit is anticipated to be provided to the Mayor and Board in August 2026 for review. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.

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5.	Town of Linden The Town of Linden has not submitted audit reports for fiscal years 2024 and 2025. In its appeal letter, the Town describes staffing issues and the difficulty hiring part-time staff to assist with reconciliation and regular accounting. The Town has hired a third-party bookkeeper to assist with the general ledger. The Town remains behind in submitting its annual audit reports, and no recent issues or events were identified that would explain the continued delay in audit submission. The recommendation is to deny the appeal.
6.	Town of Littleton The Town of Littleton has not submitted audit reports for fiscal years 2022, 2023, 2024, and 2025. In its appeal letter, the Town discusses auditor workload and delays in the preparation of the financial statements by the third-party bookkeeper. The Town has since contracted with a different third-party bookkeeper. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
7.	Town of Macclesfield The Town of Macclesfield has not submitted audit reports for fiscal years 2022, 2023, 2024, and 2025. In its appeal letter, the Town explains that the current auditor will not be able to resume work on the FY 2022 audit until July 2026. The Town has requested that the auditor consider turning over unfinished work on the FY 2022 audit so the Town can contract with a different auditor to complete the FY 2022 audit. The Town has contracted with a third-party bookkeeper to assist with the Town's books. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
8.	Town of Morven The Town of Morven has not submitted audit reports for fiscal years 2024 and 2025. In its appeal letter, the Town describes delays in completing the audit attributable to workload constraints, scheduling challenges and the time required to obtain, review and reconcile supporting documentation. The Town completed the NC League of Municipalities Accounting, Instruction, and Mentorship (AIM) program in June 2026. The Town has a third-party bookkeeper assisting with accounting reconciliations. The Town remains behind in submitting its annual audit reports, and no additional issues or events were identified that would explain the continued delay in audit submission. The recommendation is to deny the appeal.

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9.	Town of Robbins The Town of Robbins has not submitted audit reports for fiscal years 2023, 2024, and 2025. In its appeal letter, the Town describes the same issues reported last year, including the need to recreate its fiscal year 2022 audit file because it did not receive the necessary workpapers from a former auditor. The Town subsequently changed auditors again after the next auditor was unable to complete the audit without first recreating the fiscal year 2022 audit file. The FY 2022 audit is in progress. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
10.	Town of Robersonville The Town of Robersonville has not submitted audit reports for fiscal years 2023, 2024, and 2025. In its appeal letter, the Town states that it continues to work with the auditor to bring its required filings up to date. The Town has hired a third-party bookkeeper to assist with compiling the financial statements. LGC staff recommend denying appeals of units that are three or more years behind on their audits, unless the unit experienced a recent extraordinary event or circumstance that would explain the continued delay in audit submission. The Town's appeal does not identify or describe such an event or circumstance. Accordingly, the recommendation is to deny the appeal.
11.	Town of Sims The Town of Sims has not submitted audit reports for fiscal years 2024 and 2025. The Town explains that a new finance officer was hired in February 2025, after the previous finance officer resigned in October 2024. The Town contracted with a new auditor in February 2026. The Town is utilizing a third-party bookkeeper to assist with financial statements. The Town remains behind in submitting its annual audit reports, and no recent issues or events were identified that would explain the continued delay in audit submission. The recommendation is to deny the appeal.

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ATTACHMENT B:

**UNITS NOT FILING WRITTEN APPEAL
PRIOR TO INITIATION OF ACTION TO WITHHOLD**

1.	Town of Black Creek
2.	Town of Como
3.	Town of Elm City
4.	Town of Fontana Dam
5.	Town of Newland
6.	Town of Proctorville
7.	Town of Siler City
8.	Town of Spring Lake
9.	Town of Taylortown