



Walter M. Gardner, Jr. – Mayor  
Robert Davie - Town Administrator

P.O. Box 281  
Warrenton, NC 27589-0281  
(252) 257-1122 Fax (252)2579219  
www.warrenton.nc.gov

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**PUBLIC HEARING – SPECIAL USE PERMIT REQUEST**  
**6:45 PM May 10, 2021**  
**BOARD OF COMMISSIONERS REGULAR MEETING**  
**7:00 PM May 10, 2021**  
**AGENDA**

Regular Meeting

1. Call to Order, Pledge of Allegiance and Moment of Silence
2. Conflict of Interest Statement, Proposed Agenda
3. Public Comments
4. Minutes of Board Meeting on April 12, 2021
5. Minutes of the Public Hearing on April 12, 2021
6. Consent Agenda
  - a. Year-to-Date Revenue and Expenditure Reports (Budget vs. Actual)
  - b. Monthly Checks Report
  - c. Public Works Monthly Report
  - d. WWTP Monthly Report
  - e. Police Activity Reports
7. Committee Reports
  - a. Finance and Administration (Ms. Hunter)
  - b. Public Works (Ms. Harding)
  - c. Public Safety (Ms. Scott)
  - d. Human Resources/Information Technology (Mr. Blalock)
  - e. Revitalization/Historic District Commission (Mr. Coffman)
  - f. Beautification/Facilities (Ms. Britt)
  - g. Planning/Zoning/Annexation (Mr. Wethington)
8. Old Business
  - a. Status of Grants – for informational purposes
  - b. Water Sewer Revenue Analysis – for informational purposes
  - c. Update on National Register District Schedule – for informational purposes
  - d. Grant Project Ordinance – Volkswagen grant – for Board approval
9. New Business
  - a. Grant Project Ordinance – American Relief Fund – for Board approval
  - b. Engagement Letter from Auditor for FY 2021-22 – for Board approval
  - c. Auditor Contract for FY 2021-22 – for Board approval
  - d. Engagement Letter from Greg Isley for audit prep – for Board approval
  - e. Contract with Cherry Bekaert, LLP for Museum – for Board approval
  - f. EPSLA and MCA agreements – for Board Approval
  - g. Virtual Academy agreement – for Board Approval
  - h. Appointment to Planning Board – for Board Approval
  - i. Resolution in Support of Preservation Month
  - j. Budget Presentation FY 2021-22
10. Announcements
11. Closed Session to discuss legal matter per NC GS 143-318.11 (a) (3)
12. Adjournment

**Notice is hereby served** that the Warrenton Board of Commissioners will hold a public hearing on Monday, May 10, 2021 in the Town Hall meeting room located on the second floor at 113 S. Bragg St., Warrenton, NC. At 6:45 PM comments will be received on a special use request to allow short term rental or AirBnB at 307 Church Street in Warrenton.

A regularly-scheduled meeting of the Warrenton Board of Commissioners will be held at 7:00 pm or immediately following the public hearing. The public hearing will also be held via Zoom due to continued COVID-19 restrictions. All interested citizens are urged to attend.

Walter M. Gardner, Jr., Mayor  
Warrenton Board of Commissioners

### **Join Zoom Meeting**

**<https://us02web.zoom.us/j/84905391933?pwd=ekRQa0RIUk1tazg4bFRTWIR3TGgvZz09>**

**Meeting ID: 849 0539 1933**

**Passcode: 610601**

**Dial in: +1 301 715 8592 US**

## **Conflict of Interest Disclaimer**

*“Members of the Town of Warrenton Board of Commissioners are advised, hereby, of their duty under the State Government Ethics Act to avoid conflicts of interest and the appearance of such conflict; and, further, are instructed to refrain from participating in any matter coming before this Town Board of Commissioners with respect to which there is a conflict of interest or appearance of such conflict”.*

- **In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict.**
- **Does any Board member have any known conflict of interest or appearance of conflict with respect to any matter coming before this Board tonight? If so, please identify the conflict and refrain from any undue participation in the particular matter involved.**

## **Citizen Comments**

### **Rules for Citizen Comments**

- Please sign up to speak.
- The maximum time allotted to each speaker will be five (5) minutes; The Town Administrator will keep time.
- Any group of people who support or oppose the same position should designate a spokesperson.
  - Please address only those items which might not have been addressed by a previous speaker.
  - This is not a question and answer session. If response from the Administrator, Mayor, and/or Board is desired, please leave a copy of your comment(s) with the Town Administrator.
  - After the Citizen Comments period, comments from the audience are not appropriate unless recognized by the Mayor or placed as an agenda item.
  - Order and decorum will be maintained.

**Town of Warrenton**  
**Board of Commissioners**

Walter M. Gardner, Jr.  
Mayor

Robert F. Davie  
Town Administrator

## Town of Warrenton

*"Historically Great - Progressively Strong"*

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### BOARD OF COMMISSIONERS MONTHLY MEETING

APRIL 12, 2021

Attending were Mayor Walter Gardner  
Commissioner Mary Hunter  
Commissioner Michael Coffman  
Commissioner Mark Wethington  
Commissioner John Blalock  
Commissioner Margaret Britt  
Commissioner Kimberly Harding  
Commissioner Edna Scott

Meredith Valentine, Finance Director  
Police Chief Goble Lane  
William "Bill" Perkinson Public Works  
Annette Silver, Minute Taker

Town Administrator Robert Davie was attending remotely, by Zoom, and there were nine citizens present with others attending by Zoom.

#### **Call to Order – Pledge of Allegiance – Moment of Silence**

Mayor Gardner called the monthly meeting of the Town of Warrenton to order on Monday, April 12, 2021 at 7:00pm. The Pledge of Allegiance was led by Commissioner Harding. A Moment of Silence was held for those in bad health, especially for former Commissioner Hardy who is in Duke Hospital.

#### **Conflict of Interest Statement – Proposed Agenda**

The Conflict of Interest Statement was presented. The Proposed Agenda was presented. A motion was made by Commissioner Coffman with second by Commissioner Britt to approve the Proposed Agenda. The motion was approved by unanimous vote.

#### **Public Comments**

No Public Comments were voiced.

#### **Minutes of Board Meeting of March 8, 2021**

The Minutes of the Board meeting of March 8, 2021 were presented. A motion was made by Commissioner Blalock with second by Commissioner Hunter to approve the March 8, 2021 minutes. The motion was approved by unanimous vote.

#### **Swearing in of Edna Scott**

The swearing in of Mrs. Edna Scott was performed by Mrs. Lisa Blalock, Warren County Clerk of Court, with brother of Mrs. Scott standing by her side and holding the Bible. Mrs. Scott was welcomed to the Board. Mayor Pro-Tem Mary Hunter offered to assist Mrs. Scott as mentor, since training sessions at the UNC School of Government are not scheduled again until after the election in November 2021.

#### **Consent Agenda**

- (a) Year-to-Date Revenue and Expenditure Reports (Budget vs. Actual)
- (b) Monthly Checks Report

- (c) Public Works Monthly Report
- (d) WWTP Monthly Report
- (e) Police Activity Report

The Consent Agenda was presented. Commissioner Harding made note of correction in Public Works report. A motion was made by Commissioner Coffman with second by Commissioner Hunter to approve the Consent Agenda with correction. The motion was approved by unanimous vote.

## **COMMITTEE REPORTS**

**Finance and Administration** Commissioner Hunter had no report in addition to written submission.

**Public Works** Commissioner Harding had no report in addition to written submission.

**Public Safety** Chief Lane had nothing in addition to written report. Commissioner Britt requested Chief check on carwash as volume of music emanating from the area is increasing. Chief stated they are routinely checking on loud trucks and music. Mayor Gardner stated a popup fundraiser for the fire department will be held on courthouse square on May 22, 2021. Mayor Gardner appointed Commissioner Scott as the Public Safety Commissioner.

**Human Resources/Information Technology** Commissioner Blalock reported that Joe Burchett has returned to work on a part-time basis and is cancer free.

**Revitalization/Historic District Commission** Commissioner Coffman stated that there is no report from the Revitalization Committee. He noted that the Historic District Commission is reviewing the guidelines and expects offer recommended changes for the guidelines to the Town Board within six to eight months.

**Beautification/Facilities** Commissioner Britt hoped all were enjoying the tulips on Main Street and thanked Public Works for continued great work in keeping Town clean. Commissioner Britt made Board aware that Plummer Hook and Ladder Museum is working hard to open to public.

**Planning/Zoning/Annexation** Commissioner Wethington had no further information to present from the Planning/Zoning Committee.

## **OLD BUSINESS**

### **Status of Grants**

**NC Main Street Solutions Warrenton Brewery Grant** Work is being done on roof.

**Volkswagen Settlement Grant** contract agreement from NC Commerce is before Board for approval.

**Building Reuse Grant** has executed grant agreement with Commerce and Dr. O'Malley.

**EDA Sprint Grant** - Warrenton was not awarded a grant.

**Water/Sewer Revenue Update** was included for review by Board.

**Volkswagen Settlement Grant agreement** was presented for purchase of trucks. A motion was made by Commissioner Blalock with second by Commissioner Britt to approve agreement. The motion was approved by unanimous vote.

**Resolution for Sale of Real Property** was presented. Commissioner Harding suggested the minimum bid of \$7,000 be added to sentence #2 in agreement. A motion was made by Commissioner Wethington with second by Commissioner Harding to approve Resolution for sale of real property with minimum bid included. The motion was approved by unanimous vote.

**NEW BUSINESS**

**Resolution for Sale of Personal Property** was presented. Commissioner Blalock made a motion with second by Commissioner Britt to approve the resolution for the sale of the personal property. The motion was approved by unanimous vote.

**Resolution in Opposition of NC SB 349 and HB 401** was presented. A motion was made by Commissioner Coffman with second by Commissioner Hunter to approve resolution. The motion was approved by unanimous vote.

With no further business, meeting adjourned.

Walter M. Gardner, Jr.  
Mayor

Robert F. Davie  
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**PUBLIC HEARING FOR ZONING ORDINANCE CHANGES**

**MONDAY, APRIL 13, 2021**

Those attending were Mayor Walter Gardner, Commissioners Mary Hunter, Michael Coffman, Mark Wethington, Kimberly Harding, John Blalock, and Margaret Britt, Finance Director Meredith Valentine, Police Chief Lane, Jennifer Harris and Annette Silver.

The purpose of the Public Hearing is to correct errors in Town Zoning Ordinances relating to the minimum size requirements for parcels located in the C-1 commercial district.

There were no public comments.

## Budget vs Actual

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Period Ending 4/30/2021

34 FRONTIER WARREN							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
<b>Revenues</b>							
34-351-422 Rent Paid to Town Frontier Warren	22,000	2,160.00	2,160.00	21,680.00	(320.00)	99%	
34-352-363 Donations	34,500	413.00	413.00	836.00	(33,664.00)	2%	
<b>Revenues Totals:</b>	56,500	2,573.00	2,573.00	22,516.00	(33,984.00)	40%	
<b>Expenses</b>							
34-405-203 Supplies	2,000	316.83	316.83	484.19	1,515.81	24%	
34-405-250 Lights/Heat/Security	4,985	213.78	213.78	2,912.69	2,072.31	58%	
34-405-251 Telephone/Internet	3,000	215.11	215.11	2,625.97	374.03	88%	
34-405-255 Bldg Maint/Clean Svcs	7,500	0.00	0.00	1,527.95	5,972.05	20%	
34-405-309 Advertising	1,500	0.00	0.00	1,020.00	480.00	68%	
34-405-332 Signs below \$5,000	500	0.00	0.00	312.50	187.50	63%	
34-405-400 Liability Insurance	15	0.00	0.00	15.00	0.00	100%	
34-405-422 Rent Paid by Town	36,000	3,000.00	3,000.00	33,000.00	3,000.00	92%	
34-405-499 Miscellaneous	1,000	0.00	0.00	789.75	210.25	79%	
<b>Non-Departmental Totals:</b>	56,500	3,745.72	3,745.72	42,688.05	13,811.95	76%	
<b>Expenses Totals:</b>	56,500	3,745.72	3,745.72	42,688.05	13,811.95	76%	
<b>34 FRONTIER WARREN</b>	<b>Revenues Over/(Under) Expenses:</b>	(1,172.72)	(1,172.72)	(20,172.05)			

## Budget vs Actual

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Period Ending 4/30/2021

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
<b>Revenues</b>							
37-302-301 Ad Valorem Taxes - Current	454,562	8,770.22	8,770.22	414,028.17	(40,533.83)	91%	
37-302-302 Ad Valorem Taxes - Prior Year	5,000	318.04	318.04	6,896.63	1,896.63	138%	
37-302-303 Ad Valorem Taxes - all other prior years	2,000	279.69	279.69	5,864.81	3,864.81	293%	
37-302-304 Ad Valorem Taxes - Penalties & Interest	1,900	546.25	546.25	2,169.05	269.05	114%	
37-307-310 Motor Vehicles - Current	33,024	2,624.96	2,624.96	26,974.61	(6,049.39)	82%	
37-320-320 Local Option Sales Tax Monthly	240,000	21,453.58	21,453.58	180,870.92	(59,129.08)	75%	
37-325-325 Utility Franchise Tax Quarterly	86,000	0.00	0.00	60,864.75	(25,135.25)	71%	
37-325-326 Beer & Wine Tax Annual	3,600	0.00	0.00	0.00	(3,600.00)		
37-325-328 Refund of Gas Tax paid monthly	1,000	81.23	81.23	920.75	(79.25)	92%	
37-325-329 PD Narcotics Tax	142	0.00	0.00	86.25	(55.75)	61%	
37-335-335 Powell Bill	25,583	0.00	0.00	24,127.79	(1,455.21)	94%	
37-345-345 Zone Board of Adj	1,000	0.00	0.00	375.00	(625.00)	38%	
37-345-346 Code Enforcement	2,750	100.00	100.00	2,425.00	(325.00)	88%	
37-351-353 Landfill Fees Residential	178,176	15,269.85	15,269.85	146,337.55	(31,838.45)	82%	
37-351-355 Cemetery Fees	1,800	0.00	0.00	0.00	(1,800.00)		
37-351-356 Police Rpt Fees	50	10.00	10.00	40.00	(10.00)	80%	
37-351-357 Court Fees	300	67.50	67.50	232.20	(67.80)	77%	
37-351-360 Cell Tower Rent	29,400	2,695.00	2,695.00	26,950.00	(2,450.00)	92%	
37-351-361 Parking/Ordinance Collections PD	300	0.00	0.00	125.00	(175.00)	42%	
37-365-001 Interest Income	50	0.38	0.38	17.19	(32.81)	34%	
37-365-033 Mary Hehl Beautification Donations	2,265	0.00	0.00	2,365.00	100.00	104%	
37-365-351 Revitalization Comm	9,500	0.00	0.00	0.00	(9,500.00)		
37-365-358 Branded Merchandise for Sales	500	0.00	0.00	65.00	(435.00)	13%	
37-365-370 WWTP 25% of GF Exp	42,674	0.00	0.00	32,953.28	(9,720.72)	77%	

## Budget vs Actual

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Period Ending 4/30/2021

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-365-371 WS 25% of GF Exp	93,167	0.00	0.00	59,223.77	(33,943.23)	64%	
37-365-410 Interest Investment NCCMT	6,000	0.00	0.00	85.33	(5,914.67)	1%	
37-381-039 Transfer In from WWTP	32,497	0.00	0.00	0.00	(32,497.00)		
37-395-395 Powell Bill Apropropriated Fund Balance (Budget Only)	29,622	0.00	0.00	0.00	(29,621.90)		
37-395-396 Apropropriated Fund Balance (Budget Only)	13,255	0.00	0.00	0.00	(13,255.00)		
<b>Revenues Totals:</b>	<b>1,296,117</b>	<b>52,216.70</b>	<b>52,216.70</b>	<b>993,998.05</b>	<b>(302,118.85)</b>	<b>77%</b>	
<b>Expenses</b>							
37-401-010 Salary - Full Time	134,928	11,966.06	11,966.06	102,404.70	32,523.30	76%	
37-401-012 Salary - Adm Assistant	46,450	5,294.40	5,294.40	37,988.97	8,461.03	82%	
37-401-014 Salary - Part Time	175	0.00	0.00	175.04	0.00	100%	
37-401-020 ER-FICA Taxes	9,557	914.56	914.56	7,712.02	1,844.98	81%	
37-401-021 ER-FICA Taxes - Adm Assistant	4,306	404.19	404.19	3,020.37	1,285.63	70%	
37-401-030 ER-Retirement - Orbit	29,135	2,934.30	2,934.30	23,867.07	5,267.93	82%	
37-401-040 ER-Health Insurance	21,596	1,795.17	1,795.17	19,439.24	2,156.76	90%	
37-401-050 ER-Life Insurance	504	42.00	42.00	462.00	42.00	92%	
37-401-060 ER-Workman's Comp	383	0.00	0.00	317.43	65.57	83%	
37-401-099 Salary Reimbursement COVID	1	0.00	0.00	0.00	1.00		
37-401-200 Travel Expense	485	0.00	0.00	237.01	247.99	49%	
37-401-203 Supplies	5,000	63.71	63.71	2,298.13	2,701.87	46%	
37-401-250 Light, Heat & Security	12,000	258.18	258.18	5,082.02	6,917.98	42%	
37-401-251 Telephone & Postage	3,000	236.10	236.10	2,177.17	822.83	73%	
37-401-255 Bldg. Maint/ Clean SVS	5,000	0.00	0.00	4,947.07	52.93	99%	
37-401-256 Bank Fees/ Petty Cash	1,500	100.00	100.00	1,325.00	175.00	88%	
37-401-295 Training	1,275	300.00	300.00	415.00	860.00	33%	
37-401-301 Computer Maint	3,500	401.72	401.72	2,827.72	672.28	81%	
37-401-302 Software Support	1,885	29.98	29.98	1,812.13	72.87	96%	
37-401-303 Software Purchase less than	500	0.00	0.00	0.00	500.00		

## Budget vs Actual

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Period Ending 4/30/2021

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
<b>\$5,000</b>							
37-401-304 Website	1,575	0.00	0.00	1,575.00	0.00	100%	
37-401-305 Technology Upgrades	1,250	0.00	0.00	0.00	1,250.00		
37-401-306 Awning 25% Fund	500	0.00	0.00	0.00	500.00		
37-401-307 Special Events	715	0.00	0.00	715.00	0.00	100%	
37-401-309 Advertising	1,300	448.28	448.28	1,173.76	126.24	90%	
37-401-310 Dues & Subscriptions	3,000	138.00	138.00	2,781.62	218.38	93%	
37-401-325 NC Sales/Use Tax Paid (No Tax)	700	40.03	40.03	526.33	173.67	75%	
37-401-400 Liability Insurance	5,500	149.59	149.59	5,492.98	7.02	100%	
37-401-401 County Tax Collection Svs	8,000	273.49	273.49	7,748.45	251.55	97%	
37-401-405 Audit Expense	7,600	0.00	0.00	7,302.11	297.89	96%	
37-401-415 Economic Development Consultant	11,000	1,000.00	1,000.00	10,000.00	1,000.00	91%	
37-401-420 Attorney Fees	3,500	0.00	0.00	2,337.50	1,162.50	67%	
37-401-499 Miscellaneous Expense	1,765	75.00	75.00	1,732.46	32.50	98%	
37-401-700 WDRI Grant Expense	264	0.00	0.00	263.62	0.38	100%	
37-401-801 Town Hall Roof Loan-Principal	5,280	428.95	428.95	4,289.50	990.50	81%	
37-401-803 USDA Town Hall/WS Loan Principal	11,485	0.00	0.00	0.00	11,485.00		
37-401-831 Town Hall Roof Loan - Interest Admin	388	43.30	43.30	433.00	(45.00)	112%	
37-401-889 Reserve for USDA Loans	2,304	1,155.00	1,155.00	1,155.00	1,149.00	50%	
37-401-998 Contingency	500	0.00	0.00	0.00	500.00		
General Government Totals:	347,806	28,492.01	28,492.01	264,034.42	83,771.58	76%	
37-402-014 Mayor Part Time Salary	1,500	125.00	125.00	1,151.79	348.21	77%	
37-402-020 ER - FICA TAXES	115	9.56	9.56	88.09	26.91	77%	
37-402-200 Travel Expense	500	0.00	0.00	0.00	500.00		
37-402-402 Commission offsite meetings	50	0.00	0.00	0.00	50.00		
Governing Body Totals:	2,165	134.56	134.56	1,239.88	925.12	57%	

## Budget vs Actual

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Period Ending 4/30/2021

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-405-407 Branded Clothing Sales	500	0.00	0.00	0.00	500.00		
37-405-430 Historic District Comm	220	0.00	0.00	218.82	1.18	99%	
37-405-440 Run Warrenton 5K	2,500	0.00	0.00	0.00	2,500.00		
37-405-450 Revitalization Comm	9,500	0.00	0.00	1,747.32	7,752.68	18%	
37-405-470 Small Town Maint St	2,200	0.00	0.00	735.00	1,465.00	33%	
Non-Departmental Totals:	14,920	0.00	0.00	2,701.14	12,218.86	18%	
37-501-010 SALARY FULL TIME	194,855	23,376.07	23,376.07	147,503.42	47,351.58	76%	
37-501-014 Salary - Part Time	21,500	1,565.16	1,565.16	19,853.73	1,646.27	92%	
37-501-016 Police Clerical Salary	34,112	3,936.00	3,936.00	28,383.14	5,728.86	83%	
37-501-019 Salary - Over-Time	5,000	0.00	0.00	2,999.36	2,000.64	60%	
37-501-020 ER-FICA Taxes	19,552	2,188.81	2,188.81	15,298.00	4,254.00	78%	
37-501-030 ER - Retirement Orbit	44,393	3,902.86	3,902.86	28,184.24	16,208.76	63%	
37-501-031 ER - 401K 5%	10,573	1,168.80	1,168.80	7,782.47	2,790.53	74%	
37-501-040 ER - Health Insurance	37,370	2,990.90	2,990.90	24,683.78	12,686.22	66%	
37-501-050 ER - Life Insurance	1,010	84.00	84.00	770.00	240.00	76%	
37-501-060 ER - Workman's Comp	6,420	0.00	0.00	4,026.80	2,393.20	63%	
37-501-099 Salary Reimbursement COVID	1	0.00	0.00	0.00	1.00		
37-501-200 Travel Expense	701	0.00	0.00	0.00	701.00		
37-501-203 Supplies	3,000	108.61	108.61	2,094.40	905.60	70%	
37-501-204 Uniforms	2,500	66.79	66.79	2,066.22	433.78	83%	
37-501-205 Equipment & Material	3,000	925.71	925.71	373.26	2,626.74	12%	
37-501-250 Light, Heat & Security	10,908	202.26	202.26	4,647.74	6,260.26	43%	
37-501-251 Telephone & Postage	7,494	820.53	820.53	6,960.10	533.90	93%	
37-501-252 Fuel	14,000	1,770.25	1,770.25	11,251.10	2,748.90	80%	
37-501-255 Bldg Maint/Clean Svs	4,774	11.74	11.74	4,729.05	44.95	99%	
37-501-295 Training	2,000	0.00	0.00	0.00	2,000.00		
37-501-301 Computer Maint	5,848	819.50	819.50	4,448.37	1,399.63	76%	
37-501-302 Software Support	6,165	0.00	0.00	6,030.37	134.63	98%	
37-501-309 Advertising	500	0.00	0.00	200.00	300.00	40%	

## Budget vs Actual

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Period Ending 4/30/2021

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-501-351 Maint & Repair Equip	6,000	320.00	320.00	5,849.57	150.43	97%	
37-501-370 2019 Dodge Car 100	1,000	27.45	27.45	94.15	905.85	9%	
37-501-371 2017 Dodge Car 200	1,000	0.00	0.00	916.07	83.93	92%	
37-501-372 2016 Dodge Car 300	5,300	0.00	0.00	4,694.74	605.26	89%	
37-501-373 2017 Dodge Car 400	1,000	0.00	0.00	983.62	16.38	98%	
37-501-374 2010 Ford Car 500	1,511	0.00	0.00	659.42	851.58	44%	
37-501-375 2008 Ford Car 600	700	0.00	0.00	361.88	338.12	52%	
37-501-376 2019 Dodge Car 700	1,000	0.00	0.00	483.56	516.44	48%	
37-501-400 Liability Insurance	12,400	0.00	0.00	9,108.02	3,291.98	73%	
37-501-415 Police Shots Medical	500	185.00	185.00	420.00	80.00	84%	
37-501-433 COP Program	540	0.00	0.00	505.41	34.59	94%	
37-501-436 PD Narcotics Tax/Proceeds	142	0.00	0.00	0.00	142.00		
37-501-499 Miscellaneous	4,160	105.00	105.00	3,536.27	623.73	85%	
37-501-801 Town Hall Roof Loan Principal	5,280	428.96	428.96	4,289.60	990.40	81%	
37-501-802 Police 2017 Cars Loan Principal (USDA)	4,072	0.00	0.00	4,071.73	0.00	100%	
37-501-803 Police Security Camera Loan Principal (USDA)	1,213	0.00	0.00	1,213.32	0.00	100%	
37-501-804 Police 2019 Cars Loan Principal (USDA)	4,428	0.00	0.00	4,409.22	18.63	100%	
37-501-831 Town Hall Roof Loan - Interest PD	388	43.31	43.31	433.10	(45.10)	112%	
37-501-832 Police 2017 Cars Loan Interest (USDA)	708	0.00	0.00	708.27	0.00	100%	
37-501-833 Police Security Camera Loan Interest (USDA)	120	0.00	0.00	119.68	0.00	100%	
37-501-834 Police 2019 Cars Loan Interest (USDA)	1,256	0.00	0.00	1,016.78	239.37	81%	
Police Department Totals:	488,394	45,047.71	45,047.71	366,159.96	122,234.04	75%	
37-601-014 Salary - Part Time Code Enforcement	3,350	306.00	306.00	2,724.71	625.29	81%	

## Budget vs Actual

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37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-601-252 Fuel/Truck Expense/Insurance	435	0.00	0.00	0.00	435.00		
37-601-352 Vehicle Maintenance	200	0.00	0.00	0.00	200.00		
37-601-437 Contract Srvs Fire Protection	70,000	5,833.33	5,833.33	58,333.30	11,666.70	83%	
37-601-475 Donation to Town Fire	1,000	0.00	0.00	90.00	910.00	9%	
37-601-476 Code Enforcement Exp	300	189.00	189.00	300.00	0.00	100%	
37-601-710 Fire Museum Expense	15,000	0.00	0.00	10,000.00	5,000.00	67%	
Fire Totals:	90,285	6,328.33	6,328.33	71,448.01	18,836.99	79%	
37-651-330 Christmas Lights/Santa House	600	0.00	0.00	600.00	0.00	100%	
37-651-331 Haley Haywood Park	1,448	589.99	589.99	816.85	631.15	56%	
37-651-332 Signs below \$5,000	2,702	418.96	418.96	2,712.86	(10.86)	100%	
37-651-333 Street Beautification - Below \$5,000	4,765	0.00	0.00	1,184.90	3,580.10	25%	
37-651-335 Street Lighting Electric Bill	23,000	1,790.10	1,790.10	18,287.53	4,712.47	80%	
Signs and Lights Totals:	32,515	2,799.05	2,799.05	23,602.14	8,912.86	73%	
37-701-010 Salary - Full Time	52,709	4,996.01	4,996.01	41,786.02	10,922.98	79%	
37-701-014 Salary - Part Time	15,993	1,707.65	1,707.65	12,561.66	3,431.34	79%	
37-701-019 Over-Time	1,748	0.00	0.00	47.81	1,700.19	3%	
37-701-020 ER-FICA Taxes	5,389	509.96	509.96	4,147.78	1,241.22	77%	
37-701-030 ER - Retirement - Orbit	11,976	997.81	997.81	8,189.65	3,786.35	68%	
37-701-040 ER-Health Insurance	11,800	1,013.33	1,013.33	10,545.54	1,254.46	89%	
37-701-050 ER-Life Insurance	269	25.48	25.48	248.78	20.22	92%	
37-701-060 ER-Workman's Comp	4,801	0.00	0.00	1,745.83	3,055.17	36%	
37-701-099 Salary Reimbursement COVID	1	0.00	0.00	0.00	1.00		
37-701-203 Supplies	13,624	0.00	0.00	13,382.61	241.39	98%	
37-701-204 Uniforms	3,624	229.44	229.44	2,352.92	1,271.08	65%	
37-701-251 Telephone & Postage	864	76.39	76.39	769.38	94.62	89%	
37-701-252 Fuel	7,750	710.83	710.83	5,160.40	2,589.60	67%	
37-701-312 Tree Removal	1,200	0.00	0.00	0.00	1,200.00		
37-701-351 Maint & Repair Equip	11,229	1,624.48	1,624.48	11,042.50	186.50	98%	

## Budget vs Actual

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37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-701-352 Vehicle Maintenance	4,912	0.00	0.00	3,310.04	1,601.96	67%	
37-701-400 Liability Insurance	6,589	0.00	0.00	4,896.62	1,692.38	74%	
37-701-431 Street Debris Disposal	2,500	0.00	0.00	1,000.00	1,500.00	40%	
37-701-803 LGFCU Street Truck & Trailer Loan Principal	13,294	0.00	0.00	12,339.12	954.88	93%	
37-701-832 LGFCU Street Truck & Trailer Loan Interest	299	0.00	0.00	253.77	45.23	85%	
Streets Totals:	170,571	11,891.38	11,891.38	133,780.43	36,790.57	78%	
37-710-361 Maint & Repair POWELL BILL	49,244	0.00	0.00	48,949.54	294.36	99%	
37-710-405 Audit Expense POWELL BILL	100	0.00	0.00	0.00	100.00		
37-710-810 BB&T Battle Ave Sewer Loan POWELL - Prin	5,422	0.00	0.00	5,421.29	0.71	100%	
37-710-830 BB&T Battle Ave Sewer Loan POWELL - Int	439	0.00	0.00	438.99	0.01	100%	
Powell Bill Totals:	55,205	0.00	0.00	54,809.82	395.08	99%	
37-801-010 Salary - Full Time Sanitation	50,696	4,729.82	4,729.82	38,703.25	11,992.75	76%	
37-801-019 Salary - Over Time Sanitation	608	0.00	0.00	0.00	608.00		
37-801-020 ER - FICA Sanitation	3,984	352.93	352.93	2,897.85	1,086.15	73%	
37-801-030 ER - Retirement - Orbit Sanitation	8,853	804.05	804.05	5,693.61	3,159.39	64%	
37-801-040 ER - Health Insurance	9,999	845.72	845.72	8,961.96	1,037.04	90%	
37-801-050 ER - Life Insurance	227	18.90	18.90	207.90	19.10	92%	
37-801-060 Workman's Compensation	3,388	0.00	0.00	2,675.03	712.97	79%	
37-801-099 Salary Reimbursement COVID	1	0.00	0.00	(1,935.96)	1,936.96	-	
							193596 %
37-801-203 Supplies	750	0.00	0.00	438.18	311.82	58%	
37-801-204 Uniforms	1,944	145.60	145.60	1,211.34	732.66	62%	
37-801-251 Telephone & Postage	504	41.05	41.05	412.64	91.36	82%	
37-801-252 Fuel	2,824	250.29	250.29	1,766.61	1,057.39	63%	
37-801-350 Landfull Fees	17,500	2,055.56	2,055.56	16,530.91	969.09	94%	

## Budget vs Actual

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37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-801-352 Vehicle Maintenance	6,134	0.00	0.00	5,761.34	372.66	94%	
37-801-400 Liability Insurance	2,844	0.00	0.00	2,574.53	269.47	91%	
Sanitation Totals:	110,256	9,243.92	9,243.92	85,899.19	24,356.81	78%	
Expenses Totals:	1,312,117	103,936.96	103,936.96	1,003,674.99	308,441.91	76%	
37 GENERAL FUND	Revenues Over/(Under) Expenses:	(51,122.10)	(51,122.10)	37,911.50			

## Budget vs Actual

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
<b>Revenues</b>							
38-351-401 Water Sales	804,541	59,821.39	59,821.39	598,531.96	(206,009.04)	74%	
38-351-402 Debt Setoff WATER	302	130.28	130.28	289.98	(12.02)	96%	
38-351-404 Sewer Services	585,218	43,600.70	43,600.70	483,545.78	(101,672.22)	83%	
38-351-407 Debt Setoff SEWER	501	291.46	291.46	810.35	309.35	162%	
38-351-408 Town Taps	2,350	1,168.69	1,168.69	5,784.61	3,434.61	246%	
38-351-416 Dis/Reconnection Fee	5,168	475.00	475.00	4,960.06	(207.94)	96%	
38-351-417 Fire Sprinkler	2,253	187.74	187.74	1,877.40	(375.60)	83%	
38-351-418 Late Fees/Penalty/Cut Off	12,741	30.00	30.00	1,390.93	(11,350.07)	11%	
38-351-419 Returned Check Fee	545	0.00	0.00	430.04	(114.96)	79%	
38-351-420 Debt Setoff Late Fees/Penalty/Cut Off	173	156.15	156.15	182.56	9.56	106%	
38-365-001 Interest Income	58	0.00	0.00	17.11	(40.89)	30%	
38-365-366 Sale of Fixed Assets/Surplus Property	2,000	0.00	0.00	0.00	(2,000.00)		
38-365-421 Account Activation Fee	2,875	450.00	450.00	2,500.00	(375.00)	87%	
38-365-851 Misc Revenue WATER	63	0.00	0.00	89.56	26.56	142%	
38-395-396 Apropriated Fund Balance (Budget Only)	32,497	0.00	0.00	0.00	(32,497.00)		
<b>Revenues Totals:</b>	<b>1,451,285</b>	<b>106,311.41</b>	<b>106,311.41</b>	<b>1,100,410.34</b>	<b>(350,874.66)</b>	<b>76%</b>	
<b>Expenses</b>							
38-851-010 Salary Full Time	84,922	9,306.04	9,306.04	68,558.16	16,363.84	81%	
38-851-014 Salary - Part Time	15,943	1,919.07	1,919.07	13,876.99	2,066.01	87%	
38-851-019 Salary Over-Time	6,351	238.36	238.36	2,319.68	4,031.32	37%	
38-851-020 ER-FICA Taxes	8,202	844.22	844.22	6,251.08	1,950.92	76%	
38-851-030 ER - Retirement Orbit	13,801	1,315.30	1,315.30	10,532.57	3,268.43	76%	
38-851-040 ER - Health Insurance WATER	13,474	1,111.60	1,111.60	11,919.55	1,554.45	88%	
38-851-050 ER - Life Insurance	310	26.81	26.81	285.46	24.54	92%	
38-851-060 ER - Workman's Comp	1,643	0.00	0.00	1,194.66	448.34	73%	

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-851-099 Salary Reimbursement COVID	1	0.00	0.00	(792.79)	793.79	-	79279%
38-851-200 Travel Expense	250	0.00	0.00	0.00	250.00		
38-851-203 Supplies	2,827	148.21	148.21	1,865.46	961.54	66%	
38-851-204 Uniforms	2,160	162.79	162.79	1,625.44	534.56	75%	
38-851-205 Materials & Supplies	34,950	618.75	618.75	29,838.08	5,111.92	85%	
38-851-250 Light & Heat & Security	5,981	164.41	164.41	3,783.87	2,197.13	63%	
38-851-251 Telephone & Postage	8,658	668.09	668.09	7,009.52	1,648.48	81%	
38-851-252 Fuel	6,000	414.62	414.62	3,395.95	2,604.05	57%	
38-851-255 Bldg. Maint/Clean Svs	2,528	0.00	0.00	2,381.96	146.04	94%	
38-851-260 Electric Tank/Pumps	3,165	173.17	173.17	2,379.84	785.16	75%	
38-851-296 Continuing Education	625	0.00	0.00	0.00	625.00		
38-851-301 Computer Maintenance	2,364	200.85	200.85	1,456.96	907.04	62%	
38-851-302 Software Support	3,093	0.00	0.00	3,092.77	0.23	100%	
38-851-305 Technology Upgrades	2,250	0.00	0.00	964.51	1,285.49	43%	
38-851-309 Advertising	250	0.00	0.00	0.00	250.00		
38-851-310 Dues & Subscriptions	389	0.00	0.00	314.25	74.75	81%	
38-851-313 State Permits	1,250	0.00	0.00	960.00	290.00	77%	
38-851-345 Water Tank Contract	16,782	4,208.88	4,208.88	16,781.51	0.49	100%	
38-851-347 Lab Analysis	1,605	215.00	215.00	1,465.00	140.00	91%	
38-851-351 Maint. & Repair Equip	4,500	0.00	0.00	388.45	4,111.55	9%	
38-851-352 Vehicle Maintenance	3,269	213.05	213.05	3,268.58	0.42	100%	
38-851-400 Town Liability Insurance	7,643	0.00	0.00	5,484.66	2,158.34	72%	
38-851-405 Audit Expense	4,347	0.00	0.00	4,346.86	0.14	100%	
38-851-448 External Contract	23,156	0.00	0.00	18,027.91	5,128.09	78%	
38-851-451 Water Purchase	256,182	14,790.97	14,790.97	165,858.02	90,323.98	65%	
38-851-801 Town Hall Roof Loan - Principal	2,640	214.47	214.47	2,144.70	495.30	81%	
38-851-802 USDA Public Works Trucks - Princ Water	2,485	0.00	0.00	2,484.86	0.14	100%	

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-851-803 USDA Town Hall/WS Loan Principal	41,150	0.00	0.00	0.00	41,150.00		
38-851-831 Town Hall Roof Loan - Interest Water	194	21.65	21.65	216.50	(22.50)	112%	
38-851-836 USDA Public Works Trucks - Int Water	433	0.00	0.00	432.14	0.86	100%	
38-851-889 Reserve for USDA Loans	4,407	3,958.00	3,958.00	3,958.00	449.00	90%	
38-851-895 Grass Cutting Expense	16,000	1,125.00	1,125.00	11,250.00	4,750.00	70%	
38-851-896 WS 25% of GF Expense	46,584	0.00	0.00	29,611.87	16,972.13	64%	
38-851-998 Contingency	19,413	0.00	0.00	0.00	19,413.00		
Water Totals:	672,177	42,059.31	42,059.31	438,933.03	233,243.97	65%	
38-852-010 Salary - Full Time	84,922	9,306.04	9,306.04	68,299.87	16,622.13	80%	
38-852-014 Salary - Part Time	15,943	1,919.21	1,919.21	13,876.85	2,066.15	87%	
38-852-019 Salary - Over Time Sewer	6,351	642.55	642.55	3,988.44	2,362.56	63%	
38-852-020 ER - FICA Sewer	8,202	903.90	903.90	6,575.56	1,626.44	80%	
38-852-030 ER-Retirement Orbit	13,801	1,334.71	1,334.71	10,587.32	3,213.68	77%	
38-852-040 ER-Health Insurance SEWER	13,474	1,111.60	1,111.60	11,919.44	1,554.56	88%	
38-852-050 ER-Life Insurance	310	26.81	26.81	285.46	24.54	92%	
38-852-060 ER-Workman's Comp	1,642	0.00	0.00	1,194.66	447.34	73%	
38-852-099 Salary Reimbursement COVID	1	0.00	0.00	(792.78)	793.78	-	79278%
38-852-200 Travel Expense	225	0.00	0.00	0.00	225.00		
38-852-203 Supplies	2,827	148.21	148.21	1,888.75	938.25	67%	
38-852-204 Uniforms	2,160	162.78	162.78	1,625.21	534.79	75%	
38-852-205 Materials & Supplies	24,950	883.83	883.83	19,511.48	5,438.52	78%	
38-852-250 Light & Heat & Security	5,981	164.41	164.41	3,678.78	2,302.22	62%	
38-852-251 Telephone & Postage	8,658	668.09	668.09	7,005.58	1,652.42	81%	
38-852-252 Fuel	6,000	414.61	414.61	3,395.86	2,604.14	57%	
38-852-255 Bldg. Maint/Clean Svs	2,528	0.00	0.00	2,381.96	146.04	94%	

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-852-260 Electric Tank/Pumps	13,120	1,156.59	1,156.59	10,675.89	2,444.11	81%	
38-852-296 Continuing Education	625	0.00	0.00	375.00	250.00	60%	
38-852-301 Computer Maint.	2,364	200.86	200.86	1,496.47	867.53	63%	
38-852-302 Software Support	2,041	0.00	0.00	988.62	1,052.38	48%	
38-852-305 Technology Upgrades	2,250	0.00	0.00	964.50	1,285.50	43%	
38-852-309 Advertising	500	0.00	0.00	418.50	81.50	84%	
38-852-310 Dues & Subscriptions	400	0.00	0.00	314.25	85.75	79%	
38-852-313 State Permits	1,250	0.00	0.00	100.00	1,150.00	8%	
38-852-351 Maint & Repair Equip	4,500	0.00	0.00	529.75	3,970.25	12%	
38-852-352 Vehicle Maintenance	3,269	213.05	213.05	3,268.57	0.43	100%	
38-852-400 Liability Insurance	7,264	0.00	0.00	5,484.68	1,779.79	76%	
38-852-405 Audit Expense	4,347	0.00	0.00	4,346.89	0.11	100%	
38-852-435 Purchase of Sewer Services	300,500	0.00	0.00	207,312.30	93,187.70	69%	
38-852-448 External Contract	36,172	6,775.42	6,775.42	36,171.20	0.80	100%	
38-852-473 WWTP Rehab Annual Payment	24,032	0.00	0.00	0.00	24,032.00		
38-852-801 Town Hall Roof Loan - Principal	2,640	214.48	214.48	2,144.80	495.20	81%	
38-852-802 USDA Public Works Trucks - Princ Sewer	2,485	0.00	0.00	2,484.86	0.14	100%	
38-852-803 USDA Town Hall/WS Loan Principal	41,150	0.00	0.00	0.00	41,150.00		
38-852-804 NCDEQ Unity, Bute & Battle Sewer Rehab Princ Only	14,977	0.00	0.00	0.00	14,977.00		
38-852-809 John Riggans Easement Pmt	1,000	0.00	0.00	1,000.00	0.00	100%	
38-852-810 BB&T Battle Avenue Sewer Loan - Principal	6,452	0.00	0.00	6,451.88	0.12	100%	
38-852-811 NCDEQ Sewer Rehab Annual Loan- Principal	13,750	13,750.00	13,750.00	13,750.00	0.00	100%	
38-852-830 BB&T Battle Ave Sewer Loan - Int	523	0.00	0.00	522.45	0.55	100%	
38-852-831 Town Hall Roof Loan - Interest Sewer	194	21.66	21.66	216.60	(22.60)	112%	

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-852-836 USDA Public Works Trucks - Int Sewer	433	0.00	0.00	432.14	0.86	100%	
38-852-837 NCDEQ Sewer Rehab Annual Loan- Interest	3,575	1,787.50	1,787.50	3,575.00	0.00	100%	
38-852-889 Reserve for USDA Loans	4,407	3,958.00	3,958.00	3,958.00	449.00	90%	
38-852-896 WS 25% of GF Expense	46,584	0.00	0.00	29,611.90	16,972.10	64%	
38-852-998 Contingency	7,832	0.00	0.00	0.00	7,831.53		
Sewer Expenses Totals:	746,611	45,764.31	45,764.31	492,016.69	254,594.31	66%	
38-901-902 Transfer Out to Water Treatment Plant	32,497	0.00	0.00	0.00	32,497.00		
Transfers Out Totals:	32,497	0.00	0.00	0.00	32,497.00		
Expenses Totals:	1,451,285	87,823.62	87,823.62	930,949.72	520,335.28	64%	
38 WATER / SEWER Revenues Over/(Under) Expenses:		26,403.79	26,403.79	190,692.69			

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39 WWTP							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
<b>Revenues</b>							
39-351-470 Town Sewer Revenues	300,500	0.00	0.00	207,312.30	(93,187.70)	69%	
39-351-471 Sewer Revenues - County	229,005	0.00	0.00	157,988.75	(71,016.25)	69%	
39-351-472 Sewer Rev Norlina	165,292	0.00	0.00	114,033.76	(51,258.24)	69%	
39-365-861 Misc Revenue WWTP	19,832	7,617.50	7,617.50	15,802.49	(4,029.51)	80%	
39-381-038 Transfer In from Water/Sewer	32,497	0.00	0.00	0.00	(32,497.00)		
<b>Revenues Totals:</b>	747,126	7,617.50	7,617.50	495,137.30	(251,988.70)	66%	
<b>Expenses</b>							
39-861-010 Salary - Full Time	163,202	17,079.41	17,079.41	136,265.97	26,936.03	83%	
39-861-014 Salary - Part Time	15,668	1,856.07	1,856.07	13,661.75	2,006.25	87%	
39-861-019 Over-Time	13,791	817.55	817.55	8,545.89	5,245.11	62%	
39-861-020 ER-FICA Taxes	14,739	1,228.85	1,228.85	10,095.71	4,643.29	68%	
39-861-030 ER - Retirement Orbit	30,015	2,405.83	2,405.83	21,501.13	8,513.87	72%	
39-861-040 ER- Health Insurance	24,545	2,073.52	2,073.52	22,037.03	2,507.97	90%	
39-861-050 ER-Life Insurance	572	56.00	56.00	540.40	31.60	94%	
39-861-060 ER-Workman's Comp	3,221	0.00	0.00	2,323.36	897.64	72%	
39-861-099 Salary Reimbursement COVID	1	0.00	0.00	(1,823.92)	1,824.92	-	182392 %
39-861-200 Travel Expense	500	0.00	0.00	0.00	500.00		
39-861-203 Supplies	2,549	130.98	130.98	1,262.70	1,286.30	50%	
39-861-204 Uniforms	2,916	234.35	234.35	2,274.26	641.74	78%	
39-861-205 OP Material & supplies	38,700	2,125.35	2,125.35	30,948.24	7,751.76	80%	
39-861-250 Light, Heat & Security	95,000	7,297.13	7,297.13	73,311.98	21,688.02	77%	
39-861-251 Telephone & Postage	7,722	580.89	580.89	6,659.10	1,062.90	86%	
39-861-252 Fuel	5,500	499.82	499.82	4,315.05	1,184.95	78%	
39-861-296 Continuing Education	997	0.00	0.00	525.00	472.00	53%	
39-861-301 Computer Maint.	4,607	401.72	401.72	2,664.03	1,942.97	58%	
39-861-302 Software Support	2,741	0.00	0.00	2,522.25	218.75	92%	

## Budget vs Actual

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Period Ending 4/30/2021

39 WWTP							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
39-861-305 Technology Upgrades	2,000	0.00	0.00	699.99	1,300.01	35%	
39-861-309 Advertising	1,050	0.00	0.00	1,049.27	0.73	100%	
39-861-318 Freight Charges	1,879	132.00	132.00	1,620.63	258.37	86%	
39-861-342 Maint & Repair Plant	86,410	5,414.30	5,414.30	86,107.24	302.76	100%	
39-861-344 Sludge Removal	46,511	6,982.50	6,982.50	29,817.50	16,693.50	64%	
39-861-345 Beaver Control	89	0.00	0.00	0.00	89.00		
39-861-346 Lab Material & Supplies	9,122	0.00	0.00	9,121.66	0.34	100%	
39-861-347 Lab Analysis	17,948	1,438.00	1,438.00	12,197.95	5,750.05	68%	
39-861-348 Tar - Pamlico Dues	3,000	0.00	0.00	0.00	3,000.00		
39-861-349 OSHAComp/Safety M&S	1,000	0.00	0.00	888.50	111.50	89%	
39-861-352 Vehicle Maintenance	3,847	240.53	240.53	3,846.62	0.38	100%	
39-861-400 Liability Insurance	18,185	0.00	0.00	14,892.90	3,292.10	82%	
39-861-405 Audit Expense	8,694	0.00	0.00	8,693.75	0.25	100%	
39-861-441 Certify Lab Services	1,000	0.00	0.00	95.00	905.00	10%	
39-861-444 Permits & Fees	6,253	0.00	0.00	6,193.50	59.50	99%	
39-861-446 Influent Debris removal	3,856	343.94	343.94	3,329.76	526.24	86%	
39-861-447 WWTP Grant Expense	34,125	0.00	0.00	0.00	34,125.00		
39-861-897 WWTP 25% of GF Exp	42,674	0.00	0.00	32,953.28	9,720.72	77%	
WWTP - Expenses Totals:	714,629	51,338.74	51,338.74	549,137.48	165,491.52	77%	
39-901-901 Transfer Out to General Fund	32,497	0.00	0.00	0.00	32,497.00		
Transfers Out Totals:	32,497	0.00	0.00	0.00	32,497.00		
<b>Expenses Totals:</b>	<b>747,126</b>	<b>51,338.74</b>	<b>51,338.74</b>	<b>549,137.48</b>	<b>197,988.52</b>	<b>73%</b>	
39 WWTP Revenues Over/(Under) Expenses:		(43,721.24)	(43,721.24)	(44,421.13)			

## Check Listing

Date From: 4/1/2021 Date To: 4/30/2021

Vendor Range: 1 800 FLAGPOLE.COM - YOUR TRADEMARK ATTORNEY

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Check Number	Bank	Vendor	Date	Amount
63484	30	AMAZON CAPTIAL SERVICES, INC.	04/06/2021	<u>\$251.93</u>
63485	30	DOCUMENT SYSTEMS, INC	04/06/2021	<u>\$117.40</u>
63486	30	HARRIS ENTERPRISES	04/06/2021	<u>\$2,110.32</u>
63487	30	KERR-TAR REG COUNCIL OF GOV	04/06/2021	<u>\$138.00</u>
63488	30	Lee Roy West Plumbing & Heating	04/06/2021	<u>\$133.41</u>
63489	30	MULTIMEDIA SALES & MARKETING	04/06/2021	<u>\$270.00</u>
63490	30	NC DEPARTMENT OF REVENUE	04/06/2021	<u>\$40.03</u>
63491	30	ROANOKE NURSERY	04/06/2021	<u>\$608.32</u>
63492	30	WARREN AUTO PARTS, INC.	04/06/2021	<u>\$26.41</u>
63493	30	WARREN COUNTY PUBLIC UTILITIES	04/06/2021	<u>\$14,790.97</u>
63494	30	ALAN T MUSTIAN	04/08/2021	<u>\$70.00</u>
63495	30	CAROLINA DIGITAL PHONE INC	04/08/2021	<u>\$316.00</u>
63496	30	Community Eye Care	04/08/2021	<u>\$101.40</u>
63497	30	DANIELLE CAMERON	04/08/2021	<u>\$98.49</u>
63498	30	DOCUMENT SYSTEMS, INC	04/08/2021	<u>\$854.00</u>
63499	30	DUKE ENERGY PROGRESS	04/08/2021	<u>\$192.42</u>
63500	30	GRACIE MEDLIN	04/08/2021	<u>\$65.20</u>
63501	30	GREGORY W WILLIAMS JR	04/08/2021	<u>\$98.49</u>
63502	30	KARL HEHL	04/08/2021	<u>\$50.00</u>
63503	30	REBECCA HARRIS	04/08/2021	<u>\$50.00</u>
63504	30	SOUTHERN CORROSION, INC.	04/08/2021	<u>\$4,208.88</u>
63505	30	Spectrum Business	04/08/2021	<u>\$124.98</u>
63506	30	UNIFIRST CORPORATION	04/08/2021	<u>\$317.60</u>
63507	30	H.G. REYNOLDS COMPANY, INC	04/12/2021	<u>\$84,676.00</u>
63508	30	MUNICIPAL ENGINEERING	04/12/2021	<u>\$22,960.00</u>
63509	30	BLUE RIDGE SPRINGS, INC	04/14/2021	<u>\$67.75</u>
63510	30	Brimar Industries	04/14/2021	<u>\$70.41</u>
63511	30	CAROLINA INDUSTRIAL EQUIPMENT, INC	04/14/2021	<u>\$1,734.13</u>
63512	30	DOCUMENT SYSTEMS, INC	04/14/2021	<u>\$437.72</u>
63513	30	DUKE ENERGY PROGRESS	04/14/2021	<u>\$9,151.54</u>
63514	30	EDITH ALLEN	04/14/2021	<u>\$70.91</u>
63515	30	GALLS QUARTERMASTER	04/14/2021	<u>\$71.29</u>

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Check Number	Bank	Vendor	Date	Amount
63516	30	GRANVILLE FARMS, INC.	04/14/2021	<u>\$6,982.50</u>
63517	30	HARRIS ENTERPRISES	04/14/2021	<u>\$3,797.55</u>
63518	30	MARIA PARHAM HOSPITAL	04/14/2021	<u>\$185.00</u>
63519	30	MERITECH INC	04/14/2021	<u>\$1,653.00</u>
63520	30	PETE SMITH TIRE & QUICK LUBE, INC	04/14/2021	<u>\$29.30</u>
63521	30	TAR HEEL TIRE SALES/SERVICE	04/14/2021	<u>\$18.80</u>
63522	30	UNIFIRST CORPORATION	04/14/2021	<u>\$640.41</u>
63523	30	UNITED PARCEL SERVICE	04/14/2021	<u>\$132.00</u>
63524	30	WatchGuard Video	04/14/2021	<u>\$168.13</u>
63525	30	WRIGHT EXPRESS FSC	04/14/2021	<u>\$1,770.25</u>
63526	30	FIRST CITIZENS BANK	04/15/2021	<u>\$2,288.01</u>
63527	30	CENTURY LINK COMMUNICATIONS	04/16/2021	<u>\$194.32</u>
63528	30	EDDIE G WIMBUSH	04/16/2021	<u>\$200.00</u>
63529	30	GFL ENVIRONMENTAL	04/16/2021	<u>\$343.94</u>
63530	30	KING'S FITNESS & NUTRITION CENTER	04/16/2021	<u>\$375.00</u>
63531	30	PETE SMITH TIRE & QUICK LUBE, INC	04/16/2021	<u>\$779.00</u>
63532	30	PROFESSIONAL MAIL SERVICES, INC	04/16/2021	<u>\$511.56</u>
63533	30	TIME WARNER CABLE	04/16/2021	<u>\$193.94</u>
63534	30	US CELLULAR	04/16/2021	<u>\$1,403.09</u>
63535	30	WARREN COUNTY PUBLIC WORKS	04/16/2021	<u>\$2,055.56</u>
63536	30	ALWAYS CARE BENEFITS, INC.	04/20/2021	<u>\$452.48</u>
63537	30	FRONTIER NATURAL GAS	04/20/2021	<u>\$21.36</u>
63538	30	PROFESSIONAL MAIL SERVICES, INC	04/20/2021	<u>\$6.77</u>
63539	30	TAR HEEL TIRE SALES/SERVICE	04/20/2021	<u>\$13.46</u>
63540	30	UNIFIRST CORPORATION	04/20/2021	<u>\$266.92</u>
63541	30	United Healthcare	04/20/2021	<u>\$13,328.47</u>
63542	30	WOMACK PUBLISHING CO. INC.	04/20/2021	<u>\$178.28</u>
63543	30	AMAZON CAPTIAL SERVICES, INC.	04/26/2021	<u>\$1,389.48</u>
63544	30	COUNTRYBOY'S EXCAVATING	04/26/2021	<u>\$500.00</u>
63545	30	DUKE ENERGY PROGRESS	04/26/2021	<u>\$1,906.23</u>
63546	30	FRONTIER NATURAL GAS	04/26/2021	<u>\$58.45</u>
63547	30	INFORMATION TECHNOLOGY SERVICE	04/26/2021	<u>\$174.00</u>

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Check Number	Bank	Vendor	Date	Amount
63548	30	MUNICIPAL INSURANCE TRUST	04/26/2021	<u>\$739.44</u>
63549	30	PETE SMITH TIRE & QUICK LUBE, INC	04/26/2021	<u>\$710.93</u>
63550	30	PITNEY BOWES GLOBAL	04/26/2021	<u>\$224.18</u>
63551	30	QUILL CORPORATION	04/26/2021	<u>\$42.68</u>
63552	30	VERIZON WIRELESS	04/26/2021	<u>\$280.07</u>
63553	30	WATER GUARD, INC.	04/26/2021	<u>\$1,050.42</u>
63554	30	Carolina Images by Angela, LLC	04/27/2021	<u>\$189.00</u>
63555	30	COLUMBIAN MUTUAL LIFE INS CO	04/27/2021	<u>\$37.88</u>
63556	30	HUMANA SPECIALTY BENEFITS	04/27/2021	<u>\$29.38</u>
63557	30	PRUDENTIAL RETIREMENT	04/27/2021	<u>\$1,710.68</u>
63558	30	NC DEQ	04/29/2021	<u>\$15,537.50</u>
63559	30	CNA SURETY DIRECT BILL	04/30/2021	<u>\$149.59</u>
63560	30	Core & Main	04/30/2021	<u>\$819.31</u>
63561	30	DOCUMENT SYSTEMS, INC	04/30/2021	<u>\$2,241.75</u>
63562	30	DUKE ENERGY PROGRESS	04/30/2021	<u>\$110.26</u>
63563	30	JET-VAC SEWER EQUIPMENT	04/30/2021	<u>\$1,468.88</u>
63564	30	KPH PAVING & LANDSCAPING, INC.	04/30/2021	<u>\$6,155.42</u>
63565	30	NEILL M. SINGLETARY	04/30/2021	<u>\$320.00</u>
63566	30	QUILL CORPORATION	04/30/2021	<u>\$47.59</u>
63567	30	USA Bluebook	04/30/2021	<u>\$253.12</u>
63568	30	WARRENTON SUPPLY CO., INC.	04/30/2021	<u>\$66.56</u>
63569	30	WatchGuard Video	04/30/2021	<u>\$512.40</u>
63570	30	WRIGHT EXPRESS FSC	04/30/2021	<u>\$1,349.92</u>
63571	30	ALANNA FLYNNE MEARES	04/30/2021	<u>\$1,000.00</u>
63572	30	FLEMING INVESTMENT COMPANY	04/30/2021	<u>\$3,000.00</u>

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Checks Totaling -

**\$224,338.22**

### Totals By Fund

	Checks	Voids	Total
34	\$3,745.72		\$3,745.72
36	\$1,329.71		\$1,329.71
37	\$25,576.52		\$25,576.52
38	\$54,438.92		\$54,438.92
39	\$31,611.35		\$31,611.35
55	\$107,636.00		\$107,636.00

# Check Listing

Date From: 4/1/2021 Date To: 4/30/2021

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Check Number	Bank	Vendor	Checks	Voids	Date	Amount
		Totals:	\$224,338.22			\$224,338.22

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# Memo

**To:** Town Commissioners  
**From:** Bill Perkinson  
**CC:** Mayor, Town Administrator  
**Date:** May 5, 2021  
**Re:** April 2021 Monthly Activity Report for Public Works

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## Water and Sewer

- **Water and Sewer System Needs – Unfunded:** (1) West Ridgeway St. sewer main (general location is in area between Ridgeway Street and Fairlane Drive) – Determine exact location of sewer main and right of way. (2) Install magnetic flow meter in 14 inch sewer force main where Town of Norlina's and Warren County's Sewer enters Town of Warrenton's sewer system (meter would give us precise measurement of volume of sewer in route to the wastewater treatment plant from our partners thus helping to ensure accurate portioning of monthly wastewater treatment expense between the three partners). (3) Purchase water and sewer line locating equipment. (4) Purchase water main valve exercising equipment.
- **Water and Sewer System Needs – Funded:** (1) Sewer main located between Bragg St. and Macon St. (serves all businesses located on the east side of South Main Street between Odom's Motor Service and Macon Street and Quilt Lizzy) – Line is failing and will need to be repaired or relocated. Repair will be exceedingly difficult due to location of line – Replacement of line will be funded by USDA Rural Development grant. (2) Purchase and install public works 2-way radio repeater. Funded by USDA Rural Development grant. (3) Purchase and install SCADA systems on Town's 3 sewer lift stations - Funded by USDA Rural Development grant.
- **Completed Water and Sewer System Maintenance/Repair Related Information:** (1) Emergency Repair – Sewer Service 417 S. Main St. – Service failed on Town side of service. Replaced connection from edge of yard to sewer main in the middle of street. Contractors: Country Boys Excavating (Labor - \$500.00), Street asphalt repair - Contractor: KPH Paving (Labor and Materials – 6,155.42) Note: 2 more invoices to follow on next month's report. (2) Repair – F & M Sewer Lift Station – Troubleshooted and corrected issue with vacuum system. Contractor: Harris Enterprises (Labor - \$120.00)

**Total cost for Maintenance and Repair Equipment (Account No. 38-851-351 & 38-852-351) - \$00.00**

**Total cost for External Contract Maintenance and Repair (Account No. 38-851-448 & 38-852-448) - \$6,775.42**

## Streets and Sanitation

- **Current Tasks:** Tree pruning. Street curb and gutter cleaning. Signs repair/replacement. Brick sidewalk repairs. Loose leaves/debris pick-up. Grass Cutting.

# Memo

**To:** Town Commissioners  
**From:** Bill Perkinson  
**CC:** Mayor, Town Administrator, Warren County Director of Public Works, Norlina Director of Public Works  
**Date:** May 5, 2021  
**Re:** April 2021 Monthly Activity Report for WWTP

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- **Pending Equipment Repairs:** **(1)** Effluent filter controls – Safety issue - Replace cylinders and control mechanism for valves located in pit area of filter building. **(2)** Sand blast and refinish site metal structures. **(Estimated Cost – Refinishing remaining structures - \$58,000)** **(3)** Replace Influent pump No. 2 and 3 motor base stands. **(Estimated Cost - \$4,000 per pump)**
- **Completed Plant Maintenance/Repair Related Information:** **(1)** Preventative Maintenance – Plant Generator – Switch gear annual check. Contractor: Harris Enterprises (Labor - \$180.00) **(2)** Washwater System – Troubleshooted and repaired high pressure alarm condition – Also purchased hydro-pneumatic tank probe for critical spare parts inventory. Contractor: Harris Enterprises (Labor - \$420.00, Parts - \$1,252.88). **(3)** Emergency Repair – Influent Pump 3 – Trouble-shooted and repaired motor control issue. Contractor: Harris Enterprises (Labor - \$120.00). **(4)** Repair/Fabrication – Vortex System. Fabricated new shaft and hub for impeller. Overhauled electric motor and transmission. Removed unit and re-installed. Contractor: Harris Enterprises (Labor - \$2,460.00, Materials - \$670.68). **(5)** Emergency Repair – Oxidation Ditch Mixer – Trouble-shooted and repaired issue with motor control. Contractor: Harris Enterprises (Labor - \$120.00).

**Total cost for Repairs (Account No. 39-861-342) - \$5,414.30**

- **Plant Discharge Quality:** Our discharge quality remained good throughout the entire month; 19.67 million gallons were treated.

# Activity Detail Summary (by Category)

Warrenton Police Department

(04/01/2021 - 04/30/2021)

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## Incident Investigations

23H - All Other Larceny	3
250 - Counterfeiting/Forgery	2
26A - False Pretenses/Swindle/Confidence Game	3
26B - Credit Card/Automatic Teller Machine Fraud	1
290 - Destruction/Damage/Vandalism of Property	2
90C - Disorderly Conduct	1
90J - Trespass of Real Property	1
90Z - All Other Offenses	4
<b>Total Offenses</b>	<b>17</b>
<b>Total Incidents</b>	<b>11</b>

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## Arrests

90J - Trespass of Real Property	1
<b>Total Charges</b>	<b>1</b>
<b>Total Arrests</b>	<b>1</b>

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## Accidents

**Total Accidents** 0

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## Citations

Driving While License Revoked	3
Other (Infraction)	1
Speeding (Infraction)	5
Unsafe Movement	1
Secondary Charge	7
<b>Total Charges</b>	<b>17</b>
<b>Total Citations</b>	<b>10</b>

# Activity Detail Summary (by Category)

Warrenton Police Department

(04/01/2021 - 04/30/2021)

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## Warning Tickets

Total Charges 0

Total Warning Tickets 0

---

## Ordinance Tickets

Total Ordinance Tickets 0

---

## Criminal Papers

Total Criminal Papers Served 0

Total Criminal Papers 0

---

## Civil Papers

Total Civil Papers Served 0

Total Civil Papers 0

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# Activity Log Event Summary (Cumulative Totals)

## Warrenton Police Department

(04/01/2021 - 04/30/2021)

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911 Hang-up	1	Accident	4
Alarm Activation	11	Assist Elderly/Lost person	2
Assist Motorist	1	Assist NPD	1
Assist Other Department	1	Assist WC EMS	10
Assist WCSO	9	C.O.P.S. - Main St	14
C.O.P.S.- Neighborhood Patrol	2	Careless and Reckless Driving	1
Civil Dispute	3	Complaint	4
Disabled Vehicle	1	Dispute	2
Disturbance	10	Domestic	2
Escort	1	Follow up Investigation	2
Foot Patrol	2	Fraud	2
Funeral Escort	2	Information by Phone	1
Investigation and/or Interview	4	Larceny	3
Medical / Person Hurt or Sick	1	Missing Person – Attempt to Locate	1
Non Law Enforcement Issue	3	Open Door (Residence)	1
Other	3	Patrol	5
Property Check – Business	17	Property Check – Residential	4
Stolen Vehicle	1	Suspicious Person / Vehicle	11
Talk with Officer	8	Traffic Light / Street Safety Issue	1
Traffic Stop	26	Training	2
Trespassing	1	Vandalism	2
Vehicle Maintenance	2	Wash Patrol Vehicle	3
Welfare Check	2		

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**Total Number Of Events: 190**



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

P.O. Box 281  
Warrenton, NC 27589-0281  
(252) 257-1122 Fax (252) 257-9219  
[www.warrenton.nc.gov](http://www.warrenton.nc.gov)

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### **BOC Meeting April 2021 – Action Items Checklist**

1. Execute annexation resolution, file copy of resolution with Register of Deeds, update Ordinance Book as addition to Table 1. (cont.)
  - ✓ Done for Hayley Haywood property. Mayor reviewing other annexed properties.
2. Execute Interlocal Agreement for building inspections with Warren County.
  - ✓ Awaiting executed agreement back from Warren County (cont.)
3. Update personnel manual with vacation accrual changes (cont.)
4. Send Well Wishes card to Tom Hardy at Duke Hospital
  - ✓ Done
5. Execute Resolution on Real Property Surplus after adding \$7000 reserve
  - ✓ Done
6. Execute Resolution on Personal Property Surplus
  - ✓ Done
7. Execute Resolution opposing SB 349 and HB 401, forward to elected officials at state.
  - ✓ Done



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

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## **STATUS OF GRANTS**

### **(Fund 51 & 61) USDA Rural Development --**

- Project being closed out.

### **(Fund 53) NC Commerce Main Street Downtown Redevelopment -- \$500,000 to redevelop 107 N. Main Street.**

- Received bids for Phase 2. Received some lower bids for electrical, concrete and plumbing. Phase 2 plans may be revised and rebid, else project could continue as Phase 1 cost estimates are similar to prior estimates.
- Received updated estimates to continue on as Phase 1. Town placed building under its insurance policy.
- Town working with COG and NC Commerce to facilitate difficult situation. However, work must be completed by December 2021 or HUD will claw back unspent funds.

### **(Fund 55) NC DEQ Water Infrastructure WWTP -- \$2,100,000 to rehab most severe areas of WWTP**

- Town \$1,600,000 with 100% grant and Town to pay 1.5% processing fee. Town borrowing additional \$500,000 to pay for cost increases in marketplace.
- Grit classifier set. Mixers delivered. Conduit for wiring 90% complete. Wiring connected to Duke Energy transformer. Lime system delivery in May. Generator pad poured.

### **TAP Grant – ADA (Americans with Disabilities Act) or handicapped sidewalk access**

- DOT roads = 100% grant
- DOT indicated that funds have been allocated but construction has been delayed until January of 2022.

### **(Fund 64 & 65) NC DEQ – Sewer Rehab – Battle Ave/Unity & Bute**

- Project being closed out.

### **NC Main Street Solutions Warrenton Brewery Grant - \$100,000 grant with 2 to 1 match. This grant is to help renovate 120 S. Main Street for a Brewery and Meadery.**

- Renovation work progressing. Roof installed. Work must be completed by September 2021 per grant agreement

### **NC Neighborhood Revitalization Program**

- Application underway for CDGB funds to assist in repairing houses owned by citizens of low or moderate incomes.
- Received release of funds letter from NC Department of Commerce.
- Conducting legal deed work on individual properties. Conducting scopes of work for individual properties.

### **Volkswagen Settlement Grant**

- Application submitted on September 30 seeking replacement of garbage truck, dump truck, tractor and back hoe. No Town match was included in the application.
- Town awarded \$218,000 for new garbage and dump trucks. One of 70 awards given. Contract process may be two to six months to complete. Town must purchase equipment and be reimbursed approximately two weeks later.
- In the process of ordering vehicles: garbage truck and dump truck.

### **Building Reuse Grant**

- Town awarded \$50,000 from NC Commerce for Warrenton Veterinary Clinic.
- Closing on building complete.
- Executed grant agreement with Commerce and Dr. O'Malley.

### **Brownfield Grant**

- This grant will analyze the environmental issues with multiple properties in Warrenton.
- Grant application submitted by Cardno engineers.
- The Town has been unofficially awarded a grant of \$300,000. The official notice will come the week of May 17<sup>th</sup>.



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

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---

WATER / SEWER REVENUES (POST RATE INCREASE)

**Monthly Run Rate to Meet Budget Projections:**

Water Revenues: \$67,000

Sewer Revenues: \$49,000

**April 2021 Pre-billing Report**

Water Revenues: \$60,000

Sewer Revenues: \$48,000

**March 2021 Pre-billing Report**

Water Revenues: \$57,000

Sewer Revenues: \$44,000

**February 2021 Pre-billing Report**

Water Revenues: \$61,000

Sewer Revenues: \$46,000

**January 2021 Pre-billing Report**

Water Revenues: \$59,000

Sewer Revenues: \$47,000

**December 2020 Pre-billing Report**

Water Revenues: \$58,000

Sewer Revenues: \$45,000

**November Pre-billing Report**

Water Revenues: \$65,000

Sewer Revenues: \$51,000

**October Pre-billing Report**

Water Revenues: \$63,000

Sewer Revenues: \$49,000

**September Pre-billing Report**

Water Revenues: \$67,000

Sewer Revenues: \$54,000

**August Pre-billing Report**

Water Revenues: \$69,000

Sewer Revenues: \$55,000

\* Note the Pre-billing does not reflect monies collected, only monies billed, so actual revenues collected may be lower. Billing is in arrears so there is a 30-day lag between usage and billing.

## Attachment C: Time-Product-Payment Schedule

### Warrenton Historic District National Register Nomination Additional Documentation & Boundary Increase (approx. 325 + 85 properties)

*Prepared by Heather M. Slane – October 1, 2020*

Task	Hrs.	Amount	Deadline																
<b><u>Initial Data Collection:</u></b>			August 31, 2021																
Survey Files, GIS data, Sanborn maps	8	\$320																	
Secondary Sources	15	\$600																	
<b><u>Fieldwork:</u></b>			September 30, 2021																
Existing District Follow-up	6	\$240																	
<i>Boundary Increase</i>	8	\$320																	
<b><u>Inventory Preparation:</u></b>			December 15, 2021																
Revise Existing Entries	40	\$2,000																	
Revise Existing HPO data base	20	\$800																	
<i>Draft/revise entries for Boundary Increase</i>	20	\$1,000																	
<i>Create HPO data base for Boundary Increase</i>	10	\$400																	
<b><u>Contextual Development:</u></b>			January 31, 2022																
Draft Historic & Architectural Context	40	\$2,000																	
Draft Statement of Significance	10	\$500																	
Additional Research and Oral History	15	\$600																	
<b><u>Report Preparation:</u></b>			March 15, 2022																
Write Draft Nomination	45	\$2,250																	
Map Preparation (survey & USGS maps)	15	\$600																	
<i>Map Preparation for Boundary Increase/Decrease</i>	5	\$200																	
<b><u>Revisions:</u></b>			60 days after SHPO review																
Revision of Draft into Final Nomination	40	\$2,000																	
Processing enlarged photos	2	\$80																	
Public Information meeting presentations	6	\$240																	
<b><i>Total Labor</i></b>		305	\$14,150																
<table style="width: 100%; border-collapse: collapse;"> <tr> <td colspan="2" style="text-align: center;"><b><i>Direct Costs:</i></b></td> </tr> <tr> <td style="padding-left: 40px;">Survey Photo Prints</td> <td style="text-align: right;">\$60</td> </tr> <tr> <td style="padding-left: 40px;">Enlarged prints: 30 @ \$4.15 each</td> <td style="text-align: right;">\$125</td> </tr> <tr> <td style="padding-left: 40px;">Maps/Postage</td> <td style="text-align: right;">\$25</td> </tr> <tr> <td style="padding-left: 40px;">Printing/Misc. Supplies</td> <td style="text-align: right;">\$50</td> </tr> <tr> <td style="padding-left: 40px;">4 Trips to Warrenton @ \$60/each</td> <td style="text-align: right;">\$240</td> </tr> <tr> <td colspan="2" style="text-align: right;"><b><i>Total Direct Costs</i></b></td> </tr> <tr> <td></td> <td style="text-align: right;">\$500</td> </tr> </table>				<b><i>Direct Costs:</i></b>		Survey Photo Prints	\$60	Enlarged prints: 30 @ \$4.15 each	\$125	Maps/Postage	\$25	Printing/Misc. Supplies	\$50	4 Trips to Warrenton @ \$60/each	\$240	<b><i>Total Direct Costs</i></b>			\$500
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Printing/Misc. Supplies	\$50																		
4 Trips to Warrenton @ \$60/each	\$240																		
<b><i>Total Direct Costs</i></b>																			
	\$500																		

**Final Combined Total                      \$14,650**



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

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**CAPITAL PROJECT ORDINANCE**

**Volkswagen On-Road Program Grant  
Established by the State of North Carolina with Settlement Funds from Volkswagen  
May 10, 2021**

**BE IT ORDAINED** by the Board of Commissioners of the Town of Warrenton, North Carolina that, pursuant to Section 13.1 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

**Section 1:** The Capital Project (Fund 69) authorized by the Board of Commissioners of the Town of Warrenton is for the purpose of receiving and distributing funds from the Volkswagen On-Road Program Grant awarded to the Town for the purchase of a garbage truck and dump truck.

**Section 2:** The Board of Commissioners of the Town of Warrenton directs the Town Administrator to proceed with the Capital Project within the terms of the grant documents, the rules and regulations of the State of North Carolina and the budget contained herein.

**Section 3:** The following revenues are anticipated to be available to complete the project activities.

Grant	\$218,780.11
Town Contribution	<u>\$ 5,479.98</u>
Total	\$224,260.09

**Section 4:** The following amounts are appropriated for the project activities:

Garbage Truck	\$ 162,982.00
Dump Truck	\$ 61,278.09
Total	\$ 224,260.09

**Section 5:** The Town Administrator is hereby directed to maintain within the Capital Project fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement and Federal and State regulations.

**Section 6:** The Town Administrator is directed to include a detailed analysis of past and future costs and revenues of this Capital Project in every budget submission made to this Board of Commissioners.

**Section 7:** The Town Administrator shall be authorized to transfer appropriations within the various line items of this Capital Project ordinance as he deems necessary, subject to the approval of the Local Government Commission. All such transfers shall be reported to the Board of Commissioners.

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Walter M. Gardner, Jr. – Mayor

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ATTEST: Robert Davie – Town Administrator



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

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**CAPITAL PROJECT ORDINANCE**

**American Relief Fund Grant  
Established by the United States Federal Government  
May 10, 2021**

**BE IT ORDAINED** by the Board of Commissioners of the Town of Warrenton, North Carolina that, pursuant to Section 13.1 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted:

**Section 1:** The Capital Project (Fund 70) authorized by the Board of Commissioners of the Town of Warrenton is for the purpose of receiving and distributing funds from the American Relief Fund awarded to the Town.

**Section 2:** The Board of Commissioners of the Town of Warrenton directs the Town Administrator to proceed with the Capital Project within the terms of the grant documents, the rules and regulations of the Federal government and the budget contained herein.

**Section 3:** The following revenues are anticipated to be available to complete the project activities.

Grant	<u>\$240,000</u>
Total	\$240,000

**Section 4:** The following amounts are appropriated for the project activities:

TBD	\$240,000

**Section 5:** The Town Administrator is hereby directed to maintain within the Capital Project fund sufficient specific detailed accounting records to provide the accounting to the grantor agency required by the grant agreement and Federal and State regulations.

**Section 6:** The Town Administrator is directed to include a detailed analysis of past and future costs and revenues of this Capital Project in every budget submission made to this Board of Commissioners.

**Section 7:** The Town Administrator shall be authorized to transfer appropriations within the various line items of this Capital Project ordinance as he deems necessary, subject to the approval of the Local Government Commission. All such transfers shall be reported to the Board of Commissioners.

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Walter M. Gardner, Jr. – Mayor

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ATTEST: Robert Davie – Town Administrator



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

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### **Audit Contract Renewals**

- Charry Bekaert, regular audit increase of \$400 from \$10,600 to \$11,000.
- Greg Isley, CPA audit preparation. Increasing from \$8700 to \$9200.
- Single audit prices remain the same at \$3000 each. We estimate that there will be two single audits required, one for the USDA grant and one for NCDEQ grants.

Regular Audit services total: \$20,200

Single Audit for two grants total: \$6,000

### **For Reference**

- In 2013 the Town paid Winston, Williams and Creech \$21,465 for regular audit services. There were no grants to be audited that year.

April 14, 2021

To the Town Council of  
Town of Warrenton  
113 S. Bragg St.  
Warrenton, North Carolina 27589

Dear Ladies and Gentlemen:

This engagement letter between Town of Warrenton (hereafter referred to as the “Town” or “you” or “your” or “management”) and Cherry Bekaert LLP (the “Firm” or “Cherry Bekaert” or “we” or “us” or “our”) sets forth the nature and scope of the services we will provide, the Town’s required involvement and assistance in support of our services, the related fee arrangements, and other Terms and Conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed-upon objectives of the Town.

## Summary of services

We will provide the following services to the Town as of and for the year ended June 30, 2021:

### Audit and attestation services

1. We will audit the basic financial statements of the Town as of and for the year ended June 30, 2021 including the governmental activities, the business type activities, each major fund and the aggregate remaining fund information.
2. We will audit the individual fund statements and schedules and other schedules as listed in the table of contents and the schedule of expenditures of federal and State awards (if applicable). As part of our engagement, we will apply certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America (“GAAS”).
3. We will apply limited procedures to the Required Supplementary Information (RSI) and the Town’s management’s discussion and analysis (MD&A) which will consist 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 obtain during our audit of the financial statements.

### Nonattest accounting and other services

We will provide the following additional services:

1. Complete the appropriate sections of and sign the Data Collection Form.

## Your expectations

As part of our planning process, we have discussed with you your expectations of Cherry Bekaert, changes that occurred during the year, your views on risks facing you, any relationship issues with Cherry Bekaert, and specific engagement arrangements and timing. Our services plan, which includes our audit plan, is designed to provide a foundation for an effective, efficient, and quality-focused approach to accomplish the engagement objectives and meet or exceed the Town's expectations. Our services plan will be reviewed with you periodically and will serve as a benchmark against which you will be able to measure our performance. Any additional services that you may request, and that we agree to provide, will be the subject of separate written arrangements.

The Town recognizes that our professional standards require that we be independent from the Town in our audit of the Town's financial statements and our accompanying report in order to ensure that our objectivity and professional skepticism have not been compromised. As a result, we cannot enter into a fiduciary relationship with the Town and the Town should not expect that we will act only with due regard to the Town's interest in the performance of this audit, and the Town should not impose on us special confidence that we will conduct this audit with only the Town's interest in mind. Because of our obligation to be independent of the Town, no fiduciary relationship will be created by this engagement or audit of the Town's financial statements.

The engagement will be led by April Adams, who will be responsible for assuring the overall quality, value, and timeliness of the services provided to you.

## Audit and attestation services

The objective of our audit is the expression of opinions as to whether the Town's basic financial statements are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles and to report on the fairness of the additional information referred to in the Summary of Services section when considered in relation to the basic financial statements taken as a whole. The objective also includes reporting on:

- Internal control over financial reporting and compliance with the provisions of applicable laws, regulations, contracts, and grant agreements, noncompliance with which could have a material effect on the financial statements in accordance with *Government Auditing Standards*
- Internal control over compliance related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996 and *Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* ("Uniform Guidance") and the State Single Audit Implementation Act.

The *Government Auditing Standards* report on internal control over financial reporting and on compliance and other matters will include a paragraph that states that (1) the purpose of the report is solely to describe the scope of testing of internal control and compliance and the result of that testing, and not to provide an opinion on the effectiveness of the Town's internal control or on compliance, and (2) the report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. The Uniform Guidance report on internal control over compliance will

include a paragraph that states that the purpose of the report on internal control over compliance is solely to describe the scope of testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Both reports will state that the report is not suitable for any other purpose.

Our audit will be conducted in accordance with auditing standards generally accepted in the United States of America; and the standards for financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the provisions of Uniform Guidance; the Single Audit Act Amendments of 1996; State Single Audit Implementation Act and OMB *Guidance for Grants and Agreements* (2 CFR 200) and the State Single Audit Implementation Act, and will include tests of accounting records, a determination of major programs in accordance with Uniform Guidance, and other procedures as deemed necessary to enable us to express such opinions. We will also issue written reports upon completion of our Single Audit. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion or add emphasis-of-matter or other-matter paragraphs. If our opinion is other than unmodified, we will discuss the reasons with you in advance. If, for any reason, we are unable to complete the audit or are unable to form or have not formed an opinion, we may decline to express opinions or issue reports, or may withdraw from this engagement.

## Nonattest accounting and other services

In connection with any of the audit, accounting, or other services noted below, we will provide a copy of all schedules or other support for you to maintain as part of your books and records supporting your basic financial statements. You agree to take responsibility for all documents provided by Cherry Bekaert and will retain copies based on your needs and document retention policies. By providing these documents to you, you confirm that Cherry Bekaert is not responsible for hosting your records or maintaining custody of your records or data and that Cherry Bekaert is not providing business continuity or disaster recovery services. You confirm you are responsible for maintaining internal controls over your books and records including business continuity and disaster recovery alternatives. In addition, any documents provided to Cherry Bekaert by the Town in connection with these services will be considered to be copies and will not be retained by Cherry Bekaert after completion of the accounting and other services. You are expected to retain anything you upload to a Cherry Bekaert portal and are responsible for downloading and retaining anything we upload in a timely manner. Portals are only meant as a method of transferring data, are not intended for the storage of client information, and may be deleted at any time. You are expected to maintain control over your accounting systems to include the licensing of applications and the hosting of said applications and data. We do not provide electronic security or back-up services for any of your data or records. Giving us access to your accounting system does not make us hosts of information contained within.

The accounting and other services described in this section are nonaudit services, which do not constitute audit services under *Government Auditing Standards*, and such services will not be conducted in accordance with *Government Auditing Standards*. We will perform the services in accordance with applicable professional standards. We, in our sole professional judgment, reserve the right to refuse to perform any procedure or take any action that could be construed as assuming Town's management responsibilities.

In conjunction with providing these accounting and other services, we may use third party software or templates created by Cherry Bekaert for use on third party software. Management expressly agrees that the Town has obtained no rights to use such software or templates and that Cherry Bekaert's use of the Town's data in those applications is not deemed to be hosting, maintaining custody, providing business continuity, or disaster recovery services.

### **Data collection form**

We will complete the appropriate sections of and sign the Data Collection Form that summarizes our audit findings. We will provide copies of our reports to the Town; however, it is the Town's management's responsibility to submit the reporting package (including financial statements, schedule of expenditures of federal awards, summary schedule of prior audit findings, auditors' reports, and corrective action plan) along with the Data Collection Form to the designated federal audit clearinghouse and, if appropriate, to pass-through entities. The Data Collection Form and the reporting package must be submitted within the earlier of 30 days after receipt of the auditors' reports or nine months after the end of the audit period.

### **Town's management responsibilities related to accounting and other services**

For all nonattest services we perform in connection with the engagement, you are responsible for designating a competent employee to oversee the services, make any management decisions, perform any management functions related to the services, evaluate the adequacy of the services, retain relevant copies supporting your books and records, and accept overall responsibility for the results of the services.

Prior to the release of the report, the Town's management will need to sign a representation letter acknowledging its responsibility for the results of these services, and acknowledging receipt of all appropriate copies.

### **Town's management responsibilities related to the audit**

The Town's management is responsible for (1) designing, implementing, and maintaining effective internal controls, including internal controls over federal awards, and for evaluating and monitoring ongoing activities to help ensure that appropriate goals and objectives are met; (2) following laws and regulations; (3) ensuring that there is reasonable assurance that government programs are administered in compliance with compliance requirements; and (4) ensuring that the Town's management and financial information is reliable and properly reported. The Town's management is also responsible for implementing systems designed to achieve compliance with applicable laws, regulations, contracts, and grant agreements. You are also responsible for the selection and application of accounting principles; for the preparation and fair presentation of the financial statements, schedule of expenditures of federal awards and all accompanying information in conformity with U.S. generally accepted accounting principles; and for compliance with applicable laws and regulations (including federal statutes) and the provisions of contracts and grant agreements (including award agreements). Your responsibilities also include identifying significant contractor relationship in which the contractor has responsibility for program compliance and for the accuracy and completeness of that information.

The Town's management is responsible for making all financial records and related information available to us and for the accuracy and completeness of that information. You are also responsible for providing us with (1) access to all information of which it is aware that is relevant to the preparation and fair presentation of the financial statements, (2) access to personnel, accounts, books, records, supporting documentation, and other information as needed to perform an audit under the Uniform Guidance, (3) additional information that we may request for the purpose of the audit and (4) unrestricted access to persons within the Town from whom we determine it necessary to obtain audit evidence.

Your responsibilities include adjusting the financial statements to correct material misstatements and for confirming to us in the written representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

You are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Town involving (1) the Town's management, (2) employees who have significant roles in internal control, and (3) others where the fraud could have a material effect on the financial statements. Your responsibilities include informing us of your knowledge of any allegations of fraud or suspected fraud affecting the Town received in communications from employees, former employees, grantors, regulators, or other. In addition, you are responsible for identifying and ensuring that the Town complies with applicable laws, regulations contracts, agreements, and grants and for taking timely and appropriate steps to remedy fraud and noncompliance with provisions of laws, regulations, contracts, or grant agreements that we report. Additionally, as required by the Uniform Guidance, it is the Town's management's responsibility to evaluate and monitor noncompliance with federal statutes, regulations, and the terms and conditions of federal awards; take prompt action when instances of noncompliance are identified including noncompliance identified in audit findings; promptly follow up and take corrective action on reported audit findings; and prepare a summary schedule of prior audit findings and a separate corrective action plan.

The Town's management is responsible for identifying all federal awards received and understanding and complying with the compliance requirements and for the preparation of the schedule of expenditures of federal awards (including notes and noncash assistance received) in conformity with the Uniform Guidance. You agree to include our report on the schedule of expenditures of federal awards in any document that contains and indicates that we have reported on the schedule of expenditures of federal awards. You also agree to include the audited financial statements with any presentation of the schedule of expenditures of federal awards that includes our report thereon OR make the audited financial statements readily available to intended users of the schedule of expenditures of federal awards no later than the date the schedule of expenditures of federal awards is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the schedule of expenditures of federal awards in accordance with the Uniform Guidance, (2) you believe the schedule of expenditures of federal awards, including its form and content, is stated fairly in accordance with the Uniform Guidance, (3) the methods of measurement or presentation have not changed from those used in the prior period or, if they have changed, the reasons for such changes), and (4) the Town has disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the schedule of expenditures of federal awards.

You are responsible for the preparation of the supplementary information, which we have been engaged to report on, in conformity with U.S. generally accepted accounting principles. You agree to include our report on the supplementary information in any document that contains and indicates that we have reported on the supplementary information. You also agree to include the audited financial statements with any presentation of the supplementary information that includes our report thereon OR make the audited financial statements readily available to users of the supplementary information no later than the date the supplementary information is issued with our report thereon. Your responsibilities include acknowledging to us in the written representation letter that (1) you are responsible for presentation of the supplementary information in accordance with GAAP, (2) you believe the supplementary information, including its form and content, is fairly presented in accordance with GAAP, (3) the methods of measurement or presentation have not changed from those used in the prior period (or, if they have changed, the reasons for such changes), and (4) you have disclosed to us any significant assumptions or interpretations underlying the measurement or presentation of the supplementary information.

The Town's management is responsible for establishing and maintaining a process for tracking the status of audit findings and recommendations. The Town's management is also responsible for identifying and providing report copies of previous financial audits, attestation engagements, performance audits or other studies related to the objectives discussed in the *Audit and attestation services* section of this letter. This responsibility includes relaying to us corrective actions taken to address significant findings and recommendations resulting from those audits, attestation engagements, performance audits, or other studies. You are also responsible for providing Town's management views on our current findings, conclusions, and recommendations, as well as your planned corrective actions, for the report, and for the timing and format for providing that information.

The Town's management agrees to assume all management responsibilities relating to the financial statements, schedule of expenditures of federal awards and related notes, and any other nonaudit services we provide. You will be required to acknowledge in the management representation letter our assistance with preparation of the financial statements, schedule of expenditures of federal awards, and related notes and that you have reviewed and approved the financial statements, schedule of expenditures of federal awards, and related notes prior to their issuance and have accepted responsibility for them. Further, you agree to oversee the nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.

## **Management representations**

The Firm will rely on the Town's management providing the above noted representations to us, both in the planning and performance of the audit, and in considering the fees that we will charge to perform the audit.

## **Fees**

The estimated fees contemplate only the services described in the Summary of Services section of this letter. If the Town's management requests additional services not listed above, we will provide an estimate of those fees prior to commencing additional work.

The following summarizes the fees for the services described above:

<b>Description of services</b>	<b>Estimated fee</b>
<b>Audit services</b>	
Audit of the financial statements	\$11,000*
<b>Accounting services</b>	
Preparation of the Data Collection Form (if needed)	<u>(Included in fee)</u>
Total	<u>\$11,000</u>

\*A single audit fee of \$3,000 per major program will be assessed, if determined necessary. The Town will only incur costs per program if determined to be major and compliance work is performed.

The fees will be billed periodically. Invoices are due on presentation. A service charge will be added to past due accounts equal to 1½% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of \$2.00 per month.

If the foregoing is in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us. No change, modification, addition, or amendment to this letter shall be valid unless in writing and signed by all parties. The parties agree that this letter may be electronically signed and that the electronic signatures will be deemed to have the same force and effect as handwritten signatures.

If you have any questions, please call April Adams at (919) 742-1040.

Sincerely,

**CHERRY BEKAERT LLP**



ATTACHMENT – Engagement Letter Terms and Conditions

---

**TOWN OF WARRENTON**

ACCEPTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

**Cherry Bekaert LLP**  
**Engagement Letter Terms and Conditions**

---

The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.

**Limitations of the audit report**

Should the Town wish to include or incorporate by reference these financial statements and our report thereon into *any* other document at some future date, we will consider granting permission to include our report into another such document at the time of the request. However, we may be required by generally accepted auditing standards (“GAAS”) to perform certain procedures before we can give our permission to include our report in another document such as an annual report, private placement, regulator filing, official statement, offering of debt securities, etc. You agree that the Town will not include or incorporate by reference these financial statements and our report thereon, or our report into any other document without our prior written permission. In addition, to avoid unnecessary delay or misunderstandings, it is important to provide us with timely notice of your intention to issue any such document.

**Limitations of the audit process**

In conducting the audit, we will perform tests of the accounting records and such other procedures as we consider necessary in the circumstances to provide a reasonable basis for our opinion on the financial statements. We also will assess the accounting principles used and significant estimates made by the Town’s management, as well as evaluate the overall financial statement presentation.

Our audit will include procedures designed to obtain reasonable assurance of detecting misstatements due to errors or fraud that are material to the financial statements. Absolute assurance is not attainable because of the nature of audit evidence and the characteristics of fraud. For example, audits performed in accordance with GAAS are based on the concept of selective testing of the data being examined and are, therefore, subject to the limitation that material misstatements due to errors or fraud, if they exist, may not be detected. Also, an audit is not designed to detect matters that are immaterial to the financial statements. In addition, an audit conducted in accordance with GAAS does not include procedures specifically designed to detect illegal acts having an indirect effect (e.g., violations of fraud and abuse statutes that result in fines or penalties being imposed on the Town) on the financial statements.

Similarly, in performing our audit we will be aware of the possibility that illegal acts may have occurred. However, it should be recognized that our audit provides no assurance that illegal acts generally will be detected, and only reasonable assurance that illegal acts having a direct and material effect on the determination of financial statement amounts will be detected. We will inform you with respect to errors and fraud, or illegal acts that come to our attention during the course of our audit unless clearly inconsequential. In the event that we have to consult with the Town’s counsel or counsel of our choosing regarding any illegal acts we identify, additional fees incurred may be billed to the Town. You agree that the Town will cooperate fully with any procedures we deem necessary to perform with respect to these matters.

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We will issue a written report upon completion of our audit of the Town's financial statements. If, for any reason, we are unable to complete the audit, or are unable to form, or have not formed an opinion on the financial statements, we may decline to express an opinion or decline to issue a report as a result of the engagement. We will notify the appropriate party within your organization of our decision and discuss the reasons supporting our position.

### **Audit procedures – general**

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, our audit will involve professional judgment about the number of transactions to be examined and the areas to be tested. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by the Town's management, as well as evaluating the overall presentation of the financial statements. We will plan and perform the audit to obtain reasonable rather than absolute assurance about whether the financial statements are free of material misstatement, whether from (1) errors, (2) fraudulent financial reporting, (3) misappropriation of assets, or (4) violations of laws or governmental regulations that are attributable to the Town or to acts by the Town's management or employees acting on behalf of the Town. Because the determination of waste and abuse is subjective, *Government Auditing Standards* do not expect auditors to perform specific procedures to detect waste or abuse in financial audits, nor do they expect auditors to provide reasonable assurance of detecting waste and abuse.

Because of the inherent limitations of an audit, combined with the inherent limitations of internal control, and because we will not perform a detailed examination of all transactions, there is a risk that material misstatements or noncompliance may exist and not be detected by us, even though the audit is properly planned and performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. In addition, an audit is not designed to detect immaterial misstatements or violations of laws or governmental regulations that do not have a direct and material effect on the financial statements or major programs. However, we will inform the appropriate level of the Town's management of any material errors and fraud, or illegal acts that come to our attention during the course of our audit. We will also inform you of any violations of laws or governmental regulations that come to our attention, unless clearly inconsequential. Our responsibility as auditor is limited to the period covered by our audit and does not extend to any later periods for which we are not engaged as auditor.

Our procedures will include tests of documentary evidence supporting the transactions recorded in the accounts, and may include tests of the physical existence of inventories, and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, funding sources, creditors and financial institutions. We will request written representations from your attorneys as part of the engagement, and they may bill you for responding to this inquiry. At the conclusion of our audit, we will require certain written representations from you about your responsibilities for the financial statements; schedule of expenditures of federal awards; federal award programs; compliance with laws, regulations, contracts, and grant agreements; and other responsibilities required by generally accepted auditing standards.

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## Audit procedures – internal controls

Our audit will include obtaining an understanding of the Town and its environment, including internal controls, sufficient to assess the risks of material misstatement of the financial statements and to design the nature, timing, and extent of further audit procedures. Tests of controls may be performed to test the effectiveness of certain controls that we consider relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements. Our tests, if performed, will be less in scope than would be necessary to render an opinion on internal control, including cybersecurity, and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to *Government Auditing Standards*.

As required by the Uniform Guidance, we will perform tests of controls over compliance to evaluate the effectiveness of the design and operation of controls that we consider relevant to preventing or detecting material noncompliance with compliance requirements applicable to each major federal award program. However, our tests will be less in scope than would be necessary to render an opinion on those controls and, accordingly, no opinion will be expressed in our report on internal control issued pursuant to the Uniform Guidance.

An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. However, during the audit, we will communicate to the Town's management and those charged with governance internal control related matters that are required to be communicated under American Institute of Certified Public Accountants ("AICPA") professional standards, *Government Auditing Standards*, and the Uniform Guidance.

## Audit procedures - compliance

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

The Uniform Guidance requires that we also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with federal statutes, regulations, and the terms and conditions of federal awards applicable to major programs. Our procedures will consist of tests of transactions and other applicable procedures described in the *OMB Compliance Supplement* for the types of compliance requirements that could have a direct and material effect on each of the Town's major programs. The purpose of these procedures will be to express an opinion on the Town's compliance with requirements applicable to each of its major programs in our report on compliance issued pursuant to the Uniform Guidance.

## Nonattest services (if applicable)

All nonattest services to be provided in the attached engagement letter (if applicable) shall be provided pursuant to the AICPA Code of Professional Conduct. The AICPA Code of Professional Conduct requires that we establish objectives of the engagement and the services to be performed, which are described under nonattest services in the attached letter.

You agree that the Town's designated individual will assume all the Town's management responsibilities for the nonattest services we provide; oversee the services by designating an individual, with suitable skill, knowledge, or experience; evaluate the adequacy and results of the services; and accept responsibility for them. In order to ensure we provide such services in compliance with all professional standards, the designated individual is responsible for:

- Making all financial records and related information available to us
- Ensuring that all material information is disclosed to us
- Granting unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence
- Identifying and ensuring that such nonattest complies with the laws and regulations

The accuracy and appropriateness of such nonattest services shall be limited by the accuracy and sufficiency of the information provided by the Town's designated individual. In the course of providing such nonattest services, we may provide professional advice and guidance based on knowledge of accounting, tax and other compliance, and of the facts and circumstances as provided by the Town's designated individual. Such advice and guidance shall be limited as permitted under the AICPA Code of Professional Conduct.

## Communications

At the conclusion of the audit engagement, we may provide the Town's management and those charged with governance a letter stating any significant deficiencies or material weaknesses which may have been identified by us during the audit and our recommendations designed to help the Town make improvements in its internal control structure and operations related to the identified matters discovered in the financial statement audit. As part of this engagement, we will ensure that certain additional matters are communicated to the appropriate members of the Town. Such matters include (1) our responsibilities under GAAS, (2) the initial selection of and changes in significant accounting policies and their application, (3) our independence with respect to the Town, (4) the process used by Town's management in formulating particularly sensitive accounting estimates and the basis for our conclusion regarding the reasonableness of those estimates, (5) audit adjustments, if any, that could, in our judgment, either individually or in the aggregate be significant to the financial statements or our report, (6) any disagreements with the Town's management concerning a financial accounting, reporting, or auditing matter that could be significant to the financial statements, (7) our views about matters that were the subject of the Town's management's consultation with other accountants about auditing and accounting matters, (8) major issues that were discussed with the Town's management in connection with the retention of our services, including, among other matters, any discussions regarding the application of accounting principles and auditing standards, and (9) serious difficulties that we encountered in dealing with the Town's management related to the performance of the audit.

We have attached a copy of the report on our most recent peer review.

## Other matters

### Access to working papers

The working papers and related documentation for the engagement are the property of the Firm and constitute confidential information. We have a responsibility to retain the documentation for a period of time to satisfy legal or regulatory requirements for records retention. It is our policy to retain all workpapers and client information for seven years from

the date of issuance of the report. It is our policy to retain emails and attachments to emails for a period of 12 months, except as required by any governmental regulation. Except as discussed below, any requests for access to our working papers will be discussed with you prior to making them available to requesting parties. Any parties seeking voluntary access to our working papers must agree to sign our standard access letter.

We may be requested to make certain documentation available to regulators, governmental agencies (e.g., SEC, PCAOB, HUD, DOL, etc.), or their representatives (“Regulators”) pursuant to law or regulations. If requested, access to the documentation will be provided to the Regulators. The Regulators may intend to distribute to others, including other governmental agencies, our working papers and related documentation without our knowledge or express permission. You hereby acknowledge and authorize us to allow Regulators access to and copies of documentation as requested. In addition, our Firm, as well as all other major accounting firms, participates in a “peer review” program covering our audit and accounting practices as required by the AICPA. This program requires that once every three years we subject our quality assurance practices to an examination by another accounting firm. As part of the process, the other firm will review a sample of our work. It is possible that the work we perform for the Town may be selected by the other firm for their review. If it is, they are bound by professional standards to keep all information confidential. If you object to having the work we do for you reviewed by our peer reviewer, please notify us in writing.

### **Electronic transmittals**

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not always a secure means of communication and thus, confidentiality may be compromised. As an alternative, we recommend using our Client Portal (“Portal”) to transmit documents. Portal allows the Town, us, and other involved entities to upload and download documents in a secure location. You agree to the use of email, Portal, and other electronic methods to transmit and receive information, including confidential information, between the Firm, the Town, and other third party providers utilized by either party in connection with the engagement.

### **Use of third party providers**

In the normal course of business, we may on occasion use the services of an independent contractor or a temporary or loaned employee, all of whom may be considered a third party service provider. On these occasions, we remain responsible for the adequate oversight of all services performed by the third party service provider and for ensuring that all services are performed with professional competence and due professional care. We will adequately plan and supervise the services provided by the third party service provider; obtain sufficient relevant data to support the work product; and review compliance with technical standards applicable to the professional services rendered. We will enter into a contractual agreement with the third party service provider to maintain the confidentiality of information and be reasonably assured that the third party service provider has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

## Subpoenas

In the event we are requested or authorized by the Town, or required by government regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement for the Town, the Town will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request at standard billing rates.

## Dispute resolution provision

This Dispute Resolution Provision sets forth the dispute resolution process and procedures applicable to any dispute or claim arising out of or relating to this engagement letter or the services provided hereunder, or any other audit or attest services provided by or on behalf of the Firm or any of its subcontractors or agents to the Town or at its request (“Disputes”), and shall apply to the fullest extent of the law, whether in contract, statute, tort (such as negligence), or otherwise.

## Mediation

All Disputes shall be first submitted to nonbinding confidential mediation by written notice to the parties, and shall be treated as compromise and settlement negotiations under the standards set forth in the Federal Rules of Evidence and all applicable state counterparts, together with any applicable statutes protecting the confidentiality of mediations or settlement discussions. If the parties cannot agree on a mediator, the International Institute for Conflict Prevention and Resolution (“CPR”), at the written request of a party, shall designate a mediator.

## Arbitration procedures

If a Dispute has not been resolved within 90 days after the effective date of the written notice beginning the mediation process (or such longer period, if the parties so agree in writing), the mediation shall terminate and the Dispute shall be settled by binding arbitration to be held at a mutually agreeable location. The arbitration shall be conducted in accordance with the CPR Rules for Non-Administered Arbitration that are in effect at the time of the commencement of the arbitration, except to the extent modified by this Dispute Resolution Provision (the “Rules”). The arbitration shall be conducted before a panel of three arbitrators. Each of the Town and the Firm shall designate one arbitrator in accordance with the “screened” appointment procedure provided in the Rules, and the two party-designated arbitrators shall jointly select the third in accordance with the Rules. No arbitrator may serve on the panel unless he or she has agreed in writing to enforce the terms of the engagement letter and to abide by the terms of the Rules. Except with respect to the interpretation and enforcement of these arbitration procedures (which shall be governed by the Federal Arbitration Act), the arbitrators shall apply the laws of the Commonwealth of Virginia (without giving effect to its choice of law principles) in connection with the Dispute. The arbitrators may render a summary disposition relative to all or some of the issues, provided that the responding party has had an adequate opportunity to respond to any such application for such disposition. Any discovery shall be conducted in accordance with the Rules. The result of the arbitration shall be binding on the parties, and judgment on the arbitration award may be entered in any court having jurisdiction.

## Costs

Each party shall bear its own costs in both the mediation and the arbitration; however, the parties shall share the fees and expenses of both the mediators and the arbitrators equally.

### **Waiver of trial by jury**

**In the event the parties are unable to successfully arbitrate any dispute, controversy, or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.**

### **Independent contractor**

Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency, or fiduciary relationship.

### **No third party beneficiaries**

The parties do not intend to benefit any third party by entering into this agreement, and nothing contained in this agreement confers any right or benefit upon any person or entity who or which is not a signatory of this agreement.

### **Statute of limitations**

The Town agrees not to bring any claims against any partner or employee of the Firm in any form for any reason. The Town and the Firm agree that any suit arising out of or related to the services contemplated by this engagement letter must be filed within two years after the cause of action arises. The cause of action arises upon the earlier of (i) delivery of the final work product for which the firm has been engaged, (ii) where applicable, filing of the final work product for which the firm has been engaged, or (iii) the date which the services contemplated under this engagement letter are terminated by either party.

### **Terms and conditions supporting fees**

The estimated fees set forth in the attached engagement letter are based on anticipated full cooperation from the Town's personnel, timely delivery of requested audit schedules and supporting information, timely communication of all significant accounting and financial reporting matters, the assumption that unexpected circumstances will not be encountered during the audit, as well as working space and clerical assistance as mutually agreed-upon and as is normal and reasonable in the circumstances. We strive to ensure that we have the right professionals scheduled on each engagement. As a result, sudden Town requested scheduling changes or scheduling changes necessitated by the agreed information not being ready on the agreed-upon dates can result in expensive downtime for our professionals. Any last minute schedule changes that result in downtime for our professionals could result in additional fees. Our estimated fees do not include assistance in bookkeeping or other accounting services not previously described. If, for any reason, the Town is unable to provide such schedules, information, and assistance, the Firm and the Town will mutually revise the fee to reflect additional services, if any, required of us to achieve these objectives.

The estimated fees contemplate that the Town will provide adequate documentation of its systems and controls related to significant transaction cycles and audit areas.

In providing our services, we will consult with the Town with respect to matters of accounting, financial reporting, or other significant business issues as permitted by professional standards. Accordingly, time necessary to affect a reasonable amount of such consultation is reflected in our fees. However, should a matter require research, consultation, or audit work beyond that amount, the Firm and the Town will agree to an appropriate revision in our fee.

The estimated fees are based on auditing and accounting standards effective as of the date of this engagement letter and known to apply to the Town at this time, but do not include any time related to the application of new auditing or accounting standards that impact the Town for the first time. If new auditing or accounting standards are issued subsequent to the date of this letter and are effective for the period under audit, we will estimate the impact of any such standard on the nature, timing, and extent of our planned audit procedures and will communicate with the Town concerning the scope of the additional procedures and the estimated fees.

The Town agrees to pay all costs of collection (including reasonable attorneys' fees) that the Firm may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the Town will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.

This engagement letter sets forth the entire understanding between the Town and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

## **Report on the Firm's System of Quality Control**

October 22, 2019

To the Partners of Cherry Bekaert LLP and the National Peer Review Committee

We have reviewed the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP (the firm) applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2019. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards). A summary of the nature, objectives, scope, limitations of, and the procedures performed in a System Review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### **Firm's Responsibility**

The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported in conformity with professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### **Peer Reviewer's Responsibility**

Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review.

### **Required Selections and Considerations**

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act; audits of employee benefit plans, an audit performed under FDICIA, an audit of broker-dealers, and an examination of service organizations [SOC 1 engagement].

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### **Opinion**

In our opinion, the system of quality control for the accounting and auditing practice of Cherry Bekaert LLP applicable to engagements not subject to PCAOB permanent inspection in effect for the year ended April 30, 2019, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of pass, pass with deficiency(ies) or fail. Cherry Bekaert LLP has received a peer review rating of pass.

*Eisner Amper LLP*  
EisnerAmper LLP



The of and	Governing Board Members of Town Council
	Primary Government Unit (or charter holder) Town of Warrenton, North Carolina
	Discretely Presented Component Unit (DPCU) (if applicable) N/A

*Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)*

and	Auditor Name Cherry Bekaert LLP
	Auditor Address 3800 Glenwood Avenue, Suite 200, Raleigh, NC 27612

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending	Audit Report Due Date
	06/30/21	10/31/21

*Must be within four months of FYE*

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).

2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit performed under the requirements found in Subpart F of the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay shall be submitted to the Secretary of the LGC for approval.
7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC along with an Audit Report Reissued Form (available on the Department of State Treasurer website). These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to charter schools or hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 28 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

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

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to charter schools or hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.

26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern.

30. Applicable to charter school contracts only: No indebtedness of any kind incurred or created by the charter school shall constitute an indebtedness of the State or its political subdivisions, and no indebtedness of the charter school shall involve or be secured by the faith, credit, or taxing power of the State or its political subdivisions.

31. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 16 for clarification).

32. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

33. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

34. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

**FEEES FOR AUDIT SERVICES**

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will not be approved.

Financial statements were prepared by:  Auditor  Governmental Unit  Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

<b>Name:</b> Meredith Valentine	<b>Title and Unit / Company:</b> Finance Officer	<b>Email Address:</b> m.valentine@warrenton.nc.gov
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OR Not Applicable  (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the billings for the last annual audit of the unit submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

**PRIMARY GOVERNMENT FEES**

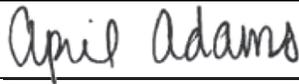
Primary Government Unit	Town of Warrenton, North Carolina
Audit Fee	\$ 11,000
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$ 3,000
Writing Financial Statements	\$ 0
All Other Non-Attest Services	\$ 0
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	\$ 12,450.00

**DPCU FEES (if applicable)**

Discretely Presented Component Unit	N/A
Audit Fee	\$ N/A
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$ N/A
Writing Financial Statements	\$ N/A
All Other Non-Attest Services	\$ N/A
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	\$

## SIGNATURE PAGE

## AUDIT FIRM

Audit Firm* Cherry Bekaert LLP	
Authorized Firm Representative (typed or printed)* April Adams	Signature* 
Date* 04/14/21	Email Address* aadams@cbh.com

## GOVERNMENTAL UNIT

Governmental Unit* Town of Warrenton, North Carolina	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S. 159-34(a) or G.S. 115C-447(a))	
Mayor/Chairperson (typed or printed)*	Signature*
Date	Email Address

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

## GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*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* (typed or printed) Meredith Valentine	Signature*
Date of Pre-Audit Certificate*	Email Address* m.valentine@warrenton.nc.gov

**SIGNATURE PAGE – DPCU  
(complete only if applicable)**

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU* N/A	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)* N/A	Signature*
Date*	Email Address*

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

**DPCU – PRE-AUDIT CERTIFICATE**

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*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.*

DPCU Finance Officer (typed or printed)* N/A	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all required signatures prior to submission.

**PRINT**

April 19, 2021

Members of the Board of Commissioners  
Town of Warrenton  
PO Box 281  
Warrenton, NC 27589

Attention: Meredith Valentine

This letter is to confirm our understanding of the terms and objectives of this engagement and the nature and limitations of the financial statement preparation and audit coordination services that will be provided for the Town's year ending June 30, 2021.

#### FINANCIAL STATEMENT PREPARATION

We will prepare the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Town of Warrenton as of and for the years ended June 30, 2021 and the related notes to the financial statements which collectively comprise the Town's basic financial statements.

#### FINANCIAL STATEMENT AUDIT COORDINATION

We will facilitate the audit of the Town's financial statements with the Town's auditor. This facilitation will include the 1) preparation of schedules for the auditor which they will need to perform their audit, 2) addressing auditors questions related to the Town's financial statements, 3) scheduling the timing of the audits and other logistical matters for the completion of the audit.

#### OTHER MATTERS

Unless you indicate otherwise, our firm may transmit confidential information that you provided us to third parties in order to facilitate delivering our services to you. We have secured confidentiality agreements with all our service providers to maintain the confidentiality of your information and we will take reasonable precautions to determine that they have the appropriate procedures in place to prevent the unauthorized release of confidential information to others. We will remain responsible for the work provided by any third-party service providers used under this agreement. By your signature below, you consent to having confidential information transmitted to entities outside the firm. Please feel free to inquire if you would like additional information regarding the transmission of confidential information to entities outside the firm.

#### INDEMNITY

To the extent I am acting on behalf of the Town and at the direction of management, the Town agrees to indemnify me for any damages that may result from our good faith actions.

## CONFIDENTIALITY

During the course of this engagement we may have access to proprietary information of the Town, including, without limitations, oral and written information and material concerning or pertaining to the Town's trade secrets, business methods, plans and/or projects. I acknowledge that such information, regardless of its form, is confidential and proprietary to the Town, and that I shall not use, copy, or disclose the information in whole or in part in any manner or to any person or entity without the express prior written consent of a duly authorized officer of the Town.

## FEES

Our fee will be \$9,200 for the year ended June 30, 2021. Statements for services will be sent on a monthly basis, and are payable within fifteen days. Fees do not include out-of-pocket expenses advanced on behalf of the Town, such as computer charges, telephone calls, postage, photocopying, etc.; these will be billed separately.

In addition, in the event our firm or any of its employees or agents is called as a witness or requested to provide any information (whether oral, written, or electronic) in any judicial, quasi-judicial, or administrative hearing or trial regarding information or communications that you have provided to this firm, or any documents and workpapers prepared by Greg W Isley, CPA, PA in accordance with the terms of this agreement, you agree to pay any and all reasonable expenses, including fees and costs for our time at the rates specified in our engagement letter, as well as any legal or other fees that we incur as a result of such appearance or production of documents.

In connection with this engagement, we may communicate with you or others via email transmission. We take reasonable measures to secure your confidential information in our email transmissions, including password protecting confidential documents. However, as email can be intercepted and read, disclosed, or otherwise used or communicated by an unintended third party, or may not be delivered to each of the parties to whom it is directed and only to such parties, we cannot guarantee or warrant that email from us will be properly delivered and read only by the addressee. Therefore, we specifically disclaim and waive any liability or responsibility whatsoever for interception or unintentional disclosure or communication of email transmissions, or for the unauthorized use or failed delivery of email transmitted by us in connection with the performance of this engagement. In that regard, you agree that we shall have no liability for any loss or damage to any person or entity resulting from the use of email transmissions, including any consequential, incidental, direct, indirect, or special damages, such as loss of sales or anticipated profits, or disclosure or communication of confidential or proprietary information.

Billings become delinquent if not paid within thirty days of the invoice date. If billings are past due in excess of thirty days, at our election, we may stop all work until your account is brought current or withdraw from this engagement. Town of Warrenton acknowledges and agrees that we are not required to continue work in the event of Town of Warrenton's failure to pay on a timely basis for services rendered as required by this engagement letter. Town of Warrenton further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of Town of Warrenton's failure to pay on a timely basis for services rendered as required by this engagement letter, we will not be liable for any damages that occur as a result of our ceasing to render services.

This engagement contemplates that the audit for 2019 will be conducted during November/December of 2019.

If any dispute arises among the parties hereto, the parties agree to first try in good faith to settle the dispute by mediation administered by the American Arbitration Association under its Rules for Professional Accounting and Related Services Disputes before resorting to litigation. The costs of any mediation proceeding shall be shared equally by all parties.

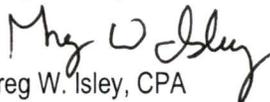
Client and accountant both agree that any dispute over fees charged by the accountant to the client will be submitted for resolution by arbitration in accordance with the Rules for Professional Accounting and Related Services Disputes of the American Arbitration Association. Such arbitration shall be binding and final. IN AGREEING TO ARBITRATION, WE BOTH ACKNOWLEDGE THAT IN THE EVENT OF A DISPUTE OVER FEES CHARGED BY

THE ACCOUNTANT, EACH OF US IS GIVING UP THE RIGHT TO HAVE THE DISPUTE DECIDED IN A COURT OF LAW BEFORE A JUDGE OR JURY AND INSTEAD WE ARE ACCEPTING THE USE OF ARBITRATION FOR RESOLUTION.

I appreciate the opportunity to be of service to you and believe this letter correctly expresses the significant terms of our engagement. If you have any questions, please let me know. If you agree with the terms of our engagement as described in this letter, please sign the enclosed copy and return it to me. This letter will continue in effect until canceled by either party.

Cordially,

**Greg W. Isley, CPA, PA**

  
Greg W. Isley, CPA  
President

This letter correctly sets forth our understanding.

Acknowledged and agreed on behalf of Town of Warrenton, North Carolina by:

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

P.O. Box 281  
Warrenton, NC 27589-0281  
(252) 257-1122 Fax (252) 257-9219  
[www.warrenton.nc.gov](http://www.warrenton.nc.gov)

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### **Plummer Hook and Ladder Museum – Agreement to Establish Non-Profit Status**

Because the museum does not have its own legal status as a corporation the Town must enter into an agreement with Cherry Bekaert LLP, the Town’s auditor, to establish the museum as a non-profit corporation.

Once non-profit status is acquired, the museum will enter into its own audit agreement separate from any audit agreements that the Town has.

Assisting the museum board in the process is:

**Amanda M. Adams, CPA**  
*Managing Director, Cherry Bekaert LLP*  
*National Leader, Nonprofit Tax Services*

Mitch Styers has reviewed the agreement.



April 21, 2021

Robert Davie  
Town of Warrenton  
PO Box 281  
Warrenton, NC 27589

Dear Mr. Davie:

Thank you for choosing Cherry Bekaert LLP (the “Firm” or “Cherry Bekaert”) to provide tax services to a new nonprofit organization to be formed by the Town of Warrenton (hereafter referred to as the “Exempt Organization”). This engagement letter (including the attached Consent to Disclose Form and Engagement Letter Terms and Conditions, which are incorporated herein by reference) between the Exempt Organization and Cherry Bekaert sets forth the nature and scope of the services we will provide, the Exempt Organization’s required involvement and assistance in support of our services, the related fee arrangements, and other terms and conditions, which are attached hereto and incorporated by reference, designed to facilitate the performance of our professional services and to achieve the mutually agreed upon objectives of the Exempt Organization.

It is our understanding that you are the person responsible for the tax matters of the Exempt Organization, and as such, you are the appropriate person for us to contact to request any additional information and to receive any report or work product from us.

### ***Summary of Services***

We will provide the following services to the Exempt Organization:

- Prepare Form 1023, Application for Recognition of Exemption

We are responsible only for the tax services listed above. All other tax returns or filings are to be prepared or performed by you or another third party, or are covered under separate arrangements.

Any additional services and/or advice that you may request subsequent to the execution of this agreement and that we agree to provide (including but not limited to routine questions or planning matters) will be subject to separate arrangements made at the time requested or invoiced under our customary billing practices outlined below.

### ***Application Filing***

Management has the final responsibility for the Exempt Organization’s application. Please review the application carefully before it is filed. The Exempt Organization’s application will be electronically filed (“e-filed”) where required or allowable by the applicable tax authorities. You are responsible for submitting to us the appropriate signed e-file authorization forms in time for us to meet all tax return filing deadlines. **In accordance with federal and state law, we cannot release any tax returns for e-filing until we are in receipt of your signed e-file authorization**

**forms plus any other documentation required by law for e-filing.** Additional documentation requirements and/or fees may apply for paper filed returns.

To the extent any returns are paper filed, management remains responsible for filing/mailing all necessary documents. We assume no responsibility for the filing or mailing of any paper tax returns, tax forms, disclosures, or statements with taxing authorities. We assume no responsibility for the payment of any amounts due, regardless of filing method.

### ***Fees***

Our fees are based on anticipated full cooperation from the Exempt Organization's management. Further, we assume that unexpected circumstances will not be encountered. The Exempt Organization agrees to take responsibility for providing, in a timely manner, schedules and supporting information, and assistance, including timely communication of all significant accounting and tax matters, as is normal and reasonable in the circumstances. When and if for any reason the Exempt Organization is unable to provide such schedules, information, and/or assistance, Cherry Bekaert and the Exempt Organization will mutually revise the fees to reflect additional services.

Our fees are also based on tax law effective as of the date of this engagement letter and known to apply to the Exempt Organization at this time, but do not include any time related to the application of new tax law that impacts the Exempt Organization for the first time, or changes in the Exempt Organization's circumstances that would require significant changes in the scope of the work to be performed. If new tax laws are issued subsequent to the date of this letter and are effective for the tax year referred to above, we will estimate the impact of any such laws on the nature, timing, and extent of our planned tax services, and will communicate with you concerning the scope of the additional work and estimated fees.

In providing our services, we will consult with the Exempt Organization with respect to tax matters or other significant business issues as permitted by professional standards. Accordingly, time necessary for a reasonable amount of such consultation is reflected in our fees. However, should a matter require research, consultation, or tax work beyond that amount, the Firm and the Exempt Organization will agree to an appropriate revision in our fees.

Our fees for the services described above are estimated to be as follows:

Form 1023	\$ 3,000 – 5,000
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Final actual fees will be based upon our customary billing practices at the time of the engagement, which contemplate the professional services we render, the time expended to complete the engagement, the complexity of the engagement, and any expenses incurred. However, we will contact you in advance should it appear that our fees will exceed the range shown above to obtain your approval. Fees will be billed periodically as charges are incurred. All invoices are payable upon presentation. A service charge will be added to past due accounts equal to 1½% per month (18% annually) on the previous month's balance less payments received during the month, with a minimum charge of \$2.00 per month.

Fees for services not described above, and that are not subject to a separate arrangement, will be based upon our customary billing practices at the time of the engagement, which contemplate the professional services we render and any expenses incurred. These fees will be billed periodically as charges are incurred.

### ***Limitation of Damages***

In recognition of the relative risks and benefits of this agreement to both the Exempt Organization and us, Management of the Exempt Organization agrees to the fullest extent permitted by law, to limit the damages owed by Cherry Bekaert to the Exempt Organization for any and all liability, claims, losses, and costs, of any nature whatsoever, so that the total aggregate damages payable by Cherry Bekaert to the Exempt Organization shall not exceed the total fees for services rendered under this agreement. Both parties to this agreement intend and agree that this limitation apply to any and all damages or causes of action against Cherry Bekaert, however alleged or arising, unless otherwise prohibited by law, or unless the claimed liability arises due to the alleged gross negligence or willful misconduct of Cherry Bekaert.

### ***Limitation on the Filing of a Claim***

Unless otherwise prohibited by law, it is agreed by the Exempt Organization and the Firm, or their successors in interest, that no claims arising from the performance of professional services by the Firm pursuant to this agreement shall be filed, asserted or maintained in any manner against the Firm more than two (2) years after the date of delivery of any return or the date that the Firm stops providing professional services under this agreement, whichever date first occurs.

In the event the services under this agreement are to provide services over more than one (1) tax year, it is the intention of the parties for purposes of this paragraph that each individual tax year of this agreement in which professional services are performed shall be considered as if the parties made a single year tax engagement and the limitations period shall begin to run at the conclusion of each tax year's engagement as set forth in the Summary of Services.

### ***Other Provisions***

This letter contains information proprietary and confidential to Cherry Bekaert and shall not be reproduced, disseminated, or transmitted by any means, in whole or in part, or disclosed in any manner to a third party, without the express prior written consent of Cherry Bekaert. Title in and to this document and all information contained herein remains at all times with Cherry Bekaert. Any person or entity to whom this document is furnished or who otherwise has possession thereof, by acceptance agrees that this information will not be disclosed to a third party or used in any manner except to meet the purposes for which it was delivered. This engagement letter is between the Exempt Organization and Cherry Bekaert only, and the parties do not intend that any third party shall benefit from this engagement letter.

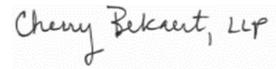
This engagement letter, including the attached Engagement Letter Terms and Conditions, sets forth the entire understanding between the Exempt Organization and the Firm regarding the services described herein and supersedes any previous proposals, correspondence, and understandings, whether written or oral. Any subsequent changes to the terms of this letter, other than additional billings, will be rendered in writing and shall be executed by both parties. Should any portion of this engagement letter be ruled invalid, it is agreed that such invalidity will not affect any of the remaining portions.

If the foregoing and the attached Consent to Disclose Form and Engagement Letter Terms and Conditions are in accordance with your understanding, please sign a copy of this letter in the space provided and return it to us in the enclosed envelope or by electronic transmission. The terms, fees, and conditions listed herein will expire 30 days from the date of this letter if unsigned,

unless the Firm, at its sole discretion, agrees to waive the provisions of this paragraph. A copy of this letter is enclosed for your files.

We want to express our appreciation for this opportunity to be of service to you. If you have any questions or concerns regarding this letter or the attached Terms and Conditions, please do not hesitate to contact us.

Sincerely,



**Cherry Bekaert LLP**

Attachments: Consent to Disclose  
Engagement Letter Terms and Conditions

ACCEPTED BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

## **Consent to Disclose or Use Tax Return Information Form**

In accordance with federal law and Treasury regulations, we are seeking your permission to use your name as a current Cherry Bekaert client and/or reference and to share your contact information with Cherry Bekaert's mail and email delivery providers so that you may receive Cherry Bekaert newsletters, bulletins, and surveys, and other Firm information as appropriate. Details are listed in item number one below.

We are also requesting permission to share your name, contact information, and tax return information with one or more of our non-tax service providers within Cherry Bekaert LLP or with one or more of our affiliated consulting businesses in order to recommend consulting services to you in addition to tax return preparation services. Details are listed in item 2 below.

Please note that under no circumstance do we provide personal information to non-Cherry Bekaert companies for the purpose of soliciting any third-party product or service.

Federal law requires this consent form be provided to you. Unless otherwise authorized by law, we cannot disclose to third parties or use your tax return information for purposes other than the preparation and filing of your tax return without your consent. If you consent to the disclosure of your tax return information, Federal law may not protect your tax return information from further use or distribution.

**By signing this engagement letter, you are agreeing to the terms on this Consent to Disclose Form. You have the right to opt out of any specific use or disclosure by striking it from the list of items in 1. (a - f); or 2. (a - c) below.**

1. Intended Purpose for Which Consent is Furnished: To use Taxpayer's name and basic contact information for marketing purposes, including the following specific uses and disclosures:
  - a. to be listed in proposals for new work as a representative client of Cherry Bekaert,
  - b. to be held out as a client of Cherry Bekaert to the general public, including prospective and targeted clients,
  - c. to be held out as a reference for existing, prospective, or targeted clients of Cherry Bekaert,
  - d. to be contacted to provide marketing testimonials that may be published on our website or promotional publications, or outside trade publications or newspapers, and if so agreed, to the actual publication of such,
  - e. to send to you by any medium: Firm newsletters, surveys, press releases, information concerning Firm seminars and non-tax-related services, and any other communication sent to some or all of the Firm's clients, and
  - f. to disclose basic contact information to specific third-party mail and email delivery providers for the distribution of items in (e) above. All Cherry Bekaert mail lists are subject to and protected by strict confidentiality agreements with third-party vendors.

Specific Recipients of Disclosed Information: Third-party mail and email distribution providers, and the general public, specifically clients and prospective clients of Cherry Bekaert

Specific Tax Return Information Authorized to be Disclosed or Used: This consent covers your name, basic contact information, and general industry information to be used in the manner described above. The context in which your information is disclosed or used may create an inference as to the general size or structure of your business. However, no specific financial information will be disclosed unless this information is already available to the general public or you otherwise authorize.

2. Intended Purpose for Which Consent is Furnished: To use Taxpayer's name, basic contact information, and tax return information for the following specific uses:

- a. to make referrals for non-tax services within Cherry Bekaert LLP,
- b. to make referrals to Cherry Bekaert Wealth Management, LLC regarding consulting services for qualified an non-qualified retirement plans or other financial advisory services,
- c. to make referrals to THInc IT LLC regarding consulting services for information systems, data technology, processes and procedures, and other similar services, and
- d. to make referrals to Cherry Bekaert Benefits Consulting regarding consulting services for compensation and benefits strategies and risk management planning and other similar services.

Specific Recipients of Disclosed Information: Personnel employed by Cherry Bekaert LLP and each of the three Cherry Bekaert affiliates identified above

Specific Tax Return Information Authorized to be Disclosed or Used: This consent covers your name, basic contact information, and general industry information, and may also include ownership structure and all information from your federal tax return.

Duration of Consent:

The consents above are valid until revoked, unless you list an expiration here: \_\_\_\_\_

The requested tax return information will not be disclosed or used by Cherry Bekaert for any purpose other than that stated above, unless otherwise permitted under 26 C.F.R. §301.7216-2.

**Cherry Bekaert LLP**  
**Engagement Letter Terms and Conditions**

**The following terms and conditions are an integral part of the attached engagement letter and should be read in their entirety in conjunction with your review of the letter.**

***Tax Return Responsibilities***

Management of the Exempt Organization is responsible for the proper recording of transactions in the books of accounts, for the safeguarding of assets, and for the substantial accuracy of the financial records. The Exempt Organization will furnish us with all the information required for preparing the returns. We are not required under professional standards to, nor will we, audit or verify the data you submit to us, although we may ask you to clarify it or furnish us with additional data. Because you have final responsibility for the returns, you should review them carefully before you sign and file them.

Management of the Exempt Organization is responsible for maintaining proper records in accordance with tax laws to substantiate all items of income and deductions you provide to us for the preparation of tax returns. These include, but are not limited to, charitable contribution substantiation, records required under IRC Section 274 to support travel, entertainment, gifts, and related expenses, and documentation required under IRC Section 482 transfer pricing regulations. If you have any questions as to the type of records required, please ask us for advice in that regard.

Our work, in connection with the preparation of your income tax returns and other tax services identified in the engagement letter, does not include any procedures designed to discover fraud, defalcations, or other irregularities, should any exist. We will render such accounting and bookkeeping assistance only as is necessary for preparation of the income tax returns.

Cherry Bekaert will rely on you to provide information and representations to us in the performance of our professional services and in consideration of the fees that we will charge. Because we will be relying on Management's representations, you agree to indemnify the Firm, and its partners and employees, and hold them harmless from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by an officer or employee of the Company, regardless of whether such officer or employee was acting in the Company's interest, and *even if the Firm acted negligently or wrongfully in failing to uncover or detect such misrepresentation*. This indemnification applies only to the extent of claims, liabilities, losses, and costs attributable to the misrepresentation; will not apply in circumstances where Cherry Bekaert has been found to be grossly negligent; and will survive termination of this letter.

***Professional Standards***

The services under this agreement will be provided in accordance with applicable professional standards, including IRS Circular 230, the Statements on Standards for Tax Services issued by the American Institute of Certified Public Accountants, and the tax preparer penalty standards of IRC Sec. 6694 and the regulations thereunder.

In the performance of our professional services, these standards impose on us certain obligations that may require us to act contrary to what you may believe are in the Exempt Organization's best interest. As a result, we will not enter into a fiduciary relationship with the Exempt Organization and the Exempt Organization should not impose on us special confidence that we will conduct this engagement with only the Exempt Organization's interest in mind. Accordingly, you understand that no fiduciary relationship will be created by this engagement.

***Substantial Authority Penalty Standard***

The Emergency Economic Stabilization Act of 2008 equalized the tax return preparer penalty standard to your standard as a taxpayer at "substantial authority" for undisclosed tax return positions. The "substantial authority" standard is generally interpreted as having a 40% chance of being sustained on its

merits. We will advise you to disclose any tax return position that we believe does not meet the substantial authority standard. In the event that we advise you to disclose a tax return position that, in our professional judgment, will not meet the “substantial authority” standard and you refuse to disclose the position, we reserve the right to stop work and shall not be liable to the Exempt Organization for any damages that occur as a result of ceasing to render services. You will be responsible for any charges incurred through the date we stop work on the Exempt Organization’s tax return.

### ***Tax Return Matters***

We will use our professional judgment in preparing tax returns and providing other tax services identified in the engagement letter. Whenever we are aware that a possibly applicable tax law is unclear or that there are conflicting interpretations of the law by authorities (e.g., tax agencies and courts) we will explain the possible positions that may be taken on the tax return. We will follow the position you request on the return so long as it is consistent with tax codes and regulations and interpretations that have been promulgated, including the new tax return preparer standards as outlined above. If the Internal Revenue Service or other taxing authority should later contest the position taken, there may be an assessment of additional tax plus interest and penalties. We assume no liability for any such additional penalties or assessments.

The law provides for penalties to be imposed when taxpayers make a substantial understatement of their tax liability. If you would like information on the amount or circumstances of these penalties, or how they relate to the tax return preparer penalties, please contact us.

This engagement does not include responding to government inquiries, notices, or examinations. In the event of a government audit or examination, we highly recommend that you consult with us prior to responding to the taxing authority. Any proposed adjustments by an examining agent are subject to certain rights of appeal. We will be available upon request to represent you in such matters and will render invoices for the professional services and expenses incurred under our customary billing practices.

A taxpayer may authorize the Internal Revenue Service and state taxing authorities to discuss the taxpayer’s tax return with the Tax Professional who signed the return as the “preparer.” With this authorization, the tax return preparer may (1) provide information that may be missing from your return, (2) call to inquire on the processing of your return or the status of a refund, (3) respond to notices relating to mathematical errors, offsets, and return preparation. As a business practice, we routinely check the “yes” box in the signature area of the tax return that makes an irrevocable election to grant this authority for that specific tax return. The authorization is valid for one year after the due date for filing the tax return. If you do not wish to grant this authority, please notify us.

### ***Other Tax Filings and Services***

The Exempt Organization is responsible for providing us the information necessary to:

- Prepare the international, state, and local tax forms or returns as outlined above in the Summary of Services, and/or
- Identify applicable federal and state tax credits.

Unless we are specifically engaged to do so, we will not perform any nexus or other similar study to determine international, state, or local tax form or return filing requirements that the Exempt Organization may have, nor will we perform a detailed analysis of credits for which the Exempt Organization is eligible but is not currently claiming.

The Exempt Organization maintains sole responsibility for meeting any:

- Foreign country tax or reporting requirements,
- Transfer Pricing documentation requirements,
- State or local requirements for reporting unclaimed property, and/or
- Affordable Care Act reporting requirements.

Cherry Bekaert will not assist in fulfilling these requirements unless specifically engaged.

Please note that if the Exempt Organization has a tax filing requirement in a given state or local jurisdiction but does not file the required tax return(s) or other report(s), it is possible that the non-filing could have adverse ramifications. If you would like more information on this matter, please let us know.

### ***Foreign Bank Account Reporting and Foreign Financial Asset Disclosure***

Any person or entity subject to the jurisdiction of the U.S. having a financial interest in, or signature or other authority over, a bank, securities or other financial account(s) in a foreign country having an aggregate value exceeding \$10,000, shall report such relationship. Failure to disclose the required information to the U.S. Department of the Treasury may result in substantial civil and/or criminal penalties.

If the Exempt Organization has a financial interest in any foreign account(s), you are responsible for providing our Firm all information necessary to prepare any applicable informational returns required by the U. S. Department of the Treasury under Foreign Bank Account Reporting regulations. If you do not provide our Firm with such information, we will not prepare any of the required disclosure statements.

### ***Listed and Reportable Transaction Disclosure***

The regulations under IRC Section 6662 require the disclosure of listed and reportable transactions, including "tax shelters." Failure to disclose the required information may result in severe penalties. If the Exempt Organization has entered into any business arrangements that would require disclosure under Reg. Section 1.6011 or IRC Section 6662, you are responsible for providing our Firm all information necessary to prepare any applicable tax return disclosures. If you do not provide our Firm with such information, we will not prepare any required disclosure statement(s), nor will we be responsible for any penalties that may be assessed.

### ***Investment Advice***

Unless otherwise specifically agreed to, our advice concerning a particular investment shall be limited to advising the Exempt Organization with regard to the tax ramifications of the investment. It shall not include advising the Exempt Organization regarding the economic viability or consequences of the investment or whether or not the Exempt Organization should make the investment. Our advice regarding the tax ramifications of the investment shall be based on the documents and information that you provide us regarding the investment. It is specifically understood and agreed that we will not undertake any independent due diligence investigation regarding the investment and that we may rely on the accuracy of the documents and information that you provide us in rendering our opinion about the tax ramifications of the investment.

### ***Confidentiality and Access to Working Papers***

We are required by professional standards and federal law to keep all information about our engagement confidential, so we will not disclose any information about the Exempt Organization unless we have your approval through written consent or are required/permitted by law. This applies even if the Exempt Organization is no longer a client.

The working papers and related documentation for this engagement are the property of Cherry Bekaert and constitute confidential information. Any requests for access to our working papers will be discussed with you prior to making them available to requesting parties.

### ***Record Retention***

It is the Exempt Organization's responsibility to retain all the documents, receipts, canceled checks, and other data that form the basis of income and deductions reported in the tax returns. As a business practice, we do not regularly make copies for our files of all client documents when preparing tax returns. Your original records will be returned to you at the end of this engagement. Because our working papers and files are not a substitute for the original records, you should store them in a secure place.

We are committed to the safekeeping of the Exempt Organization's confidential information, and we maintain physical, electronic, and procedural safeguards to protect your information. In general, it is our

Firm's policy to keep copies of tax returns, working papers and other records related to this engagement for no more than seven years from the date we issue your tax returns.

### ***Electronic Transmittals***

During the course of our engagement, we may need to electronically transmit confidential information to each other, within the Firm, and to other entities engaged by either party. Although email is an efficient way to communicate, it is not a secure means of communications and thus, confidentiality may be compromised. As an alternative, we recommend using our Client Portal ("Portal") to transmit documents. Portal allows you, us, and other involved entities to upload and download documents in a secure location. You agree to the use of email, Portal, and other electronic methods to transmit and receive information, including confidential information between the Firm, the Exempt Organization, and other third party providers utilized by either party in connection with the engagement.

### ***Third-Party Service Provider***

In the normal course of providing tax services, we may on occasion use the services of an independent contractor, a temporary or loaned employee, or a non-affiliated technology vendor, all of whom may be considered a third-party service provider. On these occasions, we remain responsible for the adequate oversight of all services performed by the third-party service provider and for ensuring that all services are performed with professional competence and due professional care.

When we share confidential information about you with third parties, we remain committed to maintaining the confidentiality and security of your information. We will enter into a contractual agreement with the third-party service provider to maintain the confidentiality of information and be reasonably assured that the third-party service provider has appropriate procedures in place to prevent the unauthorized release of confidential information to others.

In the event we intend to utilize third parties who will provide services that involve substantive determination or advice affecting your tax liability, we will request your prior approval through a separate written consent.

### ***Tax Professional - Client Privilege***

Federal law and state law, where applicable, have extended the attorney-client privilege to some, but not all, communications between a client and the client's Tax Professional. The privilege applies only to non-criminal tax matters that are before the Internal Revenue Service or brought by or against the U.S. Government in a federal court. The communications must be made in connection with tax advice. Communications solely concerning the preparation of a tax return will not be privileged.

Taking advantage of privilege requires specific and deliberate actions on our part, including the creation of separate engagement letters, billing records, and files with restricted access. As a general business practice, we will not incur the significant additional costs to execute these actions to preserve privilege for communications that would otherwise qualify, unless you specifically request us to do so.

When we are requested to take actions to preserve privilege for communications with the Exempt Organization, such confidentiality privilege can be inadvertently waived if you, or another representative of the Exempt Organization, discuss the contents of our communications with a third party, such as a lending institution, a friend, or a business associate. We recommend that you contact your legal counsel before releasing any privileged information to a third party.

If we are asked to disclose any privileged communication, unless we are required to disclose the communication by law, we will not provide such disclosure until the Exempt Organization has had the opportunity to argue that the communication is privileged. The Exempt Organization agrees to pay any and all reasonable expenses that we incur, including legal fees, that are a result of our attempts to protect any communication as privileged.

The above discussion regarding privilege does **not** override responsibilities the Exempt Organization has under Internal Revenue Code Section 6104(d) regarding the public disclosure requirements associated with the Exempt Organization's Form 990. In addition, the privilege discussion of the previous paragraphs does not override any public inspection rules associated with your tax returns as provided for under Cumulative Bulletin Notice 88-120, 1988-2 CB 454.

### ***Subpoenas***

In the event we are requested or authorized by you or required by governmental regulation, subpoena, or other legal process to produce our working papers or our personnel as witnesses with respect to our engagement with the Exempt Organization, the Exempt Organization will, so long as we are not a party to the proceeding in which the information is sought, reimburse us at standard billing rates for our professional time and expense, as well as the fees and expenses of our counsel, incurred in responding to such a request.

### ***Dispute Resolution Procedures***

If any dispute, controversy, or claim arises in connection with the performance or breach of this agreement, either party may, on written notice to the other party, request that the matter be mediated. Such mediation would be conducted by a mediator acceptable to both parties. Both parties would exert their best efforts to discuss with each other in good faith their respective positions in an attempt to finally resolve such dispute, controversy, or claim.

### ***Waiver of Trial by Jury***

In the event the parties are unable to successfully mediate any dispute, controversy or claim, the parties agree to WAIVE TRIAL BY JURY and agree that the court will hear any matter without a jury.

### ***Terms and Conditions Supporting Fee***

The Exempt Organization agrees to pay all costs of collection (including reasonable attorneys' fees) that we may incur in connection with the collection of unpaid invoices. In the event of nonpayment of any invoice rendered by us, we retain the right to (a) suspend the performance of our services, (b) change the payment conditions under this engagement letter, or (c) terminate our services. If we elect to suspend our services, such services will not be resumed until your account is paid. If we elect to terminate our services for nonpayment, the Exempt Organization will be obligated to compensate us for all time expended and reimburse us for all expenses through the date of termination.



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

P.O. Box 281  
Warrenton, NC 27589-0281  
(252) 257-1122 Fax (252) 257-9219  
[www.warrenton.nc.gov](http://www.warrenton.nc.gov)

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April 26, 2021

The EPSLA and the MCA agreements are now required by Watchguard to purchase equipment or parts of any kind. All parts orders for current in-car and/or body cameras will require these agreements as well.

The Virtual Academy is a training portal that contains hundreds of different training courses that will allow our officers to obtain the most current training practices. The cost for this academy is \$45 per officer paid for out of the PD's "Training" line 37-501-295.

## Equipment Purchase and Software License Addendum

This Equipment Purchase and Software License Addendum (this “**EPSLA**”) is entered into between WatchGuard Video, Inc., with offices at 415 E. Exchange Parkway, Allen, TX 75002 (“**WatchGuard**”) and the entity set forth in the signature block below or in the MCA (“**Customer**”), and will be subject to, and governed by, the terms of the Master Customer Agreement entered into between the Parties, effective as of [REDACTED] (the “**MCA**”). Capitalized terms used in this EPSLA, but not defined herein, will have the meanings set forth in the MCA.

**1. Addendum.** This EPSLA governs Customer’s purchase of Equipment and license of Licensed Software (and, if set forth in an Ordering Document, related Services) from WatchGuard, and will form part of the Parties’ Agreement.

### **2. Delivery of Equipment and Licensed Software.**

**2.1. Delivery and Risk of Loss.** WatchGuard will provide to Customer the Products (and, if applicable, related Services) set forth in an Ordering Document, in accordance with the terms of the Agreement. WatchGuard will, using commercially reasonable practices, pack the ordered Equipment and ship such Equipment to the Customer address set forth in the applicable Ordering Document or otherwise provided by Customer in writing, using a carrier selected by WatchGuard. Notwithstanding the foregoing, delivery of Equipment (and any incorporated Licensed Software) will occur, and title and risk of loss for the Equipment will pass to Customer, upon shipment by WatchGuard in accordance with Ex Works, WatchGuard’s premises (Incoterms 2020). Customer will pay all shipping costs, taxes, and other charges applicable to the shipment and import or export of the Products and Services, as applicable, and Customer will be responsible for reporting the Products for personal property tax purposes. Delivery of Licensed Software for installation on Equipment or Customer-Provided Equipment will occur upon the earlier of (a) electronic delivery of the Licensed Software by WatchGuard, and (b) the date WatchGuard otherwise makes the Software available for download by Customer. If agreed upon in an Ordering Document, WatchGuard will also provide Services related to such Products.

**2.2. Delays.** Any shipping dates set forth in an Ordering Document are approximate, and while WatchGuard will make reasonable efforts to ship Products by any such estimated shipping date, WatchGuard will not be liable for any delay or related damages to Customer. Time for delivery will not be of the essence, and delays will not constitute grounds for cancellation, penalties, termination, or a refund.

**2.3. Beta Services.** If WatchGuard makes any beta version of a software application (“**Beta Service**”) available to Customer, Customer may choose to use such Beta Service at its own discretion, provided, however, that Customer will use the Beta Service solely for purposes of Customer’s evaluation of such Beta Service, and for no other purpose. Customer acknowledges and agrees that all Beta Services are offered “as-is” and without any representations or warranties or other commitments or protections from WatchGuard. WatchGuard will determine the duration of the evaluation period for any Beta Service, in its sole discretion, and WatchGuard may discontinue any Beta Service at any time. Customer acknowledges that Beta Services, by their nature, have not been fully tested and may contain defects or deficiencies.

### 3. Licensed Software License and Restrictions.

**3.1. Licensed Software License.** Subject to Customer's and its Authorized Users' compliance with the Agreement (including payment terms), WatchGuard hereby grants Customer and its Authorized Users a limited, non-transferable, non-sublicenseable, and non-exclusive license to use the Licensed Software identified in an Ordering Document, in object code form only, and the associated Documentation, solely in connection with the Equipment provided by WatchGuard or authorized Customer-Provided Equipment (as applicable, the "**Designated Products**") and solely for Customer's internal business purposes. Unless otherwise stated in an Addendum or the Ordering Document, the foregoing license grant will be limited to the number of licenses set forth in the applicable Ordering Document and will continue for the life of the applicable Designated Product. Except as otherwise permitted in an applicable Addendum or Ordering Document, Customer may install, access, and use Licensed Software only in Customer's owned or controlled facilities, including any authorized mobile sites; provided, however, that Authorized Users using authorized mobile or handheld devices may also log into and access the Licensed Software remotely from any location.

**3.2. Subscription License Model.** If the Parties mutually agree that any Licensed Software purchased under this EPSLA will be replaced with or upgraded to Subscription Software, then upon such time which the Parties execute the applicable Ordering Document, the licenses granted under this EPSLA will automatically terminate, and such Subscription Software will be governed by the terms of the applicable Addendum under this Agreement.

**3.3. End User Licenses.** Notwithstanding any provision to the contrary in the Agreement, certain Licensed Software is governed by a separate license, EULA, or other agreement, including terms governing third-party equipment or software, such as open source software, included in the Products and Services. Customer will comply, and ensure its Authorized Users comply, with any such additional terms applicable to third-party equipment or software.

**3.4. Customer Restrictions.** Customers and Authorized Users will comply with the applicable Documentation in connection with their use of the Products. Customer will not and will not allow others, including the Authorized Users, to: (a) make the Licensed Software available for use by unauthorized third parties, including via a commercial rental or sharing arrangement; (b) reverse engineer, disassemble, or reprogram the Licensed Software or any portion thereof to a human-readable form; (c) modify, create derivative works of, or merge the Licensed Software with other software or equipment; (d) copy, reproduce, distribute, lend, lease, or transfer the Licensed Software or Documentation for or to any third party without the prior express written permission of WatchGuard; (e) take any action that would cause the Licensed Software or Documentation to be placed in the public domain; (f) use the Licensed Software to compete with WatchGuard; or (g) remove, alter, or obscure, any copyright or other notice.

**3.5. Copies.** Customer may make one (1) copy of the Licensed Software solely for archival, back-up, or disaster recovery purposes during the term of the applicable Licensed Software license. Customer may make as many copies of the Documentation reasonably required for the internal use of the Licensed Software during such Licensed Software's license term. Unless otherwise authorized by WatchGuard in writing, Customer will not, and will not enable or allow any third party to: (a) install a licensed copy of the Licensed Software on more than one (1) unit of a Designated Product; or (b) copy onto or transfer Licensed Software installed in a unit of a Designated Product onto another device. Customer may temporarily transfer Licensed Software installed on a Designated Product to another device if the Designated Product is inoperable or malfunctioning, if Customer provides written notice to WatchGuard of the

temporary transfer and identifies the device on which the Licensed Software is transferred. Temporary transfer of the Licensed Software to another device must be discontinued when the original Designated Product is returned to operation and the Licensed Software must be removed from the other device. Customer must provide prompt written notice to WatchGuard at the time temporary transfer is discontinued.

**3.6. Resale of Equipment.** Equipment contains embedded Licensed Software. If Customer desires to sell its used Equipment to a third party, Customer must first receive prior written authorization from WatchGuard and obtain written acceptance of the applicable Licensed Software license terms, including the obligation to pay relevant license fees, from such third party.

#### **4. Term.**

**4.1. Term.** The term of this EPSLA (the “**EPSLA Term**”) will commence upon either (a) the Effective Date of the MCA, if this EPSLA is attached to the MCA as of such Effective Date, or (b) the EPSLA Date set forth on the signature page below, if this EPSLA is executed after the MCA Effective Date, and will continue until the later of (i) three (3) years after the first order for Products is placed via an Ordering Document, or (ii) the expiration of all applicable warranty periods (as set forth in **Section 6.1 – WatchGuard Warranties** below) under this EPSLA, unless this EPSLA or the Agreement is earlier terminated in accordance with the terms of the Agreement.

**4.2. Termination.** Notwithstanding the termination provisions of the MCA, WatchGuard may terminate this EPSLA (and any Ordering Documents hereunder) immediately upon notice to Customer if Customer breaches **Section 3 – Licensed Software License and Restrictions** of this EPSLA, or any other provision related to Licensed Software license scope or restrictions set forth in an Ordering Document, EULA, or other applicable Addendum. For clarity, upon termination or expiration of the EPSLA Term, all WatchGuard obligations under this EPSLA (including with respect to Equipment and Licensed Software delivered hereunder) will terminate. If Customer desires to purchase additional Services in connection with such Equipment or Licensed Software, Customer may enter into a separate Addendum with WatchGuard, governing such Services. Customer acknowledges that WatchGuard made a considerable investment of resources in the development, marketing, and distribution of the Licensed Software and Documentation, and that Customer’s breach of the Agreement will result in irreparable harm to WatchGuard for which monetary damages would be inadequate. If Licensee breaches this Agreement, in addition to termination, WatchGuard will be entitled to all available remedies at law or in equity, including immediate injunctive relief and repossession of all non-embedded Licensed Software and associated Documentation.

**4.3. Equipment as a Service.** In the event that Customer purchases any Equipment at a price below the MSRP for such Equipment in connection Customer entering into a fixed- or minimum required-term agreement for Subscription Software, and Customer or WatchGuard terminates the Agreement, this EPSLA, or other applicable Addendum (such as the Addendum governing the purchase of such Subscription Software) prior to the expiration of such fixed- or minimum required-term, then WatchGuard will have the right to invoice Customer for, and Customer will pay, the amount of the discount to the MSRP for the Equipment or such other amount set forth in the applicable Addendum or Ordering Document. This Section will not limit any other remedies WatchGuard may have with respect to an early termination.

**5. Payment.** Customer will pay invoices for the Products and Services provided under this EPSLA in accordance with the invoice payment terms set forth in the MCA. Generally, invoices

are issued after shipment of Equipment or upon WatchGuard's delivery of Licensed Software (in accordance with **Section 2.1 – Delivery and Risk of Loss**), as applicable, but if a specific invoicing or payment schedule is set forth in the applicable Ordering Document, EULA or other Addendum, such schedule will control with respect to the applicable Products and Services referenced therein. WatchGuard will have the right to suspend future deliveries of Products and Services if Customer fails to make any payments when due.

## **6. Representations and Warranties; Liability.**

**6.1. WatchGuard Warranties.** Subject to the disclaimers and exclusions set forth in the MCA and this EPSLA, (a) for a period of one (1) year commencing upon the delivery of WatchGuard-manufactured Equipment under **Section 2.1 – Delivery and Risk of Loss**, WatchGuard represents and warrants that such WatchGuard-manufactured Equipment, under normal use, will be free from material defects in materials and workmanship; (b) to the extent permitted by the providers of third-party software or hardware included in the Products and Services, WatchGuard will pass through to Customer any warranties provided by such third parties, which warranties will apply for the period defined by the applicable third party; and (c) for a period of ninety (90) days commencing upon the delivery of WatchGuard-owned Licensed Software under **Section 2.1 – Delivery and Risk of Loss**, WatchGuard represents and warrants that such Licensed Software, when used in accordance with the Documentation and the Agreement, will be free from reproducible defects that prevent operation of features critical to the primary functionality or successful operation of the WatchGuard-developed Licensed Software (as determined by WatchGuard). The warranty set forth in subsection (c) will be referred to as the **“WatchGuard Licensed Software Warranty”**. As Customer's sole and exclusive remedy for any breach of the WatchGuard Licensed Software Warranty, WatchGuard will use commercially reasonable efforts to remedy the material defect in the applicable Licensed Software; provided, however, that if WatchGuard does not remedy such material defect within a reasonable time, then at WatchGuard's sole option, WatchGuard will either replace the defective Software with functionally-equivalent software, provide substitute software to Customer, or terminate the applicable software license and refund any paid license fees to Customer on a pro-rata basis. For clarity, the WatchGuard Licensed Software Warranty applies only to the most current version of the Licensed Software issued by WatchGuard, and issuance of updated versions of any Licensed Software does not result in a renewal or extension of the WatchGuard Licensed Software Warranty beyond the ninety (90) day warranty period.

**6.2. ADDITIONAL EXCLUSIONS.** IN ADDITION TO THE EXCLUSIONS FROM DAMAGES SET FORTH IN THE MCA, AND NOTWITHSTANDING ANY PROVISION OF THE AGREEMENT TO THE CONTRARY, WATCHGUARD WILL HAVE NO LIABILITY FOR (A) DEFECTS IN OR DAMAGE TO PRODUCTS RESULTING FROM USE OTHER THAN IN THE NORMAL AUTHORIZED MANNER, OR FROM ACCIDENT, LIQUIDS, OR NEGLIGENCE; (B) TESTING, MAINTENANCE, REPAIR, INSTALLATION, OR MODIFICATION BY PARTIES OTHER THAN WATCHGUARD; (C) CUSTOMER'S OR ANY AUTHORIZED USER'S FAILURE TO COMPLY WITH INDUSTRY AND OSHA OR OTHER LEGAL STANDARDS; (D) DAMAGE TO RADIO ANTENNAS, UNLESS CAUSED BY DEFECTS IN MATERIAL OR WORKMANSHIP; (E) EQUIPMENT WITH NO SERIAL NUMBER; (F) BATTERIES OR CONSUMABLES; (G) FREIGHT COSTS FOR SHIPMENT TO REPAIR DEPOTS; (H) COSMETIC DAMAGE THAT DOES NOT AFFECT OPERATION; (I) NORMAL WEAR AND TEAR; (J) ISSUES OR OBSOLESCENCE OF LICENSED SOFTWARE DUE TO CHANGES IN CUSTOMER OR AUTHORIZED USER REQUIREMENTS, EQUIPMENT, OR SYSTEMS; (K) TRACKING AND LOCATION-BASED SERVICES; OR (L) BETA SERVICES.

**6.3. Voluntary Remedies.** WatchGuard is not obligated to remedy, repair, replace, or refund the purchase price for the disclaimed or excluded issues in the MCA or **Section 6.2 – Additional Exclusions** above, but if WatchGuard agrees to provide Services to help resolve such issues, Customer will reimburse WatchGuard for its reasonable time and expenses, including by paying WatchGuard any Fees set forth in an Ordering Document for such Services, if applicable.

**7. Copyright Notices.** The existence of a copyright notice on any Licensed Software will not be construed as an admission or presumption of publication of the Licensed Software or public disclosure of any trade secrets associated with the Licensed Software.

**8. Survival.** The following provisions will survive the expiration or termination of this EPSLA for any reason: **Section 3 – Licensed Software License and Restrictions; Section 4 – Term; Section 5 – Payment; Section 6.2 – Additional Exclusions; Section 8 – Survival.**

The Parties hereby enter into this EPSLA as of [REDACTED] (the “EPSLA Date”).<sup>1</sup>

**WatchGuard Video, Inc.**

**Customer:** [REDACTED]

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

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<sup>1</sup> [REDACTED] NTD: Signature blocks can be removed if this EPSLA is attached to the MCA when the MCA is executed.

## Master Customer Agreement

This Master Customer Agreement (the “**MCA**”) is entered into between WatchGuard Video, Inc., with offices at 415 E. Exchange Parkway, Allen, TX 75002 (“**WatchGuard**”) and the entity set forth in the signature block below (“**Customer**”). WatchGuard and Customer will each be referred to herein as a “**Party**” and collectively as the “**Parties**”. This Agreement (as defined below) is effective as of the date of the last signature (the “**Effective Date**”).

### 1. Agreement.

**1.1. Scope; Agreement Documents.** This MCA governs Customer’s purchase of Products (as defined below) and Services (as defined below) from WatchGuard. Additional terms and conditions applicable to specific Products and Services are set forth in one or more addenda attached to this MCA (each an “**Addendum**”, and collectively the “**Addenda**”). In addition, the Parties may agree upon solution descriptions, equipment lists, statements of work, schedules, technical specifications, and other ordering documents setting forth the Products and Services to be purchased by Customer and provided by WatchGuard and additional rights and obligations of the Parties (the “**Ordering Documents**”). To the extent required by applicable procurement law, a proposal submitted by WatchGuard in response to a competitive procurement process will be included within the meaning of the term Ordering Documents. This MCA, the Addenda, and any Ordering Documents collectively form the Parties’ “**Agreement**”.

**1.2. Order of Precedence.** Each Addendum will control with respect to conflicting terms in the MCA, but only as applicable to the Products and Services described in such Addendum. Each Ordering Document will control with respect to conflicting terms in the MCA or any Addenda, but only as applicable to the Products and Services described on such Ordering Document.

### 2. Products and Services.

**2.1. Products.** WatchGuard will (a) sell hardware provided by WatchGuard (“**Equipment**”), (b) license software which is either preinstalled on Equipment or installed on Customer-Provided Equipment (as defined below) and licensed to Customer by WatchGuard for a perpetual or other defined license term (“**Licensed Software**”), and (c) license cloud-based software as a service products and other software which is either preinstalled on Equipment or installed on Customer-Provided Equipment, but licensed to Customer by WatchGuard on a subscription basis (“**Subscription Software**”) to Customer, to the extent each is set forth in an Ordering Document, for Customer’s own use in accordance with this Agreement. The Equipment, Licensed Software, and Subscription Software shall collectively be referred to herein as “**Products**”, or individually as a “**Product**”. At any time during the Term (as defined below), WatchGuard may substitute any Products at no cost to Customer, if the substitute is substantially similar to the Products set forth in the applicable Ordering Documents.

#### 2.2. Services.

2.2.1. WatchGuard will provide services related to purchased Products (“**Services**”), to the extent set forth in an Ordering Document.

2.2.2. Integration Services; Maintenance and Support Services. If specified in an Ordering Document, WatchGuard will provide, for the term of such Ordering Document, (a) design, deployment, and integration Services in order to design, install, set up, configure, and/or integrate the applicable Products at the

applicable locations (“**Sites**”), agreed upon by the Parties (“**Integration Services**”), or (b) break/fix maintenance, technical support, or other Services (such as software integration Services) (“**Maintenance and Support Services**”), each as further described in the applicable statement of work. Maintenance and Support Services and Integration Services will each be considered “Services”, as defined above.

2.2.3. Service Ordering Documents. The Fees for Services will be set forth in an Ordering Document and any applicable project schedules. A Customer point of contact will be set forth in the applicable statement of work for the Services. For purposes of clarity, each statement of work will be incorporated into, and form an integral part of, the Agreement.

2.2.4. Service Completion. Unless otherwise specified in the applicable Ordering Document, Services described in an Ordering Document will be deemed complete upon WatchGuard’s performance of all Services listed in such Ordering Document (“**Service Completion Date**”); provided, however, that Maintenance and Support Services may be offered on an ongoing basis during a given Ordering Document term, in which case such Maintenance and Support Services will conclude upon the expiration or termination of such Ordering Document.

2.3. Non-Preclusion. If, in connection with the Products and Services provided under this Agreement, WatchGuard makes recommendations, including a recommendation to purchase other products or services, nothing in this Agreement precludes WatchGuard from participating in a future competitive bidding process or otherwise offering or selling the recommended products or other services to Customer. Customer represents that this paragraph does not violate its procurement standards or other laws, regulations, or policies.

2.4. Customer Obligations. Customer will ensure that information Customer provides to WatchGuard in connection with receipt of Products and Services are accurate and complete in all material respects. Customer will make timely decisions and obtain any required management approvals that are reasonably necessary for WatchGuard to provide the Products and Services and perform its other duties under this Agreement. Unless the applicable Ordering Document states otherwise, WatchGuard may rely upon and is not required to evaluate, confirm, reject, modify, or provide advice concerning any assumptions or Customer information, decisions, or approvals described in this Section. If any assumptions in the Ordering Documents or information provided by Customer prove to be incorrect, or if Customer fails to perform any of its obligations under this Agreement, WatchGuard’s ability to perform its obligations may be impacted and changes to the Agreement, including the scope, Fees, and performance schedule may be required.

2.5. Documentation. Products and Services may be delivered with documentation for the Equipment, software Products, or data that specifies technical and performance features, capabilities, users, or operation, including training manuals, and other deliverables, such as reports, specifications, designs, plans, drawings, analytics, or other information (collectively, “**Documentation**”). Documentation is and will be owned by WatchGuard, and unless otherwise expressly agreed in an Addendum or Ordering Document that certain Documentation will be owned by Customer. WatchGuard hereby grants Customer a limited, royalty-free, worldwide, non-exclusive license to use the Documentation solely for its internal business purposes in connection with the Products and Services.

**2.6. WatchGuard Tools and Equipment.** As part of delivering the Products and Services, WatchGuard may provide certain tools, equipment, models, and other materials of its own. Such tools and equipment will remain the sole property of WatchGuard, unless they are to be purchased by Customer as Products and are explicitly listed on an Ordering Document. The tools and equipment may be held by Customer for WatchGuard's use without charge and may be removed from Customer's premises by WatchGuard at any time without restriction. Customer will safeguard all tools and equipment while in Customer's custody or control, and be liable for any loss or damage. Upon the expiration or earlier termination of this Agreement, Customer, at its expense, will return to WatchGuard all tools and equipment in its possession or control.

**2.7. Authorized Users.** Customer will ensure its employees and Authorized Users comply with the terms of this Agreement and will be liable for all acts and omissions of its employees and Authorized Users. Customer is responsible for the secure management of Authorized Users' names, passwords and login credentials for access to Products and Services. "**Authorized Users**" are Customer's employees, full-time contractors engaged for the purpose of supporting the Products and Services that are not competitors of WatchGuard, and the entities (if any) specified in an Ordering Document or otherwise approved by WatchGuard in writing (email from an authorized WatchGuard signatory accepted), which may include affiliates or other Customer agencies.

**2.8. Export Control.** Customer, its employees, and any other Authorized Users will not access or use the Products and Services in any jurisdiction in which the provision of such Products and Services is prohibited under applicable laws or regulations (a "**Prohibited Jurisdiction**"), and Customer will not provide access to the Products and Services to any government, entity, or individual located in a Prohibited Jurisdiction. Customer represents and warrants that (a) it and its Authorized Users are not named on any U.S. government list of persons prohibited from receiving U.S. exports, or transacting with any U.S. person; (b) it and its Authorized Users are not a national of, or a company registered in, any Prohibited Jurisdiction; (c) Customer will not permit its Authorized Users to access or use the Products or Services in violation of any U.S. or other applicable export embargoes, prohibitions or restrictions; and (d) Customer and its Authorized Users will comply with all applicable laws regarding the transmission of technical data exported from the U.S. and the country in which Customer, its employees, and the Authorized Users are located.

**2.9. Change Orders.** Unless a different change control process is agreed upon in writing by the Parties, a Party may request changes to an Addendum or an Ordering Document by submitting a change order to the other Party (each, a "**Change Order**"). If a requested change in a Change Order causes an increase or decrease in the Products or Services, the Parties by means of the Change Order will make appropriate adjustments to the Fees, project schedule, or other matters. Change Orders are effective and binding on the Parties only upon execution of the Change Order by an authorized representative of both Parties.

### **3. Term and Termination.**

**3.1. Term.** The term of this MCA ("**Term**") will commence on the Effective Date and continue until six (6) months after the later of (a) the termination, expiration, or discontinuance of services under the last Ordering Document in effect, or (b) the expiration of all applicable warranty periods, unless the MCA is earlier terminated as set forth herein. The applicable Addendum or Ordering Document will set forth the term for the Products and Services governed thereby.

**3.2. Termination.** Either Party may terminate the Agreement or the applicable Addendum or Ordering Document if the other Party breaches a material obligation under the Agreement and does not cure such breach within thirty (30) days after receipt of notice of the breach or fails to produce a cure plan within such period of time. Each Addendum and Ordering Document may be separately terminable as set forth therein.

**3.3. Suspension of Services.** WatchGuard may terminate or suspend any Products or Services under an Ordering Document if WatchGuard determines: (a) the related Product license has expired or has terminated for any reason; (b) the applicable Product is being used on a hardware platform, operating system, or version not approved by WatchGuard; (c) Customer fails to make any payments when due; or (d) Customer fails to comply with any of its other obligations or otherwise delays WatchGuard's ability to perform.

**3.4. Effect of Termination or Expiration.** Upon termination for any reason or expiration of this Agreement, an Addendum, or an Ordering Document, Customer and the Authorized Users will return or destroy (at WatchGuard's option) all WatchGuard Materials and WatchGuard Confidential Information in their possession or control and, as applicable, provide proof of such destruction, except that Equipment purchased by Customer should not be returned. If Customer has any outstanding payment obligations under this Agreement, WatchGuard may accelerate and declare all such obligations of Customer immediately due and payable by Customer. Notwithstanding the reason for termination or expiration, Customer must pay WatchGuard for Products and Services already delivered. Customer has a duty to mitigate any damages under this Agreement, including in the event of default by WatchGuard and Customer's termination of this Agreement.

#### **4. Payment and Invoicing.**

**4.1. Fees.** Fees and charges applicable to the Products and Services (the "**Fees**") will be as set forth in the applicable Addendum or Ordering Document, and such Fees may be changed by WatchGuard at any time, except that WatchGuard will not change the Fees for Products and Services purchased by Customer during the term of an active Ordering Document or during a Subscription Term (as defined and further described in the applicable Addendum). Changes in the scope of Services described in an Ordering Document may require an adjustment to the Fees due under such Ordering Document. If a specific invoicing or payment schedule is set forth in the applicable Addendum or Ordering Document, such schedule will apply solely with respect to such Addendum or Ordering Document. Unless otherwise specified in the applicable Ordering Document, the Fees for any Services exclude expenses associated with unusual and costly Site access requirements (e.g., if Site access requires a helicopter or other equipment), and Customer will reimburse WatchGuard for these or other expenses incurred by WatchGuard in connection with the Services.

**4.2. Taxes.** The Fees do not include any excise, sales, lease, use, property, or other taxes, assessments, duties, or regulatory charges or contribution requirements (collectively, "**Taxes**"), all of which will be paid by Customer, except as exempt by law, unless otherwise specified in an Ordering Document. If WatchGuard is required to pay any Taxes, Customer will reimburse WatchGuard for such Taxes (including any interest and penalties) within thirty (30) days after Customer's receipt of an invoice therefore. Customer will be solely responsible for reporting the Products for personal property tax purposes, and WatchGuard will be solely responsible for reporting taxes on its income and net worth.

**4.3. Invoicing.** WatchGuard will invoice Customer at the frequency set forth in the applicable Addendum or Ordering Document, and Customer will pay all invoices within thirty (30) days of

the invoice date or as otherwise specified in the applicable Addendum or Ordering Document. Late payments will be subject to interest charges at the maximum rate permitted by law, commencing upon the due date. WatchGuard may invoice electronically via email, and Customer agrees to receive invoices via email at the email address set forth in an Ordering Document. Customer acknowledges and agrees that a purchase order or other notice to proceed is not required for payment for Products or Services.

## **5. Sites; Customer-Provided Equipment; Non-WatchGuard Content.**

**5.1. Access to Sites.** Customer will be responsible for providing all necessary permits, licenses, and other approvals necessary for the installation and use of the Products and the performance of the Services at each applicable Site, including for WatchGuard to perform its obligations hereunder, and for facilitating WatchGuard's access to the Sites. No waivers of liability will be imposed on WatchGuard or its subcontractors by Customer or others at Customer facilities or other Sites, but if and to the extent any such waivers are imposed, the Parties agree such waivers are void.

**5.2. Site Conditions.** Customer will ensure that (a) all Sites are safe and secure, (b) Site conditions meet all applicable industry and legal standards (including standards promulgated by OSHA or other governmental or regulatory bodies), (c) to the extent applicable, Sites have adequate physical space, air conditioning, and other environmental conditions, electrical power outlets, distribution, equipment, connections, and telephone or other communication lines (including modem access and interfacing networking capabilities), and (d) Sites are suitable for the installation, use, and maintenance of the Products and Services. This Agreement is predicated upon normal soil conditions as defined by the version of E.I.A. standard RS-222 in effect on the Effective Date.

**5.3. Site Issues.** WatchGuard will have the right at any time to inspect the Sites and advise Customer of any deficiencies or non-conformities with the requirements of this **Section 5 – Sites; Customer-Provided Equipment; Non-WatchGuard Content**. If WatchGuard or Customer identifies any deficiencies or non-conformities, Customer will promptly remediate such issues or the Parties will select a replacement Site. If a Party determines that a Site identified in an Ordering Document is not acceptable or desired, the Parties will cooperate to investigate the conditions and select a replacement Site or otherwise adjust the installation plans and specifications as necessary. A change in Site or adjustment to the installation plans and specifications may cause a change in the Fees or performance schedule under the applicable Ordering Document.

**5.4. Customer-Provided Equipment.** Certain components, including equipment and software, not provided by WatchGuard may be required for use of the Products and Services ("**Customer-Provided Equipment**"). Customer will be responsible, at its sole cost and expense, for providing and maintaining the Customer-Provided Equipment in good working order. Customer represents and warrants that it has all rights in Customer-Provided Equipment to permit WatchGuard to access and use the applicable Customer-Provided Equipment to provide the Products and Services under this Agreement, and such access and use will not violate any laws or infringe any third-party rights (including intellectual property rights). Customer (and not WatchGuard) will be fully liable for Customer-Provided Equipment damage, loss, change, or theft that may impact WatchGuard's ability to provide the Products and Services under this Agreement, and Customer acknowledges that any such events may cause a change in the Fees or performance schedule under the applicable Ordering Document.

**5.5. Non-WatchGuard Content.** In certain instances, Customer may be permitted to access, use, or integrate Customer or third-party software, services, content, and data that is not provided by WatchGuard (collectively, “**Non-WatchGuard Content**”) with or through the Products and Services. If Customer accesses, uses, or integrates any Non-WatchGuard Content with the Products or Services, Customer will first obtain all necessary rights and licenses to permit Customer’s and its Authorized Users’ use of the Non-WatchGuard Content in connection with the Products and Services. Customer will also obtain the necessary rights for WatchGuard to use such Non-WatchGuard Content in connection with providing the Products and Services, including the right for WatchGuard to access, store, and process such Non-WatchGuard Content (e.g., in connection with Subscription Software), and to otherwise enable interoperation with the Products and Services. Customer represents and warrants that it will obtain the foregoing rights and licenses prior to accessing, using, or integrating the applicable Non-WatchGuard Content with the Products and Services, and that Customer and its Authorized Users will comply with any terms and conditions applicable to such Non-WatchGuard Content. If any Non-WatchGuard Content require access to Customer Data (as defined below in Section \_\_\_ below), Customer hereby authorizes WatchGuard to allow the provider of such Non-WatchGuard Content to access Customer Data, in connection with the interoperation of such Non-WatchGuard Content with the Products and Services. Customer acknowledges and agrees that WatchGuard is not responsible for, and makes no representations or warranties with respect to, the Non-WatchGuard Content (including any disclosure, modification, or deletion of Customer Data resulting from use of Non-WatchGuard Content or failure to properly interoperate with the Products and Services). If Customer receives notice that any Non-WatchGuard Content must be removed, modified, or disabled within the Products or Services, Customer will promptly do so. WatchGuard will have the right to disable or remove Non-WatchGuard Content if WatchGuard believes a violation of law, third-party rights, or WatchGuard’s policies is likely to occur, or if such Non-WatchGuard Content poses or may pose a security or other risk or adverse impact to the Products or Services, WatchGuard, WatchGuard’s systems, or any third party (including other WatchGuard customers). Nothing in this Section will limit the exclusions set forth in **Section 7.2 – Intellectual Property Infringement.**

## **6. Representations and Warranties.**

**6.1. Mutual Representations and Warranties.** Each Party represents and warrants to the other Party that (a) it has the right to enter into the Agreement and perform its obligations hereunder, and (b) the Agreement will be binding on such Party.

**6.2. WatchGuard Warranties.** Subject to the disclaimers and exclusions below, atchGuard represents and warrants that (a) Services will be provided in a good and workmanlike manner and will conform in all material respects to the descriptions in the applicable Ordering Document; and (b) for a period of ninety (90) days commencing upon the Service Completion Date for one-time Services, the Services will be free of material defects in materials and workmanship. Other than as set forth in subsection (a) above, recurring Services are not warranted but rather will be subject to the requirements of the applicable Addendum or Ordering Document. WatchGuard provides other express warranties for WatchGuard-manufactured Equipment, WatchGuard-owned software Products, and certain Services. Such express warranties are included in the applicable Addendum or Ordering Document. Such representations and warranties will apply only to the applicable Product or Service that is the subject of such Addendum or Ordering Document.

**6.3. Warranty Claims; Remedies.** To assert a warranty claim, Customer must notify WatchGuard in writing of the claim prior to the expiration of any warranty period set forth in this MCA or the applicable Addendum or Ordering Document. Unless a different remedy is otherwise expressly set forth for a particular warranty under an Addendum, upon receipt of such claim, WatchGuard will investigate the claim and use commercially reasonable efforts to repair or replace any confirmed materially non-conforming Product or re-perform any non-conforming Service, at its option. Such remedies are Customer's sole and exclusive remedies for WatchGuard's breach of a warranty. WatchGuard's warranties are extended by WatchGuard to Customer only, and are not assignable or transferrable.

**6.4. Pass-Through Warranties.** Notwithstanding any provision of this Agreement to the contrary, WatchGuard will have no liability for third-party software or hardware provided by WatchGuard; provided, however, that to the extent offered by third-party providers of software or hardware and to the extent permitted by law, WatchGuard will pass through express warranties provided by such third parties.

**6.5. WARRANTY DISCLAIMER.** EXCEPT FOR THE EXPRESS AND PASS THROUGH WARRANTIES IN THIS AGREEMENT, PRODUCTS AND SERVICES PURCHASED HEREUNDER ARE PROVIDED "AS IS" AND WITH ALL FAULTS. WARRANTIES SET FORTH IN THE AGREEMENT ARE THE COMPLETE WARRANTIES FOR THE PRODUCTS AND SERVICES AND WATCHGUARD DISCLAIMS ALL OTHER WARRANTIES OR CONDITIONS, EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, TITLE, AND QUALITY. WATCHGUARD DOES NOT REPRESENT OR WARRANT THAT USE OF THE PRODUCTS AND SERVICES WILL BE UNINTERRUPTED, ERROR-FREE, OR FREE OF SECURITY VULNERABILITIES, OR THAT THEY WILL MEET CUSTOMER'S PARTICULAR REQUIREMENTS.

## **7. Indemnification.**

**7.1. General Indemnity.** WatchGuard will defend, indemnify, and hold Customer harmless from and against any and all damages, losses, liabilities, and expenses (including reasonable fees and expenses of attorneys) arising from any actual third-party claim, demand, action, or proceeding ("**Claim**") for personal injury, death, or direct damage to tangible property to the extent caused by WatchGuard's negligence, gross negligence or willful misconduct while performing its duties under an Ordering Document or an Addendum, except to the extent the claim arises from Customer's negligence or willful misconduct. WatchGuard's duties under this **Section 7.1 – General Indemnity** are conditioned upon: (a) Customer promptly notifying WatchGuard in writing of the Claim; (b) WatchGuard having sole control of the defense of the suit and all negotiations for its settlement or compromise; and (c) Customer cooperating with WatchGuard and, if requested by WatchGuard, providing reasonable assistance in the defense of the Claim.

**7.2. Intellectual Property Infringement.** WatchGuard will defend Customer against any third-party claim alleging that a WatchGuard-developed or manufactured Product or Service (the "**Infringing Product**") directly infringes a United States patent or copyright ("**Infringement Claim**"), and WatchGuard will pay all damages finally awarded against Customer by a court of competent jurisdiction for an Infringement Claim, or agreed to in writing by WatchGuard in settlement of an Infringement Claim. WatchGuard's duties under this **Section 7.2 – Intellectual Property Infringement** are conditioned upon: (a) Customer promptly notifying WatchGuard in writing of the Infringement Claim; (b) WatchGuard having sole control of the defense of the suit and all negotiations for its settlement or compromise; and (c) Customer cooperating with

WatchGuard and, if requested by WatchGuard, providing reasonable assistance in the defense of the Infringement Claim.

- 7.2.1. If an Infringement Claim occurs, or in WatchGuard's opinion is likely to occur, WatchGuard may at its option and expense: (a) procure for Customer the right to continue using the Infringing Product; (b) replace or modify the Infringing Product so that it becomes non-infringing; or (c) grant Customer (i) a pro-rated refund of any amounts pre-paid for the Infringing Product (if the Infringing Product is a software Product, i.e., Licensed Software or Subscription Software) or (ii) a credit for the Infringing Product, less a reasonable charge for depreciation (if the Infringing Product is Equipment, including Equipment with embedded software).
- 7.2.2. In addition to the other damages disclaimed under this Agreement, WatchGuard will have no duty to defend or indemnify Customer for any Infringement Claim that arises from or is based upon: (a) Customer Data, Customer-Provided Equipment, Non-WatchGuard Content, or third-party equipment, hardware, software, data, or other third-party materials; (b) the combination of the Product or Service with any products or materials not provided by WatchGuard; (c) a Product or Service designed, modified, or manufactured in accordance with Customer's designs, specifications, guidelines or instructions; (d) a modification of the Product or Service by a party other than WatchGuard; (e) use of the Product or Service in a manner for which the Product or Service was not designed or that is inconsistent with the terms of this Agreement; or (f) the failure by Customer to use or install an update to the Product or Service that is intended to correct the claimed infringement. In no event will WatchGuard's liability resulting from an Infringement Claim extend in any way to any payments due on a royalty basis, other than a reasonable royalty based upon revenue derived by WatchGuard from Customer from sales or license of the Infringing Product.
- 7.2.3. This **Section 7.2 – Intellectual Property Infringement** provides Customer's sole and exclusive remedies and WatchGuard's entire liability in the event of an Infringement Claim. For clarity, the rights and remedies provided in this Section are subject to, and limited by, the restrictions set forth in **Section 8 – Limitation of Liability** below.

**7.3. Customer Indemnity.** Customer will defend, indemnify, and hold WatchGuard and its subcontractors, subsidiaries and other affiliates harmless from and against any and all damages, losses, liabilities, and expenses (including reasonable fees and expenses of attorneys) arising from any actual or threatened third-party claim, demand, action, or proceeding arising from or related to (a) Customer-Provided Equipment, Customer Data, or Non-WatchGuard Content, including any claim, demand, action, or proceeding alleging that any such equipment, data, or materials (or the integration or use thereof with the Products and Services) infringes or misappropriates a third-party intellectual property or other right, violates applicable law, or breaches the Agreement, (b) Customer-Provided Equipment's failure to meet the minimum requirements set forth in the applicable Documentation or match the applicable specifications provided to WatchGuard by Customer in connection with the Products or Services; (c) Customer's (or its service providers, agents, employees, or Authorized User's) negligence or willful misconduct; and (d) Customer's or its Authorized User's breach of this Agreement. This indemnity will not apply to the extent any such claim is caused by WatchGuard's use of Customer-Provided Equipment, Customer Data, or Non-WatchGuard Content in violation of the Agreement. WatchGuard will give Customer prompt, written notice of

any claim subject to the foregoing indemnity. WatchGuard will, at its own expense, cooperate with Customer in its defense or settlement of the claim.

## **8. Limitation of Liability.**

**8.1. DISCLAIMER OF CONSEQUENTIAL DAMAGES.** EXCEPT FOR PERSONAL INJURY OR DEATH, WATCHGUARD, ITS AFFILIATES, AND ITS AND THEIR RESPECTIVE OFFICERS, DIRECTORS, EMPLOYEES, SUBCONTRACTORS, AGENTS, SUCCESSORS, AND ASSIGNS (COLLECTIVELY, THE “**WATCHGUARD PARTIES**”) WILL NOT BE LIABLE IN CONNECTION WITH THIS AGREEMENT (WHETHER UNDER WATCHGUARD’S INDEMNITY OBLIGATIONS, A CAUSE OF ACTION FOR BREACH OF CONTRACT, UNDER TORT THEORY, OR OTHERWISE) FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES OR DAMAGES FOR LOST PROFITS OR REVENUES, EVEN IF WATCHGUARD HAS BEEN ADVISED BY CUSTOMER OR ANY THIRD PARTY OF THE POSSIBILITY OF SUCH DAMAGES OR LOSSES AND WHETHER OR NOT SUCH DAMAGES OR LOSSES ARE FORESEEABLE.

**8.2. DIRECT DAMAGES.** EXCEPT FOR PERSONAL INJURY OR DEATH, THE TOTAL AGGREGATE LIABILITY OF THE WATCHGUARD PARTIES, WHETHER BASED ON A CLAIM IN CONTRACT OR IN TORT, LAW OR EQUITY, RELATING TO OR ARISING OUT OF THE AGREEMENT WILL NOT EXCEED THE FEES SET FORTH IN THE ORDERING DOCUMENT UNDER WHICH THE CLAIM AROSE. NOTWITHSTANDING THE FOREGOING, FOR ANY SUBSCRIPTION SOFTWARE OR FOR ANY RECURRING SERVICES, THE WATCHGUARD PARTIES’ TOTAL LIABILITY FOR ALL CLAIMS RELATED TO SUCH PRODUCT OR RECURRING SERVICES IN THE AGGREGATE WILL NOT EXCEED THE TOTAL FEES PAID FOR SUCH SUBSCRIPTION SOFTWARE OR RECURRING SERVICE, AS APPLICABLE, DURING THE CONSECUTIVE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT FROM WHICH THE FIRST CLAIM AROSE.

**8.3. ADDITIONAL EXCLUSIONS.** NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, WATCHGUARD WILL HAVE NO LIABILITY FOR DAMAGES ARISING OUT OF (A) CUSTOMER DATA, INCLUDING ITS TRANSMISSION TO WATCHGUARD, OR ANY OTHER DATA AVAILABLE THROUGH THE PRODUCTS OR SERVICES; (B) CUSTOMER-PROVIDED EQUIPMENT, NON-WATCHGUARD CONTENT, THE SITES, OR THIRD-PARTY EQUIPMENT, HARDWARE, SOFTWARE, DATA, OR OTHER THIRD-PARTY MATERIALS, OR THE COMBINATION OF PRODUCTS AND SERVICES WITH ANY OF THE FOREGOING; (C) LOSS OF DATA OR HACKING; (D) MODIFICATION OF PRODUCTS OR SERVICES BY ANY PERSON OTHER THAN WATCHGUARD; (E) RECOMMENDATIONS PROVIDED IN CONNECTION WITH OR BY THE PRODUCTS AND SERVICES; (F) DATA RECOVERY SERVICES OR DATABASE MODIFICATIONS; OR (G) CUSTOMER’S OR ANY AUTHORIZED USER’S BREACH OF THIS AGREEMENT OR MISUSE OF THE PRODUCTS AND SERVICES.

**8.4. Voluntary Remedies.** WatchGuard is not obligated to remedy, repair, replace, or refund the purchase price for the disclaimed issues in **Section 8.3 – Additional Exclusions** above, but if WatchGuard agrees to provide Services to help resolve such issues, Customer will reimburse WatchGuard for its reasonable time and expenses, including by paying WatchGuard any Fees set forth in an Ordering Document for such Services, if applicable.

**8.5. Statute of Limitations.** Customer may not bring any claims against an WatchGuard Party in connection with this Agreement or the Products and Services more than one (1) year after the date of accrual of the cause of action.

## 9. Confidentiality.

**9.1. Confidential Information.** “**Confidential Information**” means any and all non-public information provided by one Party (“**Discloser**”) to the other (“**Recipient**”) that is disclosed under this Agreement in oral, written, graphic, machine recognizable, or sample form, being clearly designated, labeled or marked as confidential or its equivalent or that a reasonable businessperson would consider non-public and confidential by its nature. With respect to WatchGuard, Confidential Information will also include Products and Services, and Documentation, as well as any other information relating to the Products and Services. The nature and existence of this Agreement are considered Confidential Information of the Parties. In order to be considered Confidential Information, information that is disclosed orally must be identified as confidential at the time of disclosure and confirmed by Discloser by submitting a written document to Recipient within thirty (30) days after such disclosure. The written document must contain a summary of the Confidential Information disclosed with enough specificity for identification purpose and must be labeled or marked as confidential or its equivalent.

**9.2. Obligations of Confidentiality.** During the Term and for a period of three (3) years from the expiration or termination of this Agreement, Recipient will (a) not disclose Confidential Information to any third party, except as expressly permitted in this **Section 9 - Confidentiality**; (b) restrict disclosure of Confidential Information to only those employees (including, employees of any wholly owned subsidiary, a parent company, any other wholly owned subsidiaries of the same parent company), agents or consultants who must access the Confidential Information for the purpose of, and who are bound by confidentiality terms substantially similar to those in, this Agreement; (c) not copy, reproduce, reverse engineer, de-compile or disassemble any Confidential Information; (d) use the same degree of care as for its own information of like importance, but at least use reasonable care, in safeguarding against disclosure of Confidential Information; (e) promptly notify Discloser upon discovery of any unauthorized use or disclosure of the Confidential Information and take reasonable steps to regain possession of the Confidential Information and prevent further unauthorized actions or other breach of this Agreement; and (f) only use the Confidential Information as needed to fulfill its obligations and secure its rights under this Agreement.

**9.3. Exceptions.** Recipient is not obligated to maintain as confidential any information that Recipient can demonstrate by documentation (a) is publicly available at the time of disclosure or becomes available to the public without breach of this Agreement; (b) is lawfully obtained from a third party without a duty of confidentiality to Discloser; (c) is otherwise lawfully known to Recipient prior to such disclosure without a duty of confidentiality to Discloser; or (d) is independently developed by Recipient without the use of, or reference to, any of Discloser’s Confidential Information or any breach of this Agreement. Additionally, Recipient may disclose Confidential Information to the extent required by law, including a judicial or legislative order or proceeding.

**9.4. Ownership of Confidential Information.** All Confidential Information is and will remain the property of Discloser and will not be copied or reproduced without the express written permission of Discloser (including as permitted herein). Within ten (10) days of receipt of Discloser’s written request, Recipient will return or destroy all Confidential Information to Discloser along with all copies and portions thereof, or certify in writing that all such Confidential Information has been destroyed. However, Recipient may retain (a) one (1) archival copy of the Confidential Information for use only in case of a dispute concerning this Agreement and (b) Confidential Information that has been automatically stored in accordance with Recipient’s standard backup or recordkeeping procedures, provided, however that Recipient will remain

subject to the obligations of this Agreement with respect to any Confidential Information retained subject to clauses (a) or (b). No license, express or implied, in the Confidential Information is granted to the Recipient other than to use the Confidential Information in the manner and to the extent authorized by this Agreement. Discloser represents and warrants that it is authorized to disclose any Confidential Information it discloses pursuant to this Agreement.

## 10. Proprietary Rights; Data; Feedback.

**10.1. Data Definitions.** The following terms will have the stated meanings: “**Customer Contact Data**” means data WatchGuard collects from Customer, its Authorized Users, and their end users for business contact purposes, including marketing, advertising, licensing and sales purposes; “**Service Use Data**” means data generated by Customer’s use of the Products and Services or by WatchGuard’s support of the Products and Services, including personal information, location, monitoring and recording activity, product performance and error information, activity logs and date and time of use; “**Customer Data**” means data, information, and content, including images, text, videos, documents, audio, telemetry and structured data base records, provided by, through, or on behalf of Customer, its Authorized Users, and their end users through the use of the Products and Services. Customer Data does not include Customer Contact Data, Service Use Data, or information from publicly available sources or other Third-Party Data or WatchGuard Data; “**Third-Party Data**” means information obtained by WatchGuard from publicly available sources or its third party content providers and made available to Customer through the Products or Services; “**WatchGuard Data**” means data owned or licensed by WatchGuard; “**Feedback**” means comments or information, in oral or written form, given to WatchGuard by Customer or Authorized Users, including their end users, in connection with or relating to the Products or Services; and “**Process**” or “**Processing**” means any operation or set of operations which is performed on personal information or on sets of personal information, whether or not by automated means, such as collection, recording, copying, analyzing, caching, organization, structuring, storage, adaptation, or alteration, retrieval, consultation, use, disclosure by transmission, dissemination or otherwise making available, alignment or combination, restriction, erasure or destruction.

**10.2. WatchGuard Materials.** Customer acknowledges that WatchGuard may use or provide Customer with access to software, tools, data, and other materials, including designs, utilities, models, methodologies, systems, and specifications, which WatchGuard has developed or licensed from third parties (including any corrections, bug fixes, enhancements, updates, modifications, adaptations, translations, de-compilations, disassemblies, or derivative works of the foregoing, whether made by WatchGuard or another party) (collectively, “**WatchGuard Materials**”). The Products and Services, WatchGuard Data, Third-Party Data, and Documentation, are considered WatchGuard Materials. Except when WatchGuard has expressly transferred title or other interest to Customer by way of an Addendum or Ordering Document, the WatchGuard Materials are the property of WatchGuard or its licensors, and WatchGuard or its licensors retain all right, title and interest in and to the WatchGuard Materials (including, all rights in patents, copyrights, trademarks, trade names, trade secrets, know-how, other intellectual property and proprietary rights, and all associated goodwill and moral rights). For clarity, this Agreement does not grant to Customer any shared development rights in or to any WatchGuard Materials or other intellectual property, and Customer agrees to execute any documents and take any other actions reasonably requested by WatchGuard to effectuate the foregoing. WatchGuard and its licensors reserve all rights not expressly granted to Customer, and no rights, other than those expressly granted herein, are granted to Customer by implication, estoppel or otherwise. Customer will not modify, disassemble, reverse engineer, derive source code or create derivative works from, merge with other software, distribute,

sublicense, sell, or export the Products and Services or other WatchGuard Materials, or permit any third party to do so.

**10.3. Ownership of Customer Data.** Customer retains all right, title and interest, including intellectual property rights, if any, in and to Customer Data. WatchGuard acquires no rights to Customer Data except those rights granted under this Agreement including the right to Process and use the Customer Data as set forth in **Section 10.4 – Processing Customer Data** below and in other applicable Addenda. The Parties agree that with regard to the Processing of personal information which may be part of Customer Data, Customer is the controller and WatchGuard is the processor, and may engage sub-processors pursuant to **Section 10.4.3 – Sub-processors**.

**10.4. Processing Customer Data.**

10.4.1. WatchGuard Use of Customer Data. To the extent permitted by law, Customer grants WatchGuard and its subcontractors a right to use Customer Data and a royalty-free, worldwide, non-exclusive license to use Customer Data (including to process, host, cache, store, reproduce, copy, modify, combine, analyze, create derivative works from such Customer Data and to communicate, transmit, and distribute such Customer Data to third parties engaged by WatchGuard) to (a) perform Services and provide Products under the Agreement, (b) analyze the Customer Data to operate, maintain, manage, and improve WatchGuard Products and Services, and (c) create new products and services. Customer agrees that this Agreement, along with the Documentation, are Customer's complete and final documented instructions to WatchGuard for the processing of Customer Data. Any additional or alternate instructions must be agreed to according to the Change Order process. Customer represents and warrants to WatchGuard that Customer's instructions, including appointment of WatchGuard as a processor or sub-processor, have been authorized by the relevant controller.

10.4.2. Collection, Creation, Use of Customer Data. Customer further represents and warrants that the Customer Data, Customer's collection, creation, and use of the Customer Data (including in connection with WatchGuard's Products and Services), and WatchGuard's use of such Customer Data in accordance with the Agreement, will not violate any laws or applicable privacy notices or infringe any third-party rights (including intellectual property and privacy rights). Customer also represents and warrants that the Customer Data will be accurate and complete, and that Customer has obtained all required consents, provided all necessary notices, and met any other applicable legal requirements with respect to collection and use (including WatchGuard's and its subcontractors' use) of the Customer Data as described in the Agreement.

10.4.3. Sub-processors. Customer agrees that WatchGuard may engage sub-processors who in turn may engage additional sub-processors to Process personal data in accordance with this Agreement. When engaging sub-processors, WatchGuard will enter into agreements with the sub-processors to bind them to data processing obligations to the extent required by law.

**10.5. Data Retention and Deletion.** Except for anonymized Customer Data, as described above, or as otherwise provided under the Agreement, WatchGuard will delete all Customer Data following termination or expiration of this MCA or the applicable Addendum or Ordering

Document, with such deletion to occur no later than ninety (90) days following the applicable date of termination or expiration, unless otherwise required to comply with applicable law. Any requests for the exportation or download of Customer Data must be made by Customer to WatchGuard in writing before expiration or termination, subject to **Section 13.9 – Notices**. WatchGuard will have no obligation to retain such Customer Data beyond expiration or termination unless the Customer has purchased extended storage from WatchGuard through a mutually executed Ordering Document.

**10.6. Service Use Data.** Customer understands and agrees that WatchGuard may collect and use Service Use Data for its own purposes, including the uses described below. WatchGuard may use Service Use Data to (a) operate, maintain, manage, and improve existing and create new products and services, (b) test products and services, (c) to aggregate Service Use Data and combine it with that of other users, and (d) to use anonymized or aggregated data for marketing, research or other business purposes. Service Use Data may be disclosed to third parties. It is Customer's responsibility to notify Authorized Users of WatchGuard's collection and use of Service Use Data and to obtain any required consents, provide all necessary notices, and meet any other applicable legal requirements with respect to such collection and use, and Customer represents and warrants to WatchGuard that it has complied and will continue to comply with this Section.

**10.7. Third-Party Data and WatchGuard Data.** WatchGuard Data and Third-Party Data may be available to Customer through the Products and Services. Customer and its Authorized Users may use WatchGuard Data and Third-Party Data as permitted by WatchGuard and the applicable Third-Party Data provider, as described in the applicable Addendum. Unless expressly permitted in the applicable Addendum, Customer will not, and will ensure its Authorized Users will not: (a) use the WatchGuard Data or Third-Party Data for any purpose other than Customer's internal business purposes; (b) disclose the data to third parties; (c) "white label" such data or otherwise misrepresent its source or ownership, or resell, distribute, sublicense, or commercially exploit the data in any manner; (d) use such data in violation of applicable laws; (e) remove, obscure, alter, or falsify any marks or proprietary rights notices indicating the source, origin, or ownership of the data; or (f) modify such data or combine it with Customer Data or other data or use the data to build databases. Additional restrictions may be set forth in the applicable Addendum. Any rights granted to Customer or Authorized Users with respect to WatchGuard Data or Third-Party Data will immediately terminate upon termination or expiration of the applicable Addendum, Ordering Document, or this MCA. Further, WatchGuard or the applicable Third-Party Data provider may suspend, change, or terminate Customer's or any Authorized User's access to WatchGuard Data or Third-Party Data if WatchGuard or such Third-Party Data provider believes Customer's or the Authorized User's use of the data violates the Agreement, applicable law or WatchGuard's agreement with the applicable Third-Party Data provider. Upon termination of Customer's rights to use any WatchGuard Data or Third-Party Data, Customer and all Authorized Users will immediately discontinue use of such data, delete all copies of such data, and certify such deletion to WatchGuard. Notwithstanding any provision of the Agreement to the contrary, WatchGuard will have no liability for Third-Party Data or WatchGuard Data available through the Products and Services. WatchGuard and its Third-Party Data providers reserve all rights in and to WatchGuard Data and Third-Party Data not expressly granted in an Addendum or Ordering Document.

**10.8. Feedback.** Any Feedback provided by Customer is entirely voluntary, and will not create any confidentiality obligation for WatchGuard, even if designated as confidential by Customer. WatchGuard may use, reproduce, license, and otherwise distribute and exploit the Feedback without any obligation or payment to Customer or Authorized Users and Customer represents

and warrants that it has obtained all necessary rights and consents to grant WatchGuard the foregoing rights.

**10.9. Improvements; Products and Services.** The Parties agree that, notwithstanding any provision of this MCA or the Agreement to the contrary, all fixes, modifications and improvements to the Services or Products conceived of or made by or on behalf of WatchGuard that are based either in whole or in part on the Feedback, Customer Data, or Service Use Data (or otherwise) are the exclusive property of WatchGuard and all right, title and interest in and to such fixes, modifications or improvements will vest solely in WatchGuard. Customer agrees to execute any written documents necessary to assign any intellectual property or other rights it may have in such fixes, modifications or improvements to WatchGuard.

## **11. Force Majeure; Delays Caused by Customer.**

**11.1. Force Majeure.** Except for Customer's payment obligations hereunder, neither Party will be responsible for nonperformance or delayed performance due to events outside of its reasonable control. If performance will be significantly delayed, the affected Party will provide notice to the other Party, and the Parties will agree (in writing) upon a reasonable extension to any applicable performance schedule.

**11.2. Delays Caused by Customer.** WatchGuard's performance of the Products and Services will be excused for delays caused by Customer or its Authorized Users or subcontractors, or by failure of any assumptions set forth in this Agreement (including in any Addendum or Ordering Document). In the event of a delay under this **Section 11.2 – Delays Caused by Customer**, (a) Customer will continue to pay the Fees as required hereunder, (b) the Parties will agree (in writing) upon a reasonable extension to any applicable performance schedule, and (c) Customer will compensate WatchGuard for its out-of-pocket costs incurred due to the delay (including those incurred by WatchGuard's affiliates, vendors, and subcontractors).

**12. Disputes.** The Parties will use the following procedure to resolve any disputes relating to or arising out of this Agreement (each, a "**Dispute**"):

**12.1. Governing Law.** All matters relating to or arising out of the Agreement are governed by the laws of the State of Texas, unless Customer is the United States Government (or an agency thereof), in which case all matters relating to or arising out of the Agreement will be governed by the laws of the State in which the Products and Services are provided. The terms of the U.N. Convention on Contracts for the International Sale of Goods and the Uniform Computer Information Transactions Act will not apply.

**12.2. Negotiation; Mediation.** Either Party may initiate dispute resolution procedures by sending a notice of Dispute ("**Notice of Dispute**") to the other Party. The Parties will attempt to resolve the Dispute promptly through good faith negotiations, including timely escalation of the Dispute to executives who have authority to settle the Dispute (and who are at a higher level of management than the persons with direct responsibility for the matter). If a Dispute is not resolved through negotiation, either Party may initiate mediation by sending a notice of mediation ("**Notice of Mediation**") to the other Party. The Parties will choose an independent mediator within thirty (30) days of such Notice of Mediation. Neither Party may unreasonably withhold consent to the selection of a mediator, but if the Parties are unable to agree upon a mediator, either Party may request that the American Arbitration Association nominate a mediator. Each Party will bear its own costs of mediation, but the Parties will share the cost of the mediator equally. Each Party will participate in the mediation in good faith and will be represented at the mediation by a business executive with authority to settle the Dispute. All in

person meetings under this **Section 12.2 – Negotiation; Mediation** will take place in Dallas, Texas, and all communication relating to the Dispute resolution will be maintained in strict confidence by the Parties. Notwithstanding the foregoing, any Dispute arising from or relating to WatchGuard’s intellectual property rights will not be subject to negotiation or mediation in accordance with this Section, but instead will be decided by a court of competent jurisdiction, in accordance with **Section 12.3 – Litigation, Venue, Jurisdiction** below.

**12.3. Litigation, Venue, Jurisdiction.** If the Dispute has not been resolved by mediation within sixty (60) days from the Notice of Mediation, either Party may submit the Dispute to a court of competent jurisdiction in the state in which the Products and Services are provided. . Each Party expressly consents to the exclusive jurisdiction of such courts for resolution of any Dispute and to enforce the outcome of any mediation.

### **13. General.**

**13.1. Compliance with Laws.** Each Party will comply with applicable laws in connection with the performance of its obligations under this Agreement, including that Customer will ensure its and its Authorized Users’ use of the Products and Services complies with law (including privacy laws), and Customer will obtain any FCC and other licenses or authorizations (including licenses or authorizations required by foreign regulatory bodies) required for its and its Authorized Users’ use of the Products and Services. WatchGuard may, at its discretion, cease providing or otherwise modify Products and Services (or any terms related thereto in an Addendum or Ordering Document), in order to comply with any changes in applicable law.

**13.2. Audit; Monitoring.** WatchGuard will have the right to monitor and audit use of the Products, which may also include access by WatchGuard to Customer Data and Service Use Data. Customer will provide notice of such monitoring to its Authorized Users and obtain any required consents, including individual end users, and will cooperate with WatchGuard in any monitoring or audit. Customer will maintain during the Term, and for two (2) years thereafter, accurate records relating to any software licenses granted under this Agreement to verify compliance with this Agreement. WatchGuard or a third party (“**Auditor**”) may inspect Customer’s and, as applicable, Authorized Users’ premises, books, and records. WatchGuard will pay expenses and costs of the Auditor, unless Customer is found to be in violation of the terms of the Agreement, in which case Customer will be responsible for such expenses and costs.

**13.3. Assignment and Subcontracting.** Neither Party may assign or otherwise transfer this Agreement without the prior written approval of the other Party. WatchGuard may assign or otherwise transfer this Agreement or any of its rights or obligations under this Agreement without consent (a) for financing purposes, (b) in connection with a merger, acquisition or sale of all or substantially all of its assets, (c) as part of a corporate reorganization, or (d) to a subsidiary corporation. Subject to the foregoing, this Agreement will be binding upon the Parties and their respective successors and assigns.

**13.4. Waiver.** A delay or omission by either Party to exercise any right under this Agreement will not be construed to be a waiver of such right. A waiver by either Party of any of the obligations to be performed by the other, or any breach thereof, will not be construed to be a waiver of any succeeding breach or of any other obligation. All waivers must be in writing and signed by the Party waiving its rights.

**13.5. Severability.** If any provision of the Agreement is found by a court of competent jurisdiction to be invalid, illegal, or otherwise unenforceable, such provision will be deemed to be

modified to reflect as nearly as possible the original intentions of the Parties in accordance with applicable law. The remaining provisions of this Agreement will not be affected, and each such provision will be valid and enforceable to the full extent permitted by applicable law.

**13.6. Independent Contractors.** Each Party will perform its duties under this Agreement as an independent contractor. The Parties and their personnel will not be considered to be employees or agents of the other Party. Nothing in this Agreement will be interpreted as granting either Party the right or authority to make commitments of any kind for the other. This Agreement will not constitute, create, or be interpreted as a joint venture, partnership, or formal business organization of any kind.

**13.7. Third-Party Beneficiaries.** The Agreement is entered into solely between, and may be enforced only by, the Parties. Each Party intends that the Agreement will not benefit, or create any right or cause of action in or on behalf of, any entity other than the Parties. Notwithstanding the foregoing, a licensor or supplier of third-party software included in the software Products will be a direct and intended third-party beneficiary of this Agreement.

**13.8. Interpretation.** The section headings in this Agreement are included only for convenience. The words “including” and “include” will be deemed to be followed by the phrase “without limitation”. This Agreement will be fairly interpreted in accordance with its terms and conditions and not for or against either Party.

**13.9. Notices.** Notices required under this Agreement to be given by one Party to the other must be in writing and either personally delivered or sent to the address provided by the other Party by certified mail, return receipt requested and postage prepaid (or by a recognized courier service, such as FedEx, UPS, or DHL), and will be effective upon receipt.

**13.10. Cumulative Remedies.** Except as specifically stated in this Agreement, all remedies provided for in this Agreement will be cumulative and in addition to, and not in lieu of, any other remedies available to either Party at law, in equity, by contract, or otherwise. Except as specifically stated in this Agreement, the election by a Party of any remedy provided for in this Agreement or otherwise available to such Party will not preclude such Party from pursuing any other remedies available to such Party at law, in equity, by contract, or otherwise.

**13.11. Survival.** The following provisions will survive the expiration or termination of this Agreement for any reason: **Section 2.4 – Customer Obligations; Section 3.4 – Effect of Termination or Expiration; Section 4 – Payment and Invoicing; Section 6.5 – Warranty Disclaimer; Section 7.3 – Customer Indemnity; Section 8 – Limitation of Liability; Section 9 – Confidentiality; Section 10 – Proprietary Rights; Data; Feedback; Section 11 – Force Majeure; Delays Caused by Customer; Section 12 – Disputes; and Section 13 – General.**

**13.12. Entire Agreement.** This Agreement, including all Addenda and Ordering Documents, constitutes the entire agreement of the Parties regarding the subject matter hereto, and supersedes all previous agreements, proposals, and understandings, whether written or oral, relating to this subject matter. This Agreement may be executed in multiple counterparts, and will have the same legal force and effect as if the Parties had executed it as a single document. The Parties may sign in writing or by electronic signature. An electronic signature, facsimile copy, or computer image of a signature, will be treated, and will have the same effect as an original signature, and will have the same effect, as an original signed copy of this document. This Agreement may be amended or modified only by a written instrument signed by authorized representatives of both Parties. The preprinted terms and conditions found on any Customer purchase order, acknowledgment, or other form will not be considered an amendment or

modification or part of this Agreement, even if a representative of each Party signs such document.

The Parties hereby enter into this MCA as of the Effective Date.

**WatchGuard Video, Inc.**

**Customer: [REDACTED]**

By: \_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Date: \_\_\_\_\_

# VIRTUAL ACADEMY SOLUTION AGREEMENT

THIS VIRTUAL ACADEMY SOLUTION AGREEMENT (comprising this Cover Sheet and the Terms and Conditions attached hereto, collectively, the "Agreement") is entered into as of the date of the later signature below ("Effective Date") by and between Virtual Academy, a division of Savant Learning Systems, Inc. ("Virtual Academy"), and the law enforcement agency identified below ("Law Enforcement Agency").

WHEREAS, Virtual Academy has developed a comprehensive suite of content, products and services (each individually, a "Solution" and, collectively, the "Solutions") designed to permit Law Enforcement Agency to offer training online, which Solutions include Virtual Academy's custom on-line training management system ("TMS"), currently offered under the brand "Virtual Academy."

WHEREAS, Law Enforcement Agency desires to arrange for access to and use of the TMS and the additional Solutions specifically elected by Law Enforcement Agency ("Elected Solution(s)") as indicated below, and Virtual Academy is willing to provide such Elected Solutions, subject to the terms and conditions herein.

[Terms and Conditions](#)

## Instructions

1. Review Agreement in its entirety and ensure it appears correct for

billing purposes.

2. Review terms and conditions link (above)

3. Once your review is complete, click "Accept" in the top right corner to confirm purchase.

# Warrenton Police Department

Chief Goble Lane

113 S. Bragg Street Warrenton, NC 27589

<b>DESCRIPTION</b>	<b>QUANTITY</b>	<b>RATE</b>	<b>PRICE(\$)</b>
Virtual Academy Full T.M.S. and Unlimited Courses	5	45.00	225.00

# TMS Access & Unlimited Courses

## **Training:**

All training courses available at time of Implementation. (Currently over 250 hours)

- New training courses released during invoice period
- Course Builder for internal training
- Track External & Internal Training

## **General Orders: (Policy Management)**

- Resource to all department staff
- Tracks and allows for “testing out”
- Offer consistent, clear instruction to your officers

## **Communication:**

- Secure Internal Messaging
- Resources for Document Management
- Instant Announcements
- Integrated Departmental Calendar
- Automated Email and Text Alerts
- Profile Directory

## **Records Management**

- Automatic grading of assessments

- System-generated certificates

### **Cloud-hosted and secure system hosted with Amazon Web Services**

- 24/7 Technical support to each user.
- Guided implementation and setup
- Training & orientation

*Quoted price includes all the above services. Virtual Academy does not charge maintenance fees or upfront startup costs.*

VIRTUAL  ACADEMY®

[virtualacademy.com](http://virtualacademy.com)

# TOWN OF WARRENTON

*"Historically Great - Progressively Strong"*

P. O. Box 281

Warrenton, NC 27589-0281

PHONE (252) 257-3315 FAX (252) 257-9219

www.warrenton.nc.gov

## STATEMENT OF INTEREST TO SERVE

If you are a Town of Warrenton or Warren County resident and would like to be appointed or volunteer your time and expertise to your community, please complete and return to:

Warrenton Board of Commissioners

c/o Town Administrator

P O Box 281

Warrenton, NC 27589

Please list in order of preference the Boards and Commissions for which you would be willing to serve:

1. Planning Board
2. \_\_\_\_\_
3. \_\_\_\_\_
4. \_\_\_\_\_

Your full name: George Henry Humphries Sr.

Date of Birth: 4/2/72 Sex m Race W

Mailing Street Address: 143 Ridgecrest dr

City and Zip Code Warrenton, 27589

Home Phone (252)820-3404 Work Phone \_\_\_\_\_ Cell Phone \_\_\_\_\_

Job Title General Contractor

Company or Agency Sole Proprietor

Email Address Trimboss1972@gmail.com

Are you a full time resident of the Town of Warrenton  YES  NO

### Educational Background

Name of High School Attended Vance Sr. High School

Name of College Attended Vance Granville Community College

Degree Received Residential Contracting Certified and Licensed in NC

Please list any military experience and rank when discharged N/A

\_\_\_\_\_

If you are presently serving or have previously served as an elected or appointed official, please explain: \_\_\_\_\_

I was appointed to and voted in as Vice President of Vance/Granville Homebuilders Association, served 2 years from 2010-2012

Then as President for 2013/14, prior to this I was a board member for 8 years

**Please list all past employers and volunteer experience you have had which may be beneficial in evaluating your qualifications. Please feel free to attach a resume if so desired.**

**Work Experience** I was active in the Boy Scouts of America for many years both as a scout and as a parent. I've worked in construction in some form since childhood, as a general contractor I have dealt with many different municipalities both in building and land acquisition also I have developed, bought and sold homes for many years.

**Volunteer Experience** I have extensively volunteered in coaching, with the Boy Scouts and with the elderly, donating my skills and services to schools that my children have attended over the years and to help with repairs for the elderly.

How did you become aware of Town of Warrenton volunteer or appointment opportunities? (Please circle appropriate response)

Newspaper      Current Town of Warrenton Volunteer      Web Site      Staff      Other

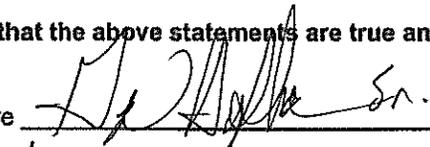
Mr. Walter Gardener asked me to apply due to my extensive experiences in building and working in conjuncture with various municipalities

If other, please explain \_\_\_\_\_

I affirm that the above statements are true and if appointed, I will serve to the best of my ability.

Signature \_\_\_\_\_

Date \_\_\_\_\_



9-22-21



Walter M. Gardner, Jr. – Mayor  
Robert F. Davie, Jr. – Town Administrator

P.O. Box 281  
Warrenton, NC 27589-0281  
(252) 257-1122 Fax (252) 257-9219  
[www.warrenton.nc.gov](http://www.warrenton.nc.gov)

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**RESOLUTION IN SUPPORT OF MAY 2021  
AS  
NATIONAL PRESERVATION MONTH**

**WHEREAS**, The Town of Warrenton, North Carolina is committed to enhance and preserve its historic character, and

**WHEREAS**, The Board of Commissioners voted to establish the Warrenton Historic District Commission as a citizens group to work on enhancing, preserving and maintaining Warrenton’s historic character, and

**WHEREAS**, The Board of Commissioners supports and appreciates the role of Preservation Warrenton, Inc. in historic preservation in Warrenton and Warren County, and the National Trust for Historic Preservation nationally,

**NOW, THEREFORE, BE IT RESOLVED** that the Town of Warrenton supports the theme of “Preserving the Past for the Future” for National Preservation Month as proclaimed by Preservation Warrenton, Inc. of Warrenton, North Carolina and the National Trust for Historic Preservation, and calls upon the citizens of Warrenton to join their fellow citizens across the United States in recognizing and participating in the observance of MAY 2020 as National Preservation Month.

Approved by the Board of Commissioners at its regularly scheduled meeting the 10th day of May, 2021.

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Walter M. Gardner, Jr.  
Mayor - Town of Warrenton

# PROPOSED BUDGET

FISCAL YEAR 2021-2022



Town Administrator and Budget Officer

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## **Governing Board, Senior Staff and Mission**

Mayor: Walter M. Gardner, Jr. (Term expires 12/21)  
Home Address: 318 South Main St., Warrenton, NC 27589  
Email Address: wgardner@nc.rr.com  
Business Address: Warrenton Insurance Agency, Inc.  
131 South Main St. (PO Box 633), Warrenton, NC 27589  
Business Phone: 252-257-3104  
Cell Phone: 252-213-3034

Mayor Pro Tem: Mary Hunter (12/21)  
Home Address: PO Box 281, Warrenton, NC 27589  
Email Address: m.hunter@warrenton.nc.gov

Commissioner: Kimberly Harding (12/21)  
Home Address: 103 Plummer St., Warrenton, NC 27589  
Email Address: kimberlyraeharding@gmail.com

Commissioner: Edna Scott (12/21)  
Home Address: 225 Brehon Street, Warrenton, NC 27589  
Email Address: edsco1128@gmail.com

Commissioner: Michael Coffman (12/23)  
Home Address: PO Box 281, Warrenton, NC 27589  
Email Address: m.coffman@warrenton.nc.gov

Commissioner: Margaret Britt (12/23)  
Home Address: PO Box 281, Warrenton, NC 27589  
Email Address: margaretbritt2@gmail.com

Commissioner: Mark Wethington (12/23)  
Home Address: 315 S. Main Street, Warrenton, NC 27589  
Email Address: markwethington1@gmail.com

Commissioner: John Blalock (12/23)  
Home Address: PO Box 281, Warrenton, NC 27589  
Email Address: j.blalock@warrenton.nc.gov

### **Senior Staff**

Meredith Valentine, Director of Finance, 252-257-1122  
Bill Perkinson, Director of Public Works, 252-257-1776  
Goble Lane, Chief of Police, 252-257-3123  
Robert Davie, Town Administrator, 252-257-1122

## **Mission**

### ***“Historically Great – Progressively Strong”***

Five key tenets of the Town’s mission are: maintaining small town charm, keeping the business district active, keeping young people excited about living in Warrenton, increasing prosperity and vibrancy, and understanding and capitalizing on a variety of histories while engaging the future.

## **Budget Summary**

Honorable Mayor and Members of the Warrenton Board of Commissioners,

In accordance with the North Carolina Local Government Budget and Fiscal Control Act, I am pleased to submit to you for your consideration the proposed FY 2021-2022 Warrenton Town Budget. North Carolina General Statute 159-13 requires that boards of commissioners receive proposed budgets from the town budget officer no later than the first day of June, and to officially adopt budget ordinances no later than the first day of July for each fiscal year. A Public Hearing to receive citizen comments on the proposed budget is recommended to be held on June 14, 2021 at 6:45 PM prior to the regularly scheduled Board meeting at the Warrenton Town Hall, 113 S. Bragg Street. Copies of the proposed budget may be obtained at Town Hall at 113 S. Bragg Street by calling in advance to make an appointment. Copies are also available to download from the Town’s website at [www.warrenton.nc.gov](http://www.warrenton.nc.gov).

Presented below is the recommended Fiscal Year 2021-2022 budget for the Town of Warrenton. The General Fund budget is proposed to be \$1,194,248 which represents a decrease of \$101,868 from the current FY 2020-21 budget, primarily because fund transfers are accounted for as negative numbers. Despite a constant focus on savings, the primary causes for the rise in operating costs are a result of sizable increases in mandatory state retirement contributions, health insurance and overall increased costs of running the Town and its renovated facilities. For the 13<sup>th</sup> consecutive year there is no planned increase in ad valorem taxes.

In Enterprise Fund 38 a decrease is also shown in the amount of \$202,317, again primarily due to the negative accounting of transfers, but also reflects a slight addition in the number of water and sewer customers. The total budget of Enterprise Fund 39 also shows a decrease of \$56,772 and Fund 34 for Frontier Warren a decrease of \$7,500 due to accounting of transfers.

In the most recent goal-setting workshop the Board identified top priorities for the Town:

### **Maintain Small Town Charm**

1. Continue implementing streetscape plan, incorporating main street ideas and incorporating underground utilities
2. Engage a part-time marketing and promotional person to coordinate a merchants association, create and schedule coordinated events and take on events at Frontier Warren. Incorporating an investigation into wayfinding and coordination of colors of paint for the central business district.

### **Keep Business District Active**

1. Continue revitalization of downtown business district
2. Discourage building neglect and encourage property improvements
3. Develop S. Main Parking lot – behind Nationwide Insurance
4. Continue grocery store recruitment

**Keep Young People Excited about Living in Warrenton**

- 1. Downtown activities at night (events person)
- 2. Trails and parks, continue implementing bi/ped plan inside ETJ
- 3. Events tailored to younger population (events person)

**Increase Prosperity and Vibrancy**

- 1. Recruit and secure downtown housing, urgent care and grocery store
- 2. Market Frontier Warren

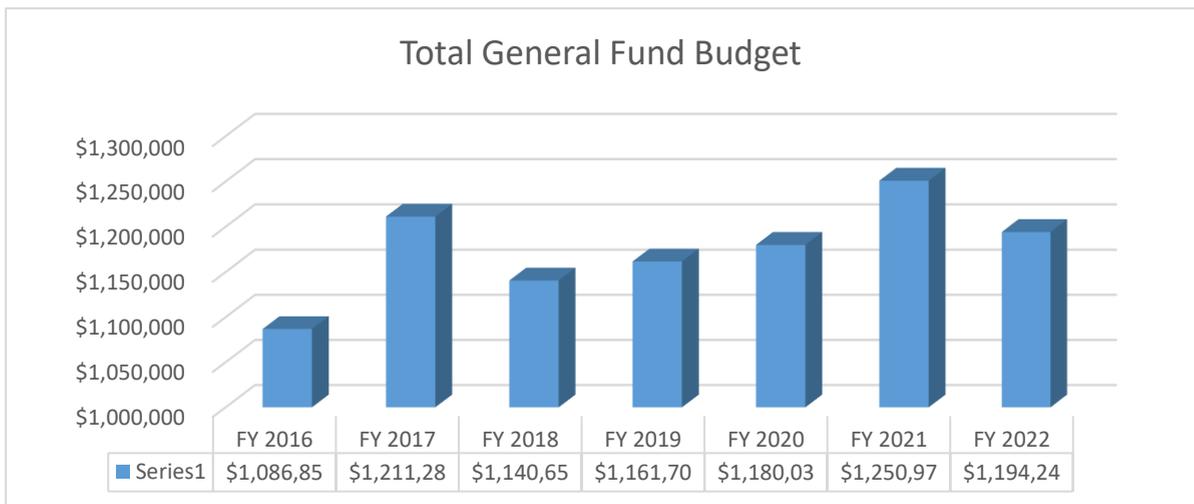
**Understand and Capitalize on a Variety of Histories While Engaging in the Future**

- 1. Improve level of engagement in community heritage projects, such as Plummer Hook and Ladder Fire Museum, All Saints Episcopal Church
- 2. Investigate equity training with an eye toward reviewing town policies. Begin on positive note with all town is doing at present to support minorities.

**Staff Goals**

- 1. Part-time marketing/events coordinator handling also Frontier Warren and launching of merchants association
- 2. Keep current the vehicle rotations, both W/S trucks and police cars
- 3. As grant funding and budget allows, purchase new leaf machine (\$80,000), backhoe and stand on skid
- 4. As budget allows create a full-time position to be spread among public works departments

**General Fund**

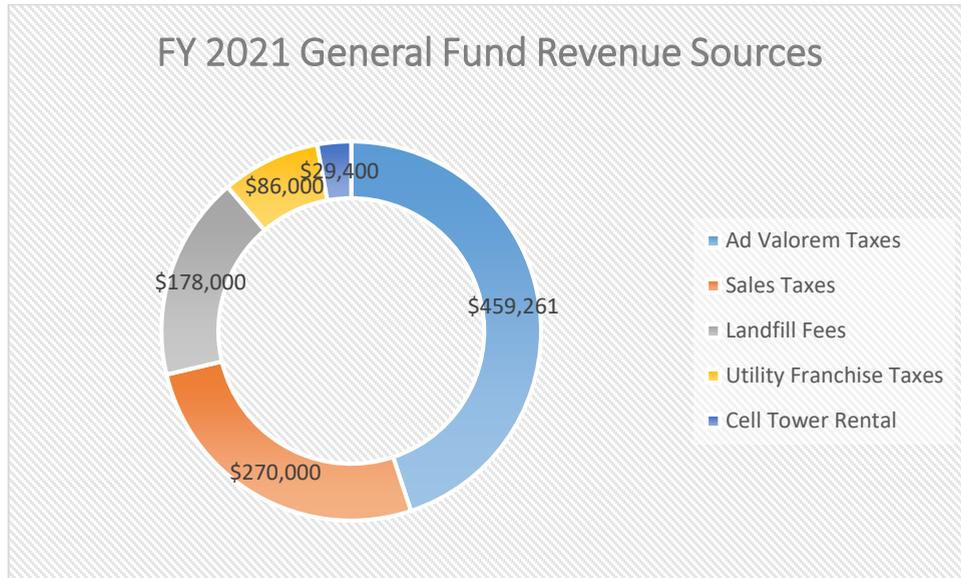


## Budget Message 2021-22

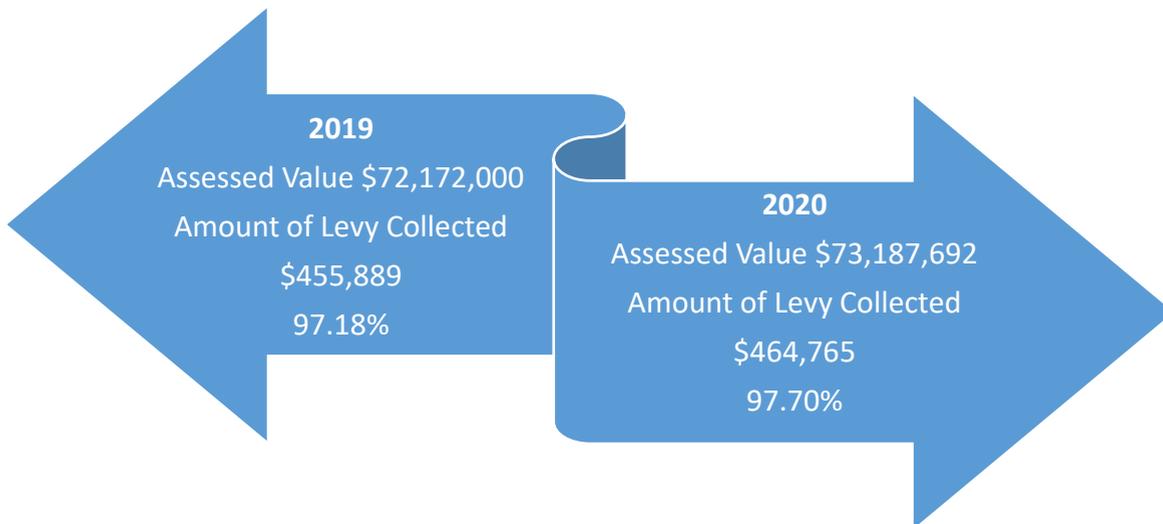
- The budget increases expenditures on health insurance **by 7.2%**. The Town continues to provide health census information to various competitive firms in an effort to reduce health premiums.
- The NC League of Municipalities' Cost of Living Adjustment (COLA) survey for 2022 shows that **%** of municipalities with a population of less than 2500 have budgeted a Cost of Living Adjustment of between 1% and 3% for employees. Another **%** of municipalities the size of Warrenton are budgeting merit increases in their upcoming Fiscal Year. Warrenton's FY 2021-22 budget does not include a COLA wage increase. The Town increased wages across the board by 2% in FY 2020-21, however, a continually competitive job environment requires the Town to closely monitor salaries in order to retain highly qualified employees. Increases are still needed to bring salaries above the minimums and into competitive, mid-range areas according to the Town's 2014 Compensation and Classification study.
- The State Retirement System has mandated an 11% increase in matching contributions from municipalities rising from 10.9% to 12.10% for law enforcement and a 12% increase from 10.15% to 11.35% for other employees. In addition, the Town is obligated to pay 6.85% of total salaries towards the Town's retirement liability. Fourteen years remain on the retirement liability obligation.
- Contributions to the Warrenton Rural Fire Department remain unchanged as the Town is in its third year of a 5-year agreement for fire protection services.
- The budget maintains the Town's healthy financial condition with an Unrestricted Fund Balance of \$842,000 which is 81% of General Fund expenditures. This fund balance decreased slightly, from \$857,000 due to the way COVID grant funding was accounted. The overall Fund Balance for General Fund, including Restricted and Unrestricted, increased by \$48,532 to \$1,104,551. However, Unrestricted Fund Balance is projected to increase dramatically in the FY ending in 2021.
- There are no planned increases in fees charged by the Town.
- The budget includes a continuation of the Frontier Warren project (Fund 34), a partnership with Warren County and Research Triangle Foundation, which serves as a model for rural areas across the state. While the Town applied for two grants to sustain and expand Frontier Warren in 2020, one to NC IDEA and another to the Economic Development Administration, it was not awarded either. The Town will continue to seek grant funding by every possible means for Frontier Warren and is currently seeking funding from the Golden Leaf Foundation.
- The budget maintains \$12,000 in economic development funding to support a part-time person to manage events at Frontier Warren and to establish a downtown merchants association, which was identified as a top priority by the Board in its recent goal-setting workshop.

### **HIGHLIGHTS:**

- ***Once again, budget includes significant increases in contributions to health insurance and retirement.***
- ***No planned increase in salaries.***



Projected ad valorem revenues are reduced for FY 2021-22 over the prior year by a significant amount, \$32,000, representing a 7.4% decrease. The Town is dependent on the County for tax collection and overall tax valuation. At the time of this budget presentation and adoption the Town was unable to resolve this significant downward change with the County. The impact from COVID-19 on sales tax revenues has been a positive one, increasing an estimated \$30,000 over the prior year. Interest income will be negligible for the coming year, a result in the drop in interest rates, while other revenues will remain overall constant.



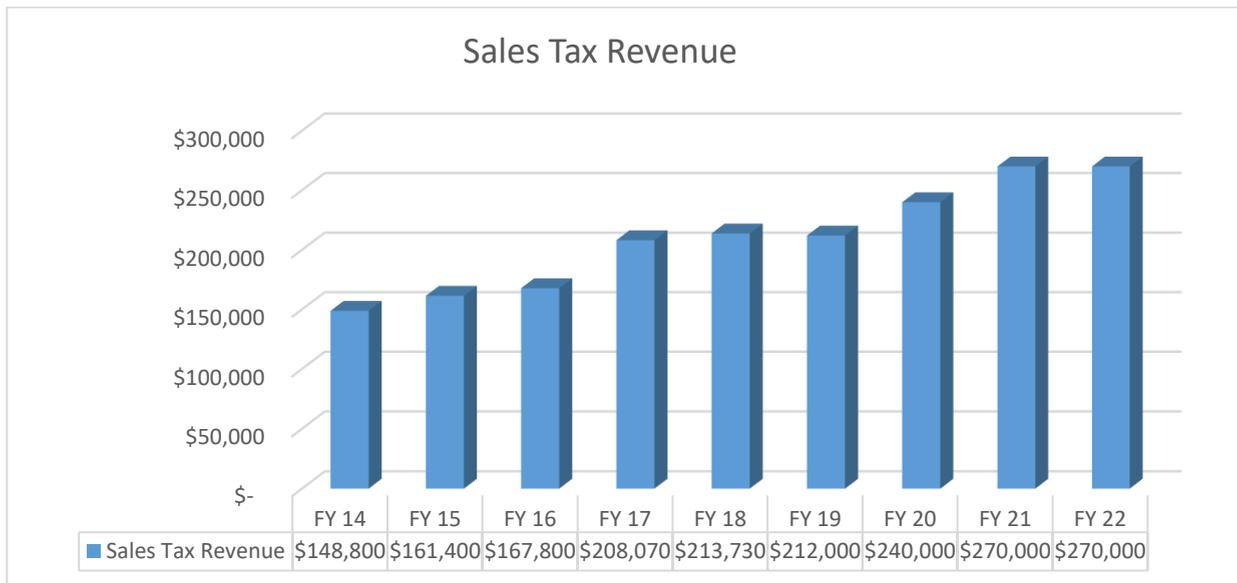
**Property tax revenue is the primary source of general fund revenues** providing approximately 40% of total revenues and a total amount of \$459,261, based on the ad valorem rate of 65 cents per \$100. While the upcoming year seems to be an aberration and unusual decrease, total taxable property values are expected to increase in following fiscal years as more buildings and homes are renovated and the Town’s overall business climate continues on its current path of growth. The property tax collection rate is 97.7% which is slightly improved from 97.47% in the prior fiscal year. Automobile taxes as administered by the State, are expected to rise by 10%. Revenue collected for utility properties are expected to remain constant. The figures below reflect annual tax bases and tax rates for the most recent Ten years.

Fiscal Year	Taxable Assessed Value	Tax Rate
FY 2013	\$74,469,147	0.61
FY 2014	\$73,471,472	0.61
FY 2015	\$73,332,883	0.61
FY 2016	\$74,218,966	0.61
FY 2017	\$74,606,021	0.61
FY 2018	\$70,931,094	0.65
FY 2019	\$72,011,978	0.65
FY 2020	\$72,417,087	0.65
FY 2021	\$76,732,079	0.65
FY 2022	\$72,099,363	0.65

**Tax Calculations**

2020 - 2021	Assessed Value	Assessed Rate	Tax Rev Assessed	Collection Rate	Expected Revenue
Real & Personal Property	\$ 62,762,604	0.0065	\$407,956	97.70%	\$398,573
Vehicles	\$ 5,539,587	0.0065	\$36,007	100%	\$36,007
Utility Property	\$ 3,797,172	0.0065	\$24,681	100%	\$24,681
<b>Total Revenue</b>	<b>\$ 72,099,363</b>	<b>0.0065</b>	<b>\$468,644</b>		<b>\$459,261</b>

**The second largest source of governmental fund revenue is sales tax.** The general trend for sales taxes is one of increasing revenues and that trend has continued during this current pandemic period. However, given the COVID-19 special circumstances it is difficult to predict sales tax revenues. Revenues could potentially drop as residents begin spending their dollars farther from home. With this uncertainty in mind, the budget conservatively projects sales tax revenues to remain constant year over year. The Town continues to receive its proceeds from the State’s article 44 redistribution which began in FY 2017 and which changed the way the state calculates goods and services being taxed. The Town expects to receive \$270,000 from sales tax distributions in FY 2021-22.

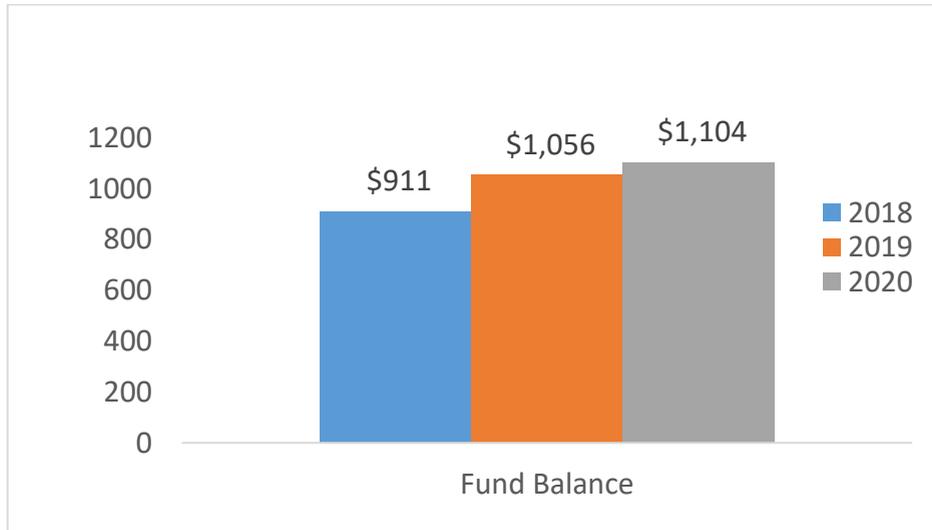


Other important sources of revenue generated at the state level are Utility Franchise Taxes and Motor Vehicle Taxes estimated at \$86,000 and \$36,000 respectively, static for Utilities and up 10% for Motor Vehicles year over year. Important sources of revenue that are generated locally include landfill fees of \$180,000, up slightly over \$178,000, and cell tower rental fees of \$29,400. Minor sources of revenue will remain at a relatively constant level in FY 2021-22.

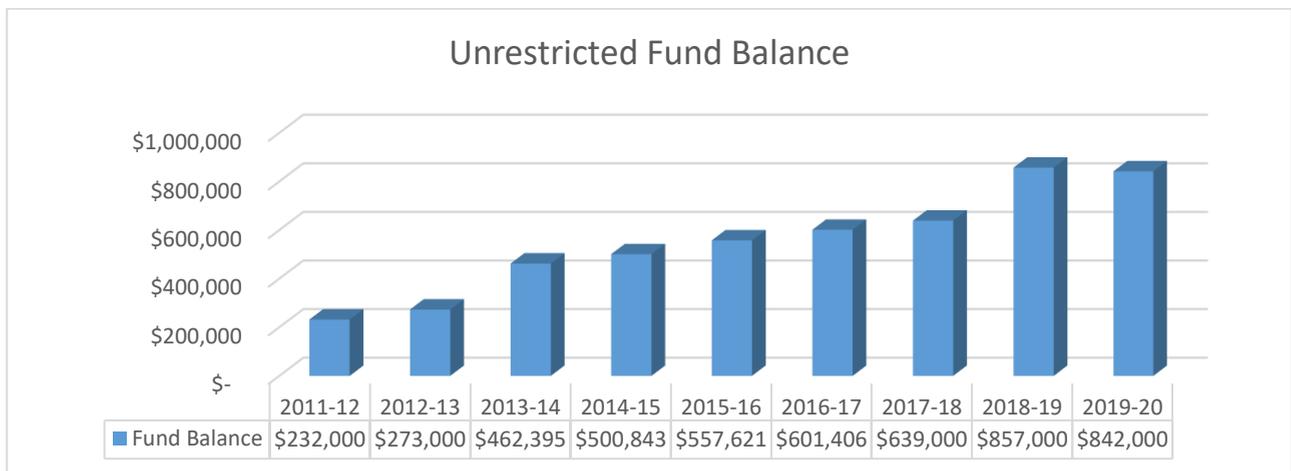
There is no appropriation of fund balance in the proposed budget while there is no proposed contribution either. Staff typically has been able to control expenses, however, unexpected events may require an appropriation of Fund Balance at the conclusion of the Fiscal Year.

American Rescue Plan grant funds are appropriated in several new lines in the budget; in Fund 34 in the amount of \$18,000 to support small businesses in Warrenton, Fund 38 to make one-time repairs to pump stations of \$30,000 and storm water problem areas in the amount of \$29,000. These funds are federal grant dollars and are received in two tranches, \$120,000 in June of 2021 and \$120,000 in June of 2022. These grants payments will be accounted for in a separate grant project fund.

Budget Message 2021-22



Based on the Town’s adopted policy for fund balance, the Local Government Commission advises the Town to maintain an average Unrestricted Fund Balance of 58.85% of General Fund expenditures. The current balance stands at \$842,000 or 80.80%. While the overall Fund Balance increased by \$48,000 in FY 2019-20, the calculation method used for Unrestricted Fund Balance shows a decrease of \$15,000. In the current FY 2020-21 and upcoming audit, the Unrestricted Fund Balance will increase dramatically as the formula will add back subtracted amounts to the total.



**General Fund Expenses**

The budget as a whole prioritizes the objectives of the Board of Commissioners to improve services while reducing expenses wherever possible. The largest areas of expenditures remain in the areas of: public safety, administration and streets and sanitation and personnel across all departments.

## Budget Message 2021-22

A vehicle purchase is planned for the Police Department in the coming fiscal year to replace a 2008 Crown Victoria with 134,145 miles, however, the purchase price will not impact the FY 2021-22 budget as payments will not begin until the following Fiscal Year. The replacement vehicle will be an SUV which will serve as both a pursuit vehicle and as a trailer pull. USDA grant funds will be sought on this vehicle as with all prior vehicles.

As a top priority in the 2021 Board goal-setting workshop, a part-time position continues in the budget at \$1000 per month to address the combined needs of organizing and establishing a merchants association and planning and scheduling events at Frontier Warren. A recent initial meeting of merchants generated enthusiasm and energy and will be followed up by additional meetings that establish communication and collaboration methods among local merchants. Activities surrounding Frontier Warren's co-working space include: Lunch and Learn, live streaming videos from Frontier RTP, art shows, quilt shows, business launches, for-profit events hosted by new and or small businesses, even the founder of Mapquest.com. Building 136 S. Main is fully leased with no remaining offices available. Revenues exceed expenses for the 136 S. Main building.

### General Fund Expenses

*"Health insurance increasing 7.2%."*

*"Part-time compliance officer for zoning and historic district is continued for second year at reduced hours."*

The budget includes increases in health insurance of 7.2% over the prior year. Considered a "small pool" of insured, the Town cannot reap the same discounts as larger insured groups. Going forward the Town will continually work to control health insurance costs while maintaining a competitive benefits package for employees.

The budget includes \$2500 for a salary study from HR Essentials, which last performed a salary study for the Town in 2014. It is important to note that at the recommendation of HR Essentials, Warren County raised taxes by 2 cents in FY 2020-21 in order to contribute \$750,000 annually towards salary increases for its employees.

The budget does not include anticipated legal expenses related to the Main Street Downtown Redevelopment grant or Milano's grant. Once legal expenses are identified, fund balance must be appropriated through an anticipated budget amendment.

The budget includes funding for municipal elections scheduled for November 2021, in the same amount of \$3200 that as was budgeted in 2019.

The budget includes membership in the National Main Street program, NC Main Street and North Carolina Downtown Development Association for the second year. Regular memberships in Kerr-Tar COG and the UNC School of Government are budgeted.

### Street Department

Street Department activities include accommodating special requests by citizens as well as:

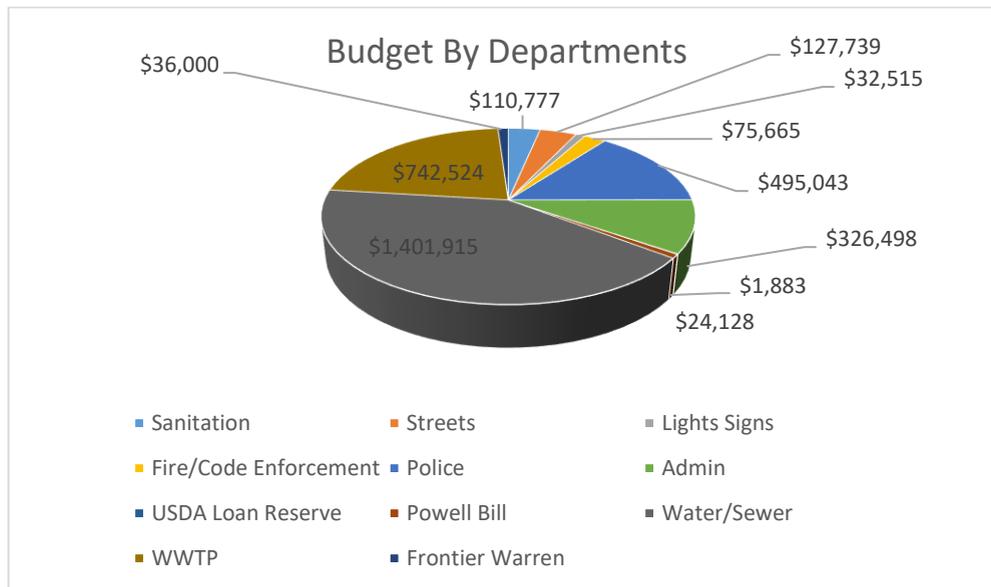
- Cross training of the Public Works personnel, a strategic asset to the Town
- Adding areas for regular cleanup, Hayley Haywood Park, Hall Street, Town cemetery, Plummer cemetery, utility strips, Cannon House area, dog waste stations
- Continuing to offer year-round debris pickup

## Budget Message 2021-22

Major storm water repairs to areas along Spring and Crocket Streets as well as Battle Avenue will exceed typical budgeted resources and in the proposed budget are offset by American Rescue Plan grant funds.

### Sanitation

Citizen feedback on trash pickup continues to be positive. The recent grant award from Volkswagen settlement funds has addressed a very long-term priority of acquiring a new garbage truck. Included also in the Volkswagen grant is the purchase of a dump truck. At the time of application these grants were 100% grant with no required Town match however supplemental funds will be needed as prices have increased and may be appropriated from Fund Balance if needed. There is no planned increase in the Landfill Fee as it was increased by \$5.50, from \$26.50 to \$32.00 per month in the last Fiscal Year, for the first time in ten years.



### Police Department

The PD's budget reflects an increase of approximately \$13,458.00. Several increases have affected the new budget including; Elevator Services, Fire Monitoring, Cleaning, a projected new USDA Car Grant/Loan, and the State Retirement system increase. The Town's Health insurance is increasing as is typical each year. There were a couple of additions to equipment expenses and a grant application will be made to cover costs. If awarded the grant will cover 100 percent of the equipment costs and will replace old and non-repairable equipment.

The police department remains conservative with its spending parceling out purchases over multiple budget cycles. By making those purchases, the PD is able to spread out the equipment purchases over several years.

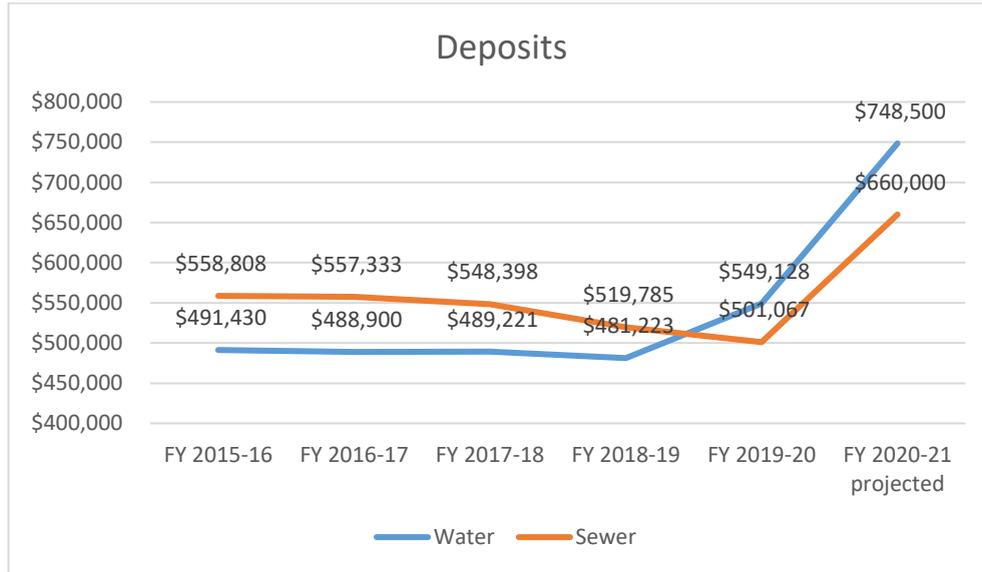
### Unfunded Priorities

- Streetscape plan implementation along the Main and Macon corridors
- Placing utilities underground

## Enterprise Funds

### Water Sewer Fund 38

The increase in water and sewer rates in FY 2020-21 has resulted in revenues less than expected, possibly due to conservation reactions. One bright spot, however, is the total number of water/sewer accounts. While the Total number of water/sewer customers dropped from 944 to 912 over the prior two-year period, it has increased back to 932 over the past year, possibly from a strong real estate market in Warrenton.



Planned increases in water costs from a restructuring of rates by Kerr Lake Regional Water System are not anticipated to occur in FY 2021-22. Nor is there any anticipated increase in regular water rates which typically rise 5% annually.

#### WATER / SEWER REVENUES (POST RATE INCREASE 2020)

##### Monthly Run Rate to Meet Budget Projections:

Water Revenues: \$67,000

Sewer Revenues: \$49,000

##### Actual Average Monthly Run Rate from Pre-billing Reports

Water Revenues: \$62,375

Sewer Revenues: \$48,875

In the budget is a proposed additional job, the first in over a decade at the Town of Warrenton. Due to the cumulative responsibilities the Town has taken on and due to the reclassification of the treatment plant, this position is urgently needed. It will be shared among three departments to achieve efficiencies while meeting increased workloads. A few of the noted duties will include maintaining the additional 15 flower pots of a total of 19 and water sampling five days per week at the treatment plant. This position will require water/sewer certifications and a pesticide applicators license from the state and be under the supervision of Public Works Director.

Unfunded priorities include replacement of; remaining cast iron and galvanized water lines, vitrified clay sewer pipes, vault components and altitude valve at the Fairlane water tank, two work trucks dating from 1999 and 2004 among other priorities. Replacement of the pump located at Riggins Pump Station is budgeted using American Rescue Plan grant funds at a cost of \$29,000.

### **Waste Water Treatment Fund 39**

The expenses of the WWTP are shared by the Town, Norlina and Warren County. In FY 2020-21 the Town's use of services increased by 3.25% as compared with its partners' usage, after declining the year before. This increase in usage and associated costs are reflected in the budget of Funds 38 and 39.

Grant and additional no-interest, loan funding has been obtained by the Town from the NC Department of Environmental Quality to cover planned portions of Phase 2 of the Capital Improvement Plan for the waste water treatment plant. Currently underway and expected to be completed in calendar year 2021 upgrades include: submersible mixers and controls, rotor and weir controls, bar screening, grit classifier, lime silo and generator. The Town received approval by the boards of its treatment plant partners, Norlina and Warren County to obtain additional loan funding.

In FY 2021-22 the Town expects to enter into conversations and negotiations with Warren County over continued upgrading of the 40-year old treatment plant as well as renewal of the 40-year lease expiring on December 31, 2021. Under the current lease Warren County is primarily responsible for obtaining funds for capital upgrades. A ten-year old Capital Improvement Plan should be updated soon as it expires in 2021.

The Town also expects to enter into conversations and possible negotiations with the Town of Norlina and Warren County over the operating agreement of the treatment plant. Last amended in 2005, the agreement allows for continued operation of the plant should the three parties not agree to a replacement contract. Warrenton holds the license from the State to operate the plant and continues to receive positive inspections and renewals of its license.

The treatment plant has been reclassified as a Grade 4 plant from Grade 3, which requires lab testing five days per week instead of three days per week and which requires the operator to have a Grade 4 license and the backup operator a Grade 3 license.

Unfunded priorities of the WWTP include replacement of 40 year old rotors and drive trains. One recent failure resulting in the appropriation of a 40 year old backup rotor and drive train. Cleaning of the vegetation in the second oxidation ditch is an immediate need and requirement by the State. Filter building and tertiary filters must be updated, which was a million dollar project several years ago. It is not financially feasible to replace the aging plant, as it would cost in the partners tens of millions of dollars.

### **Special Revenue Funds**

#### **Fund 34**

The Town will include the Special Revenue Fund 34 in the proposed budget for the Frontier Warren partnership with Research Triangle Foundation and Warren County. Fund 34 accounts for revenues and expenses associated with Frontier Warren. Revenues are received from a variety of sources: rent payments, donations and Town and County appropriations. Expenses are primarily utilities and rent. Donations may be used for capital improvements or capital purchases such as furniture, outdoor decking, lighting and event space. Warren County has indicated its commitment to the joint venture and will contribute \$10,000 in FY 2021-22 to help offset the costs of co-working space.

## **Outstanding Loans**

Making its first two of three payments to the USDA in FY 2020-21, the Town will add a third payment in FY 2021-22. All three USDA loans total \$2,843,000 and the annual payment for FY 2021-22 is \$88,125. The Town's General Fund debt percentage will be less than 1% of the assessed value of property subject to taxation. By State Statute (NC GS 159-55) a municipality's General Fund debt shall not exceed eight percent (8%) of the assessed value of property. Warrenton's maximum debt load for the General Fund is approximately \$5,760,000 while current debt stands at \$36,271. In the eyes of the Local Government Commission the USDA loan for Town Hall is considered an Enterprise Loan, giving the Water Sewer Fund a total outstanding debt of \$4,647,390. However, General Fund will be offsetting a portion of the Water Sewer loan payment for Town Hall as General Fund will be benefitting from use of the office space at Town Hall. In the proposed budget is the final payment of a twenty year loan for Battle Avenue sewer replacement. Also completed and removed from the proposed budget is the last of five payments for a dump truck used by the Streets Department, reducing annual loan payments by \$13,593 in FY 2021-22.

## **Grants**

The Town is very fortunate to have received full funding for its Volkswagen grant application of \$216,000 which will provide for replacement of a garbage truck and utility truck, both of which have been long-term, identified needs for many years.

The Town also expects official award notice of its Brownfield grant application to the EPA. This grant will allow testing of contaminated properties within and outside the Town limits, including the old jail. Once concluded within a mandatory three-year timeframe, the Town will be well positioned to apply for funds to remediate any discovered environmental problems.

## **Economic Development**

By offering grants as incentives, the Town has been able to attract a developer to renovate the Dameron building, and is subsequently focused on expanding parking along S. Main Street to address a shortage of parking for the Dameron building as well as Warrenton as a whole. The Town's focus on entrepreneurship as economic development is demonstrated in its successful partnership with Research Triangle Foundation, the first of its kind in RTF's sixty year history.

## **Conclusion**

Pleased to present my eighth proposed budget as Town Administrator, I believe this budget reflects the priorities of the Board of Commissioners and citizens of Warrenton. While total expenditures and revenues are decreased by \$101,868 in General Fund and by \$56,772 in the Water Sewer Fund over the current budget, they are the result of changes in methods of accounting for transfers. Attracting appropriate businesses and developing strategic partnerships for Warrenton remain top priorities to solving long-term revenue growth, especially for our Water/Sewer Fund, but are beginning to show demonstrable growth due to efforts around Frontier Warren and due to the positive real estate market in Warrenton.

Respectfully submitted,

Robert Davie -- Town Administrator and Budget Officer

## **WATER/SEWER DEPARTMENT RATES**

### **Water Rates (monthly)**

In-town availability rate	\$22.53
In-town use rate per 1000 gallons	\$7.36
Out-of-town availability rate	\$38.68
Out-of-town use rate per 1000 gallons	\$11.11

### Large volume water users, rate above 100,000 per month

In-town	\$5.36
Out-of-town	\$5.93

### **Sewer Rates (monthly)**

In-town availability rate	\$13.92
In-town use rate per 1000 gallons	\$9.01
Out-of-town availability rate	\$38.09
Out-of-town use rate per 1000 gallons	\$13.65

## WATER/SEWER DEPARTMENT RATES

C1: Occupancy fee for water (3 occupants)	\$ 30.00
C2: Occupancy fee for water (2 occupants)	\$20.00
C3: Occupancy fee for water (8 units – apartment bldg.)	\$120.00
C4: Occupancy fee for water (1 occupant)	\$10.00
C5: Occupancy fee for water (36 units – apartment bldg.)	\$720.00
C6: Occupancy fee for water (32 units – apartment bldg.)	\$640.00
C7: 2" Waterline to boiler that also supplies office toilets	\$40.00
C8: Water & sewer availability to small office behind house (consumption measured by house meter)	\$22.40
LF2: Garbage pickup twice weekly	\$100.00

New account deposit: \$150.00 in town, \$200 out of town

No new deposit fee will be charged for customers who wish to open additional accounts if they have an existing account that has been maintained in good standing for at least a year. All customers will have at least one account secured by a deposit.

Activation fee: \$25 non-refundable, with opening of new account

Tamper fee: \$150.00 plus the cost of any necessary repairs

Disconnect/reconnect fee:

This is a processing fee for reconnection and resumption of service when discontinued by Town due to nonpayment of water charges, or when split service does not allow service to be turned off. This fee is in addition to late payment fees and/or bad check fees.

This fee is also charged when service is disconnected or reconnected at the request of the account holder. An exception is made for irrigation systems because they are a secondary account for a regular account. They are charged only when active; there will be no charge to turn irrigation systems on or off seasonally once a year:

During business hours	\$30.00
Any other time	\$50.00
No fault meter test (during business hours only)	\$30.00
Penalty for stealing water (plus court costs)	\$500.00
Bad check fee	\$25.00
Late payment fee	\$25.00

## WATER/SEWER DEPARTMENT TAP FEES

### Water Taps:

¾ " water tap	\$1300
1" water tap	\$1525
1" water tap w/2-3/4" branch metered services	\$1850
2" water tap-- requires outside contractor, cost TBD by the job +10%	

### Sewer Taps:

4" sewer tap	\$1350
Greater than 4" sewer or where main is deeper than 4 feet—requires outside contractor, cost TBD by the job +10%	
2" sewer force main—requires outside contractor, cost TBD by the job +10%	

The water tap charge includes parts and installation of the tap itself, the connection line from the main to the water meter and the meter at the edge of the road or sidewalk. The sewer tap includes parts and installation of the tap itself, the connection line from sewer main to the cleanout at the edge of the road or sidewalk and the cleanout itself. The customer will be responsible for the other costs of installing service. This includes the cost of outside contractors when necessary and the cost of all utility locating, bores, street, gutter and sidewalk repairs. These costs can vary greatly depending on the location and depth of the water or sewer main. A cost estimate will be presented at the time. Connection will not be allowed until county building permits have been approved. Payment must be made in advance. All new sewer taps will include a clean out. Town responsibility for maintaining sewer service will be from the sewer main to the edge of the road or cleanout installed at edge of road or sidewalk. Property owners are responsible for installing cleanouts in existing lines. Town is not responsible for sewer service lines without this cleanout and residents will have to consult with a plumber to determine the location of the problem. The Town is responsible for water service to the water meter outlet only.

Individual pump stations are required to connect to force mains and to serve customers below grade of gravity mains. The rated power of the pump will be determined by the location. Property owner may contract with outside contractor for the pump station or have Town install as part of the overall project. Property owner will have own plumber make final connection after all approvals.

The Town will not connect unless the following requirements have been met:

- Force Main Connection - The pump must be capable of supplying at least 20 lbs. more pressure than the force main. Gravity Main Connection – Minimum of 60 feet Total Dynamic Head
- Must be a grinder pump
- Must have 1000 gallon reserve capacity
- Must have approved check valve
- Must have isolation valve
- County building permit has been signed / Town has approved. Vacant Buildings

When a building has been vacant for a year or more the cost of restoring service will be as if for a new building as described in the previous section, with the property owner assuming all costs.

## BUDGET MESSAGE – FY 2021-2022

### Split Meters

Split meters (two separate dwelling units served by one water meter) are not permitted by Ordinance or good practice but there remain a number of examples in service. The Town will not allow future split meter applications unless there is no other solution and will work to eliminate those existing.

## POLICE DEPARTMENT FEES

Junk car removal fee: No Charge

Police reports \$5

Violations and civil penalties:

Noise Ordinance \$50

Fire lane, public or private \$50

Fire hydrant \$50

Blocking driveway, public or private \$20

No parking zone \$20

Parking left side to curb \$20

Parking on sidewalk \$20

Double parking \$15

Parking too close to corner \$15

2 hour parking limit \$15

2 hour parking limit – second violation \$50

## STREET AND SANITATION SPECIAL SERVICES FEES

Landfill Fee: \$32.00

Special services available only when personnel and equipment are available.

Special debris or garbage pick-up fee \$75 plus \$25 per hour per man

A special pickup is defined as:

- Any pickup in addition to the once-a-week pickup covered in the town landfill fee is considered a special pickup.
- More than four trash cans or 100 pounds for the once-a-week scheduled pickup.
- Excessive yard debris that requires more than one truck load per week.
- Twice-weekly garbage pickup is \$100 added to a regular \$32.00 landfill fee.

Special projects requiring specialized equipment such as unusual volume of leaves to pick up: \$25 per hour per man assigned plus \$75 per hour.

Street sweeper, leaf vacuum, backhoe \$75 per hour plus  
\$25 per hour per man

Misc. labor fee \$25 per hour per man

### **Note on Garbage Collection:**

The Town of Warrenton collects household garbage once weekly. Garbage must be bagged; loose garbage in cans will not be collected. The maximum amount that will be collected is four standard garbage cans; more than that is considered commercial. Cans must be placed near the side or rear of the house not in the front yard or at the curb. Cans should be covered and not allowed to collect water as cans with water will not be collected and will breed mosquitoes. Dogs must be housed, penned or tied or garbage will not be collected.

Sanitation workers will pick up normal household garbage. They will not pick up animal litter or waste, furniture, carpet/flooring material, insulation, construction debris, old wood, used oil and oil filters, antifreeze, white goods, tires, lead acid batteries or any clearly hazardous materials.

### **Note on Loose Leaf Pickup:**

All debris pickup is performed year round. Leaves, trimmings and sticks must be separated into separated piles for pickup.

## WASTE WATER TREATMENT PLANT FEES

Sludge hauled from any source	0–1,500 Gallons	\$65.00
	1,501 – 2,000 Gallons	\$80.00
	2,001 – 3,000 Gallons	\$105.00

## WARRENTON CEMETERY FEES

### Rates and Charges

	<u>In Town</u>	<u>Out of Town</u>
Burial plot	\$400	\$500
Permit for burial	\$100	\$200
Digging of grave (contract cost plus)	\$200	\$300
Penalty for not acquiring permit (all fees plus)	\$200	\$200

\* Proof of residency must be provided at the time of permit request.

\* Individual graves for pets are not allowed

## ZONING AND PERMIT FEES

Zoning Permit	\$25
Special Use Permit	\$200

## **COPY AND RESEARCH FEES**

Per page fee for copies \$.25

If the request is such as to require extensive use of information technology resources or extensive clerical or supervisory assistance by personnel of the Town, or if producing the record in the medium requested results in a greater use of information technology resources than that established by the Town for reproduction of the volume of information requested, then the Town may charge, in addition to the actual cost of duplication, a special service charge, which shall be reasonable and shall be based on the actual cost incurred for such extensive use of information technology resources or the labor costs of the personnel providing the services, or for a greater use of information technology resources that is actually incurred by the Town or attributable to the Town.

## FIRE INSPECTION FEES

Commercial / Business	
Up to 5000 sq. ft.	\$50
5001 to 10000 sq. ft.	\$75
Over 10000 sq. ft.	\$100
Mixed Occupancy	
Occupant	\$25
Common Area	\$25
Accessory Buildings	\$40
Mandated Inspections	
Rest Homes	\$100
Day Cares	\$50
Family Care Homes	\$50
Foster Care Homes	\$25
Schools	\$100
Churches	\$50
Fireworks Display	\$25
Tents	\$20
Flammable Storage Tanks	\$40
Hazardous Explosive	\$50
Re-inspections	
First re-inspection	No charge
Second re-inspection	\$25
Three or more re-inspections	\$50/each

## **NUISANCE FEES**

Towing Charges Saturday and Sunday	\$175
Towing Charges Monday through Friday	\$125
Engaging Wrecker without Tow	\$65
Towing of large vehicles	\$400
Tow Truck Waiting fee per hour/each extra hour	\$65
Use of Dolly during Towing	\$75
Storage Charges per Day	\$40
Administrative Towing Fee	\$50

## HISTORIC DISTRICT COMMISSION FEES

Minor COA Application fee	Waived
Major COA Application fee	Waived
Penalty Fee	\$100

## **SPECIAL APPROVALS**

The Board of Commissioners hereby grants and approves that:

The Town Administrator may use his best judgment to make any water and/or sewer billing adjustments as he deems appropriate up to a maximum of \$200. Adjustments over \$200 are to be approved by the Board of Commissioners.

Any adjustments to Ad Valorem Taxes must be approved by the Board of Commissioners.

The Town Administrator may use his best judgment to make any adjustments to the burial fee and payment thereof as he deems appropriate.

The Town Administrator may use his best judgment to negotiate the removal of junk cars that have been ordered removed by the Board of Commissioners as he deems appropriate.

The Town Administrator may use his best judgment to transfer budget line items within departments as long as the total department budget is not exceeded. The Board of Commissioners must approve expenses that would cause the department budget to be exceeded.

The Town Administrator may use his best judgment to renegotiate with and/or change providers of contract services to the Town when it is in the financial best interest of the Town.

## ANNUAL OPERATING BUDGET ORDINANCE

Be it ordained by the Board of Commissioners of the Town of Warrenton, North Carolina, that the following anticipated fund revenues and departmental expenditures, together with certain schedules of fees and charges, and with certain restrictions and authorizations, are hereby appropriated and approved for the operation of the Town Government and its activities for the Fiscal Year beginning July 1, 2021 and ending June 30, 2022.

**Section 1**

Frontier Warren Fund 34	
Revenues	\$ 36,000
Expenses	\$ 36,000

General Fund 37	
Sanitation	\$ 110,777
Streets	\$ 127,739
Lights Signs	\$ 32,515
Fire/Code Enforcement	\$ 75,665
Police	\$ 495,043
Admin	\$ 326,498
USDA Loan Reserve	
Adm	\$ 1,883
Powell Bill	\$ 24,128
<b>Total Revenues</b>	<b>\$ 1,194,248</b>
<b>Total Expenses</b>	<b>\$ 1,194,248</b>

W/S Fund 38	
Water	\$ 601,863
Sewer	\$ 791,383
USDA Loan Reserve	
W/S	\$ 8,669
<b>Revenues</b>	<b>\$ 1,401,915</b>
<b>Expenses</b>	<b>\$ 1,401,915</b>

WWTP Fund 39	
Revenues	\$ 742,524
Expenses	\$ 742,524

**Section 2: Levy of Taxes**

An ad valorem tax rate of \$.65 per one hundred (\$100) valuation of taxable property, as assessed by the Warren County Tax Administrator according to the latest valuation of 2016 is hereby levied and established as the official tax rate for the Town of Warrenton for the fiscal year 2020-2021. The rate is based upon a total projected valuation of \$76,732,079 and an estimated combined collection rate of 99.16%.

**Section 3: Fees and Charges**

There is hereby established, for Fiscal Year 2020-2021, various fees, charges and authorizations as contained in this document.

**Section 4: Budget Amendments**

The North Carolina Local Government Budget and Fiscal Control Act allows the Board of Commissioners to amend the budget ordinance any time during the fiscal year, so long as it complies with the North Carolina General Statutes. The Board must approve all budget amendments.

**Section 5: Utilization of Budget Ordinance**

This ordinance shall be the basis of the financial plan for the Town of Warrenton for the Fiscal Year 2020-2021. The Budget Officer shall administer the Annual Operating Budget and shall insure that operating officials are provided guidance and sufficient details to implement their appropriate portion of the budget.

Motion to approve:

Second to the motion:

Affirmative: Commissioners:

Negative:

Absent:

Adopted this 14<sup>th</sup> day of June, 2021

\_\_\_\_\_  
Walter M. Gardner, Jr., Mayor

\_\_\_\_\_  
Robert Davie, Town Administrator

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
Fund: 34							
Type: R							
34-335-344	Contribution from WC to Frontier Warren	R	\$0.00	\$0.00	\$0.00	\$0.00	\$10,000.00
34-351-422	Rent Paid to Town Frontier Warren	R	\$4,500.00	\$7,780.00	\$22,000.00	\$23,020.00	\$24,000.00
34-352-363	Donations	R	\$12,000.00	\$0.00	\$34,500.00	\$1,066.00	\$2,000.00
			\$16,500.00	\$7,780.00	\$56,500.00	\$24,086.00	\$36,000.00
Type: E							
34-405-098	American Rescue Plan Reimbursement	E	\$0.00	\$0.00	\$0.00	\$0.00	(\$13,000.00)
34-405-203	Supplies	E	\$2,000.00	\$122.24	\$2,000.00	\$484.19	\$500.00
34-405-250	Lights/Heat/Security	E	\$3,000.00	\$454.58	\$4,985.00	\$2,942.09	\$4,000.00
34-405-251	Telephone/Internet	E	\$1,000.00	\$581.39	\$3,000.00	\$2,625.97	\$3,000.00
34-405-255	Bldg Maint/Clean Srvs	E	\$3,000.00	\$287.30	\$7,500.00	\$1,527.95	\$2,500.00
34-405-309	Advertising	E	\$0.00	\$0.00	\$1,500.00	\$1,020.00	\$1,500.00
34-405-332	Signs below \$5,000	E	\$2,000.00	\$425.00	\$500.00	\$312.50	\$500.00
34-405-400	Liability Insurance	E	\$0.00	\$0.00	\$15.00	\$15.00	\$30.00
34-405-422	Rent Paid by Town	E	\$5,500.00	\$5,500.00	\$36,000.00	\$33,000.00	\$36,000.00
34-405-499	Miscellaneous	E	\$0.00	\$0.00	\$1,000.00	\$789.75	\$970.00
34-902-701	Reimbursement of Expenses from ARP Grant	E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			\$16,500.00	\$7,370.51	\$56,500.00	\$42,717.45	\$36,000.00
			\$33,000.00	\$15,150.51	\$113,000.00	\$66,803.45	\$72,000.00
Fund: 37							
Type: R							
37-302-301	Ad Valorem Taxes - Current	R	\$436,022.00	\$424,799.92	\$454,562.00	\$414,028.17	\$398,573.00
37-302-302	Ad Valorem Taxes - Prior Year	R	\$3,000.00	\$5,117.07	\$5,000.00	\$6,896.63	\$6,000.00
37-302-303	Ad Valorem Taxes - all other prior years	R	\$1,000.00	\$2,248.26	\$2,000.00	\$5,864.81	\$3,000.00
37-302-304	Ad Valorem Taxes - Penalties & Interest	R	\$1,300.00	\$1,974.23	\$1,900.00	\$2,169.05	\$1,800.00
37-307-310	Motor Vehicles - Current	R	\$28,302.00	\$37,499.01	\$33,024.00	\$26,974.61	\$36,007.00
37-320-320	Local Option Sales Tax Monthly	R	\$220,000.00	\$238,674.76	\$240,000.00	\$180,870.92	\$270,000.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-325-325	Utility Franchise Tax Quarterly	R	\$86,000.00	\$87,170.44	\$86,000.00	\$60,864.75	\$86,000.00
37-325-326	Beer & Wine Tax Annual	R	\$3,600.00	\$3,539.77	\$3,600.00	\$0.00	\$3,600.00
37-325-328	Refund of Gas Tax paid monthly	R	\$1,000.00	\$1,408.09	\$1,000.00	\$1,022.91	\$1,000.00
37-325-329	PD Narcotics Tax	R	\$142.00	\$0.00	\$142.00	\$86.25	\$100.00
37-335-335	Powell Bill	R	\$25,965.00	\$25,582.64	\$25,583.00	\$24,127.79	\$24,128.00
37-345-345	Zone Board of Adj	R	\$498.00	\$1,400.00	\$1,000.00	\$400.00	\$500.00
37-345-346	Code Enforcement	R	\$2,500.00	\$3,190.00	\$2,750.00	\$2,475.00	\$2,750.00
37-351-350	Run Warrenton 5K	R	\$1,000.00	\$91.00	\$0.00	\$9.00	\$2,500.00
37-351-353	Landfill Fees Residential	R	\$150,000.00	\$148,477.46	\$178,176.00	\$147,996.93	\$180,480.00
37-351-355	Cemetery Fees	R	\$1,800.00	\$0.00	\$1,800.00	\$0.00	\$1,400.00
37-351-356	Police Rpt Fees	R	\$50.00	\$55.00	\$50.00	\$40.00	\$50.00
37-351-357	Court Fees	R	\$300.00	\$400.50	\$300.00	\$270.00	\$300.00
37-351-360	Cell Tower Rent	R	\$29,400.00	\$30,000.65	\$29,400.00	\$26,950.00	\$29,400.00
37-351-361	Parking/Ordinance Collections PD	R	\$250.00	\$440.00	\$300.00	\$125.00	\$250.00
37-351-401	Debt Setoff Landfill	R	\$1.00	\$180.35	\$0.00	\$79.50	\$100.00
37-365-001	Interest Income	R	\$50.00	\$51.97	\$50.00	\$17.19	\$50.00
37-365-033	Mary Hehl Beautification Donations	R	\$0.00	\$0.00	\$2,265.00	\$2,365.00	\$0.00
37-365-351	Revitalization Comm	R	\$9,500.00	\$4,780.00	\$9,500.00	\$0.00	\$9,500.00
37-365-358	Branded Merchandise for Sales	R	\$500.00	\$64.00	\$500.00	\$65.00	\$500.00
37-365-366	Surplus Property	R	\$4,000.00	\$1,550.00	\$0.00	\$0.00	\$1,500.00
37-365-370	WWTP 25% of GF Exp	R	\$41,694.00	\$41,005.67	\$42,674.00	\$36,988.43	\$43,302.00
37-365-371	WS 25% of GF Exp	R	\$80,855.00	\$73,439.92	\$93,167.00	\$66,380.43	\$90,358.00
37-365-401	Mis/Revenue/License Tags	R	\$350.00	\$103.25	\$0.00	\$100.00	\$100.00
37-365-410	Interest Investment NCCMT	R	\$11,950.00	\$6,702.82	\$6,000.00	\$85.33	\$500.00
37-365-501	Misc Revenue POLICE	R	\$500.00	\$0.00	\$0.00	\$500.00	\$500.00
37-381-039	Transfer In from WWTP	R	\$0.00	(\$32,000.00)	\$32,497.00	\$0.00	\$0.00
37-395-395	Powell Bill Apropriated Fund Balance (Budget Only)	R	\$0.00	\$0.00	\$29,621.90	\$0.00	\$0.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-395-396	Apropriated Fund Balance (Budget Only)	R	\$0.00	\$0.00	\$13,255.00	\$0.00	\$0.00
			\$1,141,529.00	\$1,107,946.78	\$1,296,116.90	\$1,007,752.70	\$1,194,248.00
Type: E							
37-401-010	Salary - Full Time	E	\$122,503.20	\$108,734.95	\$134,928.00	\$102,404.70	\$125,553.00
37-401-012	Salary - Adm Assistant	E	\$34,468.04	\$35,451.67	\$46,450.00	\$37,988.97	\$46,435.00
37-401-014	Salary - Part Time	E	\$6,856.68	\$6,856.68	\$175.04	\$175.04	\$0.00
37-401-020	ER-FICA Taxes	E	\$9,376.89	\$9,215.38	\$9,557.00	\$7,712.02	\$9,558.00
37-401-021	ER-FICA Taxes - Adm Assistant	E	\$3,133.66	\$3,126.11	\$4,306.00	\$3,020.37	\$3,553.00
37-401-030	ER-Retirement - Orbit	E	\$20,864.96	\$21,209.01	\$29,135.00	\$23,867.07	\$31,189.00
37-401-040	ER-Health Insurance	E	\$16,627.48	\$16,462.48	\$21,596.00	\$19,439.24	\$23,800.00
37-401-050	ER-Life Insurance	E	\$504.00	\$406.00	\$504.00	\$462.00	\$504.00
37-401-060	ER-Workman's Comp	E	\$383.00	\$367.47	\$383.00	\$317.43	\$400.00
37-401-098	American Rescue Plan Reimbursement	E	\$0.00	\$0.00	\$0.00	\$0.00	(\$35,431.00)
37-401-200	Travel Expense	E	\$1,196.00	\$772.60	\$485.00	\$237.01	\$1,200.00
37-401-203	Supplies	E	\$4,750.00	\$4,695.88	\$5,000.00	\$2,346.29	\$5,000.00
37-401-250	Light, Heat & Security	E	\$8,598.41	\$5,626.66	\$12,000.00	\$5,082.02	\$12,000.00
37-401-251	Telephone & Postage	E	\$3,055.70	\$2,896.11	\$3,000.00	\$2,347.83	\$3,000.00
37-401-255	Bldg. Maint/ Clean SVS	E	\$5,004.30	\$3,064.78	\$5,000.00	\$4,947.07	\$6,000.00
37-401-256	Bank Fees/ Petty Cash	E	\$2,000.00	\$1,550.00	\$1,500.00	\$1,325.00	\$1,500.00
37-401-295	Training	E	\$62.00	\$62.00	\$1,275.00	\$415.00	\$1,400.00
37-401-301	Computer Maint	E	\$3,401.18	\$3,401.18	\$3,500.00	\$2,893.12	\$3,600.00
37-401-302	Software Support	E	\$2,322.95	\$1,643.31	\$1,885.00	\$1,812.13	\$2,500.00
37-401-303	Software Purchase less than \$5,000	E	\$20.00	\$0.00	\$500.00	\$0.00	\$0.00
37-401-304	Website	E	\$5,624.00	\$5,597.16	\$1,575.00	\$1,575.00	\$1,575.00
37-401-305	Technology Upgrades	E	\$3,133.72	\$2,608.04	\$1,250.00	\$0.00	\$0.00
37-401-306	Awning 25% Fund	E	\$250.00	\$0.00	\$500.00	\$0.00	\$500.00
37-401-307	Special Events	E	\$500.00	\$300.00	\$715.00	\$715.00	\$500.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-401-309	Advertising	E	\$1,821.43	\$2,209.93	\$1,300.00	\$1,173.76	\$1,300.00
37-401-310	Dues & Subscriptions	E	\$3,200.00	\$2,744.10	\$3,000.00	\$2,781.62	\$2,800.00
37-401-325	NC Sales/Use Tax Paid (No Tax)	E	\$2,020.43	\$1,244.07	\$700.00	\$526.33	\$700.00
37-401-400	Liability Insurance	E	\$5,771.14	\$5,771.14	\$5,500.00	\$5,492.98	\$7,072.00
37-401-401	County Tax Collection Svs	E	\$8,261.72	\$8,261.72	\$8,000.00	\$7,748.45	\$8,000.00
37-401-405	Audit Expense	E	\$7,584.00	\$7,446.88	\$7,600.00	\$7,302.11	\$9,200.00
37-401-410	Election Cost	E	\$4,942.00	\$3,169.95	\$0.00	\$0.00	\$3,200.00
37-401-415	Economic Development Consultant	E	\$0.00	\$0.00	\$11,000.00	\$10,000.00	\$12,000.00
37-401-420	Attorney Fees	E	\$3,500.00	\$2,836.00	\$3,500.00	\$2,337.50	\$3,500.00
37-401-499	Miscellaneous Expense	E	\$8,206.65	\$4,361.37	\$1,764.96	\$1,732.46	\$3,000.00
37-401-700	WDRI Grant Expense	E	\$396.00	\$395.43	\$264.00	\$263.62	\$132.00
37-401-801	Town Hall Roof Loan-Principal	E	\$5,148.33	\$5,148.38	\$5,280.00	\$4,289.50	\$5,416.00
37-401-803	USDA Town Hall/WS Loan Principal	E	\$0.00	\$0.00	\$11,485.00	\$0.00	\$4,430.00
37-401-831	Town Hall Roof Loan - Interest Admin	E	\$519.67	\$518.69	\$388.00	\$433.00	\$252.00
37-401-833	USDA Town Hall/WS Loan Interest	E	\$0.00	\$0.00	\$0.00	\$0.00	\$2,850.00
37-401-889	Reserve for USDA Loans	E	\$3,144.00	\$0.00	\$2,304.00	\$1,155.00	\$0.00
37-401-998	Contingency	E	\$670.25	\$0.00	\$500.00	\$0.00	\$1,000.00
37-402-014	Mayor Part Time Salary	E	\$1,500.00	\$1,598.21	\$1,500.00	\$1,151.79	\$1,500.00
37-402-020	ER - FICA TAXES	E	\$210.76	\$122.23	\$115.00	\$88.09	\$115.00
37-402-200	Travel Expense	E	\$275.64	\$250.00	\$500.00	\$0.00	\$500.00
37-402-295	Training	E	\$0.00	\$0.00	\$0.00	\$225.00	\$225.00
37-402-402	Commission offsite meetings	E	\$54.98	\$54.98	\$50.00	\$0.00	\$50.00
37-405-407	Branded Clothing Sales	E	\$500.00	\$0.00	\$500.00	\$0.00	\$500.00
37-405-430	Historic District Comm	E	\$727.91	\$641.06	\$220.00	\$218.82	\$220.00
37-405-440	Run Warrenton 5K	E	\$2,500.00	\$0.00	\$2,500.00	\$0.00	\$2,500.00
37-405-450	Revitalization Comm	E	\$9,122.89	\$4,212.12	\$9,500.00	\$1,747.32	\$9,500.00
37-405-470	Small Town Maint St	E	\$2,393.51	\$2,343.51	\$2,200.00	\$735.00	\$2,200.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-501-010	SALARY FULL TIME	E	\$169,359.00	\$166,969.88	\$192,355.00	\$147,503.42	\$213,895.00
37-501-014	Salary - Part Time	E	\$33,086.00	\$33,940.13	\$21,500.00	\$19,853.73	\$10,000.00
37-501-016	Police Clerical Salary	E	\$33,997.00	\$34,200.29	\$34,112.00	\$28,383.14	\$34,112.00
37-501-019	Salary - Over-Time	E	\$5,388.00	\$5,387.83	\$5,000.00	\$2,999.36	\$5,000.00
37-501-020	ER-FICA Taxes	E	\$18,336.00	\$18,274.09	\$19,552.00	\$15,298.00	\$19,672.00
37-501-030	ER - Retirement Orbit	E	\$33,971.50	\$33,991.91	\$44,393.00	\$28,184.24	\$47,490.00
37-501-031	ER - 401K 5%	E	\$9,230.00	\$8,007.82	\$10,573.00	\$7,782.47	\$10,698.00
37-501-040	ER - Health Insurance	E	\$27,642.00	\$26,258.44	\$37,370.00	\$24,683.78	\$38,865.00
37-501-050	ER - Life Insurance	E	\$1,010.00	\$840.00	\$1,010.00	\$770.00	\$1,010.00
37-501-060	ER - Workman's Comp	E	\$6,420.00	\$6,256.92	\$6,420.00	\$4,026.80	\$6,420.00
37-501-200	Travel Expense	E	\$1,000.00	\$690.61	\$701.00	\$0.00	\$1,000.00
37-501-203	Supplies	E	\$4,681.66	\$4,590.84	\$3,000.00	\$2,139.04	\$3,000.00
37-501-204	Uniforms	E	\$2,110.00	\$2,083.65	\$2,500.00	\$2,066.22	\$2,000.00
37-501-205	Equipment & Material	E	\$7,523.00	\$7,182.08	\$3,000.00	\$373.26	\$3,000.00
37-501-250	Light, Heat & Security	E	\$6,658.00	\$5,717.33	\$10,908.00	\$4,647.74	\$10,908.00
37-501-251	Telephone & Postage	E	\$7,537.00	\$7,327.91	\$7,494.00	\$7,130.76	\$9,387.00
37-501-252	Fuel	E	\$16,000.00	\$15,704.44	\$14,000.00	\$11,251.10	\$14,000.00
37-501-255	Bldg Maint/Clean Svs	E	\$2,641.34	\$2,530.20	\$4,774.00	\$4,729.05	\$4,904.00
37-501-295	Training	E	\$2,000.00	\$1,950.42	\$2,000.00	\$0.00	\$2,000.00
37-501-301	Computer Maint	E	\$5,232.00	\$5,231.08	\$5,848.00	\$4,448.37	\$5,606.00
37-501-302	Software Support	E	\$6,150.00	\$6,026.91	\$6,165.00	\$6,030.37	\$6,665.00
37-501-309	Advertising	E	\$182.00	\$153.00	\$500.00	\$200.00	\$0.00
37-501-351	Maint & Repair Equip	E	\$7,155.00	\$6,973.70	\$8,500.00	\$5,849.57	\$3,000.00
37-501-370	2019 Dodge Car 100	E	\$1,000.00	\$814.04	\$1,000.00	\$94.15	\$1,000.00
37-501-371	2017 Dodge Car 200	E	\$2,700.00	\$2,640.57	\$1,000.00	\$916.07	\$1,000.00
37-501-372	2016 Dodge Car 300	E	\$1,000.00	\$951.16	\$5,300.00	\$4,694.74	\$1,000.00
37-501-373	2017 Dodge Car 400	E	\$784.00	\$540.76	\$1,000.00	\$983.62	\$1,000.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-501-374	2010 Ford Car 500	E	\$1,897.00	\$1,895.28	\$1,511.00	\$659.42	\$1,000.00
37-501-375	2008 Ford Car 600	E	\$922.00	\$843.16	\$700.00	\$361.88	\$1,000.00
37-501-376	2019 Dodge Car 700	E	\$975.00	\$932.82	\$1,000.00	\$483.56	\$1,000.00
37-501-400	Liability Insurance	E	\$12,106.00	\$12,105.02	\$12,400.00	\$9,108.02	\$12,400.00
37-501-415	Police Shots Medical	E	\$180.00	\$168.00	\$500.00	\$420.00	\$500.00
37-501-433	COP Program	E	\$394.00	\$115.15	\$540.00	\$505.41	\$500.00
37-501-436	PD Narcotics Tax/Proceeds	E	\$142.00	\$50.00	\$142.00	\$0.00	\$142.00
37-501-499	Miscellaneous	E	\$5,820.00	\$4,621.45	\$4,160.00	\$3,536.27	\$4,660.00
37-501-801	Town Hall Roof Loan Principal	E	\$5,147.33	\$5,148.43	\$5,280.00	\$4,289.60	\$5,280.00
37-501-802	Police 2017 Cars Loan Principal (USDA)	E	\$3,945.44	\$3,945.44	\$4,071.73	\$4,071.73	\$4,206.00
37-501-803	Police Security Camera Loan Principal (USDA)	E	\$1,185.49	\$1,185.49	\$1,213.32	\$1,213.32	\$1,243.00
37-501-804	Police 2019 Cars Loan Principal (USDA)	E	\$0.00	\$0.00	\$4,427.85	\$4,409.22	\$4,545.00
37-501-831	Town Hall Roof Loan - Interest PD	E	\$519.67	\$518.74	\$388.00	\$433.10	\$388.00
37-501-832	Police 2017 Cars Loan Interest (USDA)	E	\$834.56	\$834.56	\$708.27	\$708.27	\$574.00
37-501-833	Police Security Camera Loan Interest (USDA)	E	\$147.51	\$147.51	\$119.68	\$119.68	\$91.00
37-501-834	Police 2019 Cars Loan Interest (USDA)	E	\$0.00	\$0.00	\$1,256.15	\$1,016.78	\$882.00
37-601-014	Salary - Part Time Code Enforcement	E	\$3,570.00	\$3,570.00	\$3,350.00	\$2,724.71	\$3,000.00
37-601-020	ER-FICA Taxes	E	\$223.08	\$223.08	\$0.00	\$167.07	\$230.00
37-601-252	Fuel/Truck Expense/Insurance	E	\$435.00	\$434.00	\$435.00	\$434.00	\$435.00
37-601-352	Vehicle Maintenance	E	\$200.00	\$200.00	\$200.00	\$0.00	\$200.00
37-601-437	Contract Srvs Fire Protection	E	\$70,000.00	\$69,999.96	\$70,000.00	\$58,333.30	\$70,000.00
37-601-475	Donation to Town Fire	E	\$1,504.00	\$1,503.75	\$1,562.90	\$1,562.90	\$1,500.00
37-601-476	Code Enforcement Exp	E	\$0.00	\$0.00	\$300.00	\$300.00	\$300.00
37-601-710	Fire Museum Expense	E	\$0.00	\$0.00	\$14,437.10	\$10,000.00	\$0.00
37-651-330	Christmas Lights/Santa House	E	\$600.00	\$600.00	\$600.00	\$600.00	\$600.00
37-651-331	Haley Haywood Park	E	\$421.92	\$77.97	\$1,448.00	\$816.85	\$1,650.00
37-651-332	Signs below \$5,000	E	\$3,240.00	\$3,148.81	\$2,702.00	\$2,732.82	\$2,500.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-651-333	Street Beautification - Below \$5,000	E	\$2,857.00	\$2,856.50	\$4,765.00	\$1,184.90	\$4,765.00
37-651-335	Street Lighting Electric Bill	E	\$23,000.00	\$21,641.10	\$23,000.00	\$18,287.53	\$23,000.00
37-701-010	Salary - Full Time	E	\$50,103.00	\$48,676.77	\$52,709.00	\$41,786.02	\$51,383.00
37-701-014	Salary - Part Time	E	\$15,679.00	\$14,456.84	\$15,993.00	\$12,561.66	\$15,993.00
37-701-019	Over-Time	E	\$1,679.00	\$268.22	\$1,748.00	\$47.81	\$1,249.00
37-701-020	ER-FICA Taxes	E	\$5,262.00	\$4,834.73	\$5,389.00	\$4,147.78	\$5,250.00
37-701-030	ER - Retirement - Orbit	E	\$10,868.00	\$9,959.49	\$11,976.00	\$8,189.65	\$12,833.00
37-701-040	ER-Health Insurance	E	\$11,534.00	\$10,579.35	\$11,800.00	\$10,545.54	\$12,572.00
37-701-050	ER-Life Insurance	E	\$269.00	\$263.76	\$269.00	\$248.78	\$269.00
37-701-060	ER-Workman's Comp	E	\$4,801.00	\$4,800.63	\$4,801.00	\$1,745.83	\$1,746.00
37-701-203	Supplies	E	\$3,619.00	\$3,291.31	\$13,624.00	\$13,382.61	\$3,619.00
37-701-204	Uniforms	E	\$3,450.00	\$3,356.33	\$3,624.00	\$2,493.57	\$3,720.00
37-701-251	Telephone & Postage	E	\$575.00	\$574.54	\$864.00	\$769.38	\$936.00
37-701-252	Fuel	E	\$8,297.00	\$6,704.66	\$7,750.00	\$5,160.40	\$8,000.00
37-701-312	Tree Removal	E	\$1,200.00	\$1,200.00	\$1,200.00	\$0.00	\$1,200.00
37-701-351	Maint & Repair Equip	E	\$10,139.00	\$10,063.60	\$11,229.00	\$11,049.78	\$11,229.00
37-701-352	Vehicle Maintenance	E	\$2,528.00	\$1,885.64	\$4,912.00	\$3,310.04	\$4,912.00
37-701-400	Liability Insurance	E	\$7,112.00	\$6,866.78	\$6,589.00	\$4,896.62	\$6,328.00
37-701-431	Street Debris Disposal	E	\$5,500.00	\$3,208.75	\$2,500.00	\$1,000.00	\$2,500.00
37-701-803	LGFCU Street Truck & Trailer Loan Principal	E	\$13,000.00	\$12,999.98	\$13,294.00	\$12,339.12	\$0.00
37-701-832	LGFCU Street Truck & Trailer Loan Interest	E	\$594.00	\$593.24	\$299.00	\$253.77	\$0.00
37-701-895	Mowing	E	(\$4,500.00)	(\$13,500.00)	(\$16,000.00)	(\$12,375.00)	(\$16,000.00)
37-710-361	Maint & Repair POWELL BILL	E	\$20,004.00	\$19,949.00	\$49,243.90	\$48,949.54	\$18,167.00
37-710-405	Audit Expense POWELL BILL	E	\$100.00	\$0.00	\$100.00	\$0.00	\$100.00
37-710-810	BB&T Battle Ave Sewer Loan POWELL - Prin	E	\$5,215.00	\$5,214.28	\$5,422.00	\$5,421.29	\$5,637.00
37-710-830	BB&T Battle Ave Sewer Loan POWELL - Int	E	\$646.00	\$646.00	\$439.00	\$438.99	\$224.00
37-801-010	Salary - Full Time Sanitation	E	\$46,195.00	\$43,346.25	\$50,696.00	\$38,703.25	\$50,696.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
37-801-019	Salary - Over Time Sanitation	E	\$608.00	\$607.75	\$608.00	\$0.00	\$665.00
37-801-020	ER - FICA Sanitation	E	\$3,676.00	\$3,252.71	\$3,984.00	\$2,897.85	\$3,929.00
37-801-030	ER - Retirement - Orbit Sanitation	E	\$7,593.00	\$6,931.62	\$8,853.00	\$5,693.61	\$9,604.00
37-801-040	ER - Health Insurance	E	\$10,018.00	\$9,117.28	\$9,999.00	\$8,961.96	\$10,663.00
37-801-050	ER - Life Insurance	E	\$227.00	\$226.80	\$227.00	\$207.90	\$227.00
37-801-060	Workman's Compensation	E	\$3,388.00	\$3,387.74	\$3,388.00	\$2,675.03	\$2,676.00
37-801-203	Supplies	E	\$559.00	\$557.59	\$750.00	\$438.18	\$750.00
37-801-204	Uniforms	E	\$2,690.00	\$1,793.06	\$1,944.00	\$1,301.62	\$2,196.00
37-801-251	Telephone & Postage	E	\$375.00	\$374.76	\$504.00	\$412.64	\$516.00
37-801-252	Fuel	E	\$2,787.00	\$2,274.28	\$2,824.00	\$1,766.61	\$3,000.00
37-801-350	Landfull Fees	E	\$17,596.00	\$16,225.39	\$17,500.00	\$16,530.91	\$19,300.00
37-801-352	Vehicle Maintenance	E	\$5,858.00	\$5,857.01	\$6,134.00	\$5,761.34	\$3,000.00
37-801-400	Liability Insurance	E	\$3,091.00	\$3,090.34	\$2,844.00	\$2,574.53	\$3,555.00
37-901-889	Transfer Out to USDA Loan Reserve	E	\$0.00	\$0.00	\$0.00	\$0.00	\$1,883.00
37-902-702	Reimbursement of Expense from ARP Grant	E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			\$1,162,502.98	\$1,083,315.95	\$1,296,112.90	\$996,292.61	\$1,194,248.00
			\$2,304,031.98	\$2,191,262.73	\$2,592,229.80	\$2,004,045.31	\$2,388,496.00
Fund: 38							
Type: R							
38-351-401	Water Sales	R	\$575,306.00	\$549,127.94	\$804,541.00	\$605,122.70	\$776,347.00
38-351-402	Debt Setoff WATER	R	\$35.00	\$335.04	\$302.00	\$289.98	\$302.00
38-351-404	Sewer Services	R	\$641,634.00	\$501,066.87	\$585,218.00	\$487,703.51	\$594,414.00
38-351-407	Debt Setoff SEWER	R	\$50.00	\$667.05	\$501.00	\$810.35	\$501.00
38-351-408	Town Taps	R	\$2,350.00	\$16,522.48	\$2,350.00	\$5,784.61	\$4,616.00
38-351-416	Dis/Reconnection Fee	R	\$5,846.00	\$4,559.81	\$5,168.00	\$4,990.06	\$7,320.00
38-351-417	Fire Sprinkler	R	\$2,236.00	\$2,252.88	\$2,253.00	\$1,899.60	\$2,253.00
38-351-418	Late Fees/Penalty/Cut Off	R	\$17,540.00	\$11,395.37	\$12,741.00	\$1,390.93	\$12,741.00
38-351-419	Returned Check Fee	R	\$900.00	\$644.96	\$545.00	\$430.04	\$430.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended	
38-351-420	Debt Setoff Late Fees/Penalty/Cut Off	R	\$1.00	\$172.60	\$173.00	\$182.56	\$27.00	
38-365-001	Interest Income	R	\$1.00	\$65.53	\$58.00	\$17.11	\$26.00	
38-365-366	Sale of Fixed Assets/Surplus Property	R	\$1.00	\$748.20	\$2,000.00	\$0.00	\$0.00	
38-365-421	Account Activation Fee	R	\$2,950.00	\$2,650.00	\$2,875.00	\$2,600.00	\$2,875.00	
38-365-851	Misc Revenue WATER	R	\$118.00	\$62.88	\$63.00	\$89.56	\$63.00	
38-395-396	Apropriated Fund Balance (Budget Only)	R	\$0.00	\$0.00	\$32,497.00	\$0.00	\$0.00	
			\$1,248,968.00	\$1,090,271.61	\$1,451,285.00	\$1,111,311.01	\$1,401,915.00	
Type: E								
38-851-010	Salary Full Time	E	\$80,220.00	\$75,771.87	\$84,922.00	\$68,558.16	\$94,135.00	
38-851-014	Salary - Part Time	E	\$16,678.00	\$25,946.53	\$15,943.00	\$13,876.99	\$15,943.00	
38-851-019	Salary Over-Time	E	\$6,226.50	\$3,865.77	\$6,351.00	\$2,319.68	\$6,351.00	
38-851-020	ER-FICA Taxes	E	\$7,889.00	\$7,443.89	\$8,202.00	\$6,251.08	\$8,907.00	
38-851-030	ER - Retirement Orbit	E	\$12,479.50	\$11,910.93	\$13,801.00	\$10,532.57	\$16,904.00	
38-851-040	ER - Health Insurance WATER	E	\$13,704.00	\$12,042.35	\$13,474.00	\$11,919.55	\$16,895.00	
38-851-050	ER - Life Insurance	E	\$309.50	\$309.12	\$310.00	\$285.46	\$365.00	
38-851-060	ER - Workman's Comp	E	\$1,642.50	\$1,641.82	\$1,643.00	\$1,194.66	\$1,195.00	
38-851-099	Salary Reimbursement COVID	E	\$1.00	(\$289.56)	\$1.00	(\$792.79)	\$0.00	
38-851-200	Travel Expense	E	\$223.00	\$0.00	\$250.00	\$0.00	\$250.00	
38-851-203	Supplies	E	\$2,240.00	\$1,839.08	\$2,827.00	\$1,944.71	\$38,796.00	
38-851-204	Uniforms	E	\$2,360.00	\$2,058.85	\$2,160.00	\$1,703.74	\$2,172.00	
38-851-205	Materials & Supplies	E	\$32,500.00	\$15,239.93	\$34,950.00	\$30,391.41	\$0.00	
38-851-250	Light & Heat & Security	E	\$4,730.50	\$4,613.34	\$5,981.00	\$3,783.87	\$4,265.00	
38-851-251	Telephone & Postage	E	\$7,901.00	\$7,739.05	\$8,658.00	\$7,094.85	\$8,029.00	
38-851-252	Fuel	E	\$5,000.00	\$4,244.34	\$6,000.00	\$3,395.95	\$6,000.00	
38-851-255	Bldg. Maint/Clean Svs	E	\$1,254.00	\$1,200.11	\$2,528.00	\$2,381.96	\$2,989.00	
38-851-260	Electric Tank/Pumps	E	\$5,500.00	\$2,576.80	\$3,165.00	\$2,379.84	\$3,000.00	
38-851-296	Continuing Education	E	\$625.00	\$54.50	\$625.00	\$0.00	\$625.00	

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
38-851-301	Computer Maintenance	E	\$1,968.50	\$1,850.61	\$2,364.00	\$1,489.66	\$2,547.00
38-851-302	Software Support	E	\$1,684.00	\$1,447.28	\$3,093.00	\$3,092.77	\$10,492.00
38-851-305	Technology Upgrades	E	\$2,307.00	\$1,566.90	\$2,250.00	\$964.51	\$2,250.00
38-851-309	Advertising	E	\$250.00	\$0.00	\$250.00	\$0.00	\$250.00
38-851-310	Dues & Subscriptions	E	\$390.00	\$388.75	\$389.00	\$314.25	\$389.00
38-851-313	State Permits	E	\$1,250.00	\$990.00	\$1,250.00	\$960.00	\$1,250.00
38-851-345	Water Tank Contract	E	\$16,620.00	\$16,619.48	\$16,782.00	\$16,781.51	\$16,620.00
38-851-347	Lab Analysis	E	\$0.00	\$0.00	\$1,605.00	\$1,535.00	\$1,460.00
38-851-351	Maint. & Repair Equip	E	\$7,500.00	\$2,845.30	\$4,500.00	\$388.45	\$1,000.00
38-851-352	Vehicle Maintenance	E	\$2,678.00	\$2,592.28	\$3,269.00	\$3,268.58	\$3,500.00
38-851-400	Town Liability Insurance	E	\$8,304.00	\$8,303.27	\$7,643.00	\$5,484.66	\$7,160.00
38-851-405	Audit Expense	E	\$3,792.00	\$3,723.43	\$4,347.00	\$4,346.86	\$4,347.00
38-851-448	External Contract	E	\$25,232.50	\$22,769.78	\$23,156.00	\$18,027.91	\$15,000.00
38-851-451	Water Purchase	E	\$220,288.00	\$185,686.91	\$256,182.00	\$165,858.02	\$201,423.00
38-851-801	Town Hall Roof Loan - Principal	E	\$2,574.17	(\$0.32)	\$2,640.00	\$2,144.70	\$2,708.00
38-851-802	USDA Public Works Trucks - Princ Water	E	\$2,408.00	(\$0.21)	\$2,485.00	\$2,484.86	\$2,567.00
38-851-803	USDA Town Hall/WS Loan Principal	E	\$0.00	\$0.00	\$41,150.00	\$0.00	\$26,000.00
38-851-831	Town Hall Roof Loan - Interest Water	E	\$259.83	\$258.83	\$194.00	\$216.50	\$126.00
38-851-833	USDA Town Hall/WS Loan Interest	E	\$0.00	\$0.00	\$0.00	\$0.00	\$14,423.00
38-851-836	USDA Public Works Trucks - Int Water	E	\$509.21	\$509.21	\$433.00	\$432.14	\$351.00
38-851-889	Reserve for USDA Loans	E	\$4,209.50	\$0.00	\$4,407.00	\$3,958.00	\$0.00
38-851-895	Grass Cutting Expense	E	\$8,000.00	\$13,500.00	\$16,000.00	\$12,375.00	\$16,000.00
38-851-896	WS 25% of GF Expense	E	\$40,427.50	\$36,719.95	\$46,584.00	\$33,190.20	\$45,179.00
38-851-998	Contingency	E	\$18,717.50	\$0.00	\$19,413.00	\$0.00	\$0.00
38-852-010	Salary - Full Time	E	\$80,220.00	\$81,707.23	\$84,922.00	\$68,299.87	\$94,135.00
38-852-014	Salary - Part Time	E	\$16,678.00	\$16,796.05	\$15,943.00	\$13,876.85	\$15,943.00
38-852-019	Salary - Over Time Sewer	E	\$6,226.50	\$3,328.97	\$6,351.00	\$3,988.44	\$6,351.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
38-852-020	ER - FICA Sewer	E	\$7,889.00	\$7,627.23	\$8,202.00	\$6,575.56	\$8,907.00
38-852-030	ER-Retirement Orbit	E	\$12,479.50	\$18,578.11	\$13,801.00	\$10,587.32	\$16,904.00
38-852-040	ER-Health Insurance SEWER	E	\$13,704.00	\$12,303.74	\$13,474.00	\$11,919.44	\$16,895.00
38-852-050	ER-Life Insurance	E	\$309.50	\$309.12	\$310.00	\$285.46	\$310.00
38-852-060	ER-Workman's Comp	E	\$1,642.50	\$1,641.81	\$1,642.00	\$1,194.66	\$1,195.00
38-852-098	American Resecu Plan Reimbursement	E	\$0.00	\$0.00	\$0.00	\$0.00	(\$29,000.00)
38-852-200	Travel Expense	E	\$225.00	\$0.00	\$225.00	\$0.00	\$225.00
38-852-203	Supplies	E	\$2,763.00	\$2,211.79	\$2,827.00	\$1,967.98	\$28,796.00
38-852-204	Uniforms	E	\$2,400.00	\$2,028.30	\$2,160.00	\$1,703.49	\$2,172.00
38-852-205	Materials & Supplies	E	\$27,500.00	\$22,805.42	\$24,950.00	\$20,454.83	\$0.00
38-852-250	Light & Heat & Security	E	\$4,818.50	\$4,316.89	\$5,981.00	\$3,678.78	\$5,981.00
38-852-251	Telephone & Postage	E	\$7,979.00	\$7,816.92	\$8,658.00	\$7,090.91	\$8,029.00
38-852-252	Fuel	E	\$5,000.00	\$4,218.97	\$6,000.00	\$3,395.86	\$6,000.00
38-852-255	Bldg. Maint/Clean Svs	E	\$1,241.00	\$1,186.79	\$2,528.00	\$2,381.96	\$2,989.00
38-852-260	Electric Tank/Pumps	E	\$10,500.00	\$9,121.54	\$13,120.00	\$10,675.89	\$14,000.00
38-852-296	Continuing Education	E	\$625.00	\$54.50	\$625.00	\$375.00	\$625.00
38-852-301	Computer Maint.	E	\$1,752.50	\$1,752.23	\$2,364.00	\$1,529.17	\$2,547.00
38-852-302	Software Support	E	\$1,684.00	\$1,447.28	\$2,041.00	\$988.62	\$10,492.00
38-852-305	Technology Upgrades	E	\$2,307.00	\$1,566.88	\$2,250.00	\$964.50	\$2,250.00
38-852-309	Advertising	E	\$419.00	\$418.50	\$500.00	\$418.50	\$500.00
38-852-310	Dues & Subscriptions	E	\$390.00	\$388.75	\$400.00	\$314.25	\$400.00
38-852-313	State Permits	E	\$1,510.00	\$1,510.00	\$1,250.00	\$100.00	\$1,250.00
38-852-351	Maint & Repair Equip	E	\$7,500.00	\$2,754.27	\$4,500.00	\$529.75	\$1,000.00
38-852-352	Vehicle Maintenance	E	\$2,595.00	\$2,509.60	\$3,269.00	\$3,268.57	\$3,500.00
38-852-400	Liability Insurance	E	\$8,304.00	\$8,303.18	\$7,264.47	\$5,484.68	\$7,160.00
38-852-405	Audit Expense	E	\$3,792.00	\$3,723.43	\$4,347.00	\$4,346.89	\$4,347.00
38-852-435	Purchase of Sewer Services	E	\$296,037.00	\$278,116.61	\$300,500.00	\$207,312.30	\$336,054.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
38-852-448	External Contract	E	\$43,551.50	\$41,549.68	\$37,109.00	\$36,171.20	\$35,939.00
38-852-473	WWTP Rehab Annual Payment	E	\$24,989.00	\$23,435.89	\$24,032.00	\$0.00	\$25,357.00
38-852-801	Town Hall Roof Loan - Principal	E	\$2,574.16	(\$0.26)	\$2,640.00	\$2,144.80	\$2,708.00
38-852-802	USDA Public Works Trucks - Princ Sewer	E	\$2,408.00	(\$0.21)	\$2,485.00	\$2,484.86	\$2,567.00
38-852-803	USDA Town Hall/WS Loan Principal	E	\$0.00	\$0.00	\$41,150.00	\$0.00	\$26,000.00
38-852-804	NCDEQ Unity, Bute & Battle Sewer Rehab Princ Only	E	\$0.00	\$0.00	\$14,977.00	\$14,976.55	\$14,977.00
38-852-809	John Riggans Easement Pmt	E	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00	\$1,000.00
38-852-810	BB&T Battle Avenue Sewer Loan - Principal	E	\$6,206.19	(\$0.48)	\$6,452.00	\$6,451.88	\$6,485.00
38-852-811	NCDEQ Sewer Rehab Annual Loan- Principal	E	\$13,750.00	\$0.00	\$13,750.00	\$13,750.00	\$13,750.00
38-852-830	BB&T Battle Ave Sewer Loan - Int	E	\$768.81	\$768.81	\$523.00	\$522.45	\$267.00
38-852-831	Town Hall Roof Loan - Interest Sewer	E	\$259.84	\$258.87	\$194.00	\$216.60	\$126.00
38-852-833	USDA Town Hall/WS Loan Interest	E	\$0.00	\$0.00	\$0.00	\$0.00	\$14,423.00
38-852-836	USDA Public Works Trucks - Int Sewer	E	\$510.00	\$509.21	\$433.00	\$432.14	\$351.00
38-852-837	NCDEQ Sewer Rehab Annual Loan- Interest	E	\$3,850.00	\$3,850.00	\$3,575.00	\$3,575.00	\$3,300.00
38-852-889	Reserve for USDA Loans	E	\$4,209.50	\$0.00	\$4,407.00	\$3,958.00	\$0.00
38-852-896	WS 25% of GF Expense	E	\$40,427.50	\$36,719.97	\$46,584.00	\$33,190.23	\$45,179.00
38-852-998	Contingency	E	\$4,277.50	\$0.00	\$6,894.53	\$0.00	\$28,997.00
38-901-889	Transfer Out to USDA Loan Reserve	E	\$0.00	\$0.00	\$0.00	\$0.00	\$8,669.00
38-901-902	Transfer Out to Water Treatment Plant	E	\$0.00	\$0.00	\$32,497.00	\$0.00	\$0.00
38-902-703	Reimbursement of Expenses from ARP Grant	E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
			\$1,248,126.21	\$1,084,615.76	\$1,451,284.00	\$957,118.51	\$1,401,915.00
			\$2,497,094.21	\$2,174,887.37	\$2,902,569.00	\$2,068,429.52	\$2,803,830.00
Fund: 39							
Type: R							
39-351-470	Town Sewer Revenues	R	\$296,037.00	\$278,116.61	\$300,500.00	\$207,312.30	\$336,054.00
39-351-471	Sewer Revenues - County	R	\$209,003.00	\$196,350.63	\$229,005.00	\$157,988.75	\$191,225.00
39-351-472	Sewer Rev Norlina	R	\$165,486.00	\$155,468.46	\$165,292.00	\$114,033.76	\$195,417.00
39-365-001	Interest Income	R	\$0.00	\$0.87	\$0.00	\$0.18	\$0.00

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended	
39-365-861	Misc Revenue WWTP	R	\$19,828.00	\$14,790.00	\$19,832.00	\$15,802.49	\$19,828.00	
39-381-038	Transfer In from Water/Sewer	R	\$0.00	\$0.00	\$32,497.00	\$0.00	\$0.00	
			\$690,354.00	\$644,726.57	\$747,126.00	\$495,137.48	\$742,524.00	
Type: E								
39-861-010	Salary - Full Time	E	\$156,497.00	\$168,174.52	\$163,202.00	\$136,265.97	\$169,917.00	
39-861-014	Salary - Part Time	E	\$16,972.00	\$19,009.58	\$15,668.00	\$13,661.75	\$15,668.00	
39-861-019	Over-Time	E	\$9,020.00	\$8,363.90	\$13,791.00	\$8,545.89	\$13,791.00	
39-861-020	ER-FICA Taxes	E	\$11,423.00	\$11,441.04	\$14,739.00	\$10,095.71	\$15,252.00	
39-861-030	ER - Retirement Orbit	E	\$24,805.00	\$31,451.05	\$30,015.00	\$21,501.13	\$34,272.00	
39-861-040	ER- Health Insurance	E	\$24,791.00	\$22,625.60	\$24,545.00	\$22,037.03	\$28,462.00	
39-861-050	ER-Life Insurance	E	\$574.00	\$571.20	\$572.00	\$540.40	\$625.00	
39-861-060	ER-Workman's Comp	E	\$4,004.00	\$3,220.30	\$3,221.00	\$2,323.36	\$2,324.00	
39-861-200	Travel Expense	E	\$0.00	\$0.00	\$500.00	\$0.00	\$500.00	
39-861-203	Supplies	E	\$750.00	\$587.88	\$2,549.00	\$1,376.72	\$41,130.00	
39-861-204	Uniforms	E	\$4,706.00	\$2,878.78	\$2,916.00	\$2,385.58	\$3,120.00	
39-861-205	OP Material & supplies	E	\$39,000.00	\$38,497.54	\$38,700.00	\$31,933.97	\$0.00	
39-861-250	Light, Heat & Security	E	\$93,341.00	\$89,587.62	\$95,000.00	\$73,311.98	\$95,000.00	
39-861-251	Telephone & Postage	E	\$8,256.00	\$8,014.25	\$7,722.00	\$6,788.10	\$7,798.00	
39-861-252	Fuel	E	\$7,500.00	\$6,462.37	\$5,500.00	\$4,315.05	\$9,000.00	
39-861-296	Continuing Education	E	\$2,430.00	\$2,430.00	\$997.00	\$525.00	\$1,225.00	
39-861-301	Computer Maint.	E	\$3,242.00	\$3,241.05	\$4,607.00	\$2,729.43	\$3,722.00	
39-861-302	Software Support	E	\$3,209.00	\$2,422.03	\$2,741.00	\$2,522.25	\$2,672.00	
39-861-305	Technology Upgrades	E	\$2,000.00	\$1,146.28	\$2,000.00	\$699.99	\$2,000.00	
39-861-309	Advertising	E	\$643.00	\$355.73	\$1,050.00	\$1,049.27	\$1,000.00	
39-861-310	Dues & Subscriptions	E	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	
39-861-318	Freight Charges	E	\$1,930.00	\$1,929.05	\$1,879.00	\$1,620.63	\$1,900.00	
39-861-342	Maint & Repair Plant	E	\$90,308.00	\$90,266.76	\$86,410.00	\$86,107.24	\$80,000.00	

GL Account	GLAcct Desc	Type	P/Y Budget	P/Y Actual	Current Bgt	Current Act	Recommended
39-861-344	Sludge Removal	E	\$54,999.00	\$38,355.00	\$46,511.00	\$29,817.50	\$60,000.00
39-861-345	Beaver Control	E	\$0.00	\$0.00	\$89.00	\$0.00	\$750.00
39-861-346	Lab Material & Supplies	E	\$6,750.00	\$5,934.26	\$9,122.00	\$9,121.66	\$9,150.00
39-861-347	Lab Analysis	E	\$16,600.00	\$17,146.45	\$17,948.00	\$13,283.45	\$18,466.00
39-861-348	Tar - Pamlico Dues	E	\$3,000.00	\$2,880.00	\$3,000.00	\$0.00	\$3,000.00
39-861-349	OSHAComp/Safety M&S	E	\$1,000.00	\$737.00	\$1,000.00	\$888.50	\$1,000.00
39-861-352	Vehicle Maintenance	E	\$4,723.00	\$4,722.61	\$3,847.00	\$3,846.62	\$4,250.00
39-861-400	Liability Insurance	E	\$18,649.00	\$16,726.07	\$18,185.00	\$14,892.90	\$20,500.00
39-861-405	Audit Expense	E	\$7,584.00	\$7,446.87	\$8,694.00	\$8,693.75	\$8,694.00
39-861-441	Certify Lab Services	E	\$0.00	\$0.00	\$1,000.00	\$95.00	\$1,000.00
39-861-444	Permits & Fees	E	\$6,253.00	\$6,252.50	\$6,253.00	\$6,193.50	\$6,200.00
39-861-446	Influent Debris removal	E	\$4,352.00	\$3,850.24	\$3,856.00	\$3,329.76	\$3,856.00
39-861-447	WWTP Grant Expense	E	\$9,918.00	\$0.00	\$34,125.00	\$0.00	\$0.00
39-861-810	NCDEQ WWTP Phase 2 Principal	E	\$0.00	\$0.00	\$0.00	\$0.00	\$23,607.00
39-861-897	WWTP 25% of GF Exp	E	\$41,694.00	\$41,005.67	\$42,674.00	\$36,988.43	\$43,302.00
39-861-998	Contingency	E	\$0.00	\$0.00	\$0.00	\$0.00	\$9,371.00
39-901-901	Transfer Out to General Fund	E	\$0.00	(\$32,000.00)	\$32,497.00	\$0.00	\$0.00
			\$680,923.00	\$625,733.20	\$747,125.00	\$557,487.52	\$742,524.00
			\$1,371,277.00	\$1,270,459.77	\$1,494,251.00	\$1,052,625.00	\$1,485,048.00
			(\$10,701.19)	\$49,689.54	\$6.00	\$84,671.10	\$0.00
Not Contains([Fund], '36') And Not Contains([Fund], '40') And Not Contains([Fund], '42') And Not Contains([Fund], '43') And Not Contains([Fund], '45') And Not Contains([Fund], '46')							

# 1921 Project



In West Africa, there's a saying, "Look back to the past to go forward." The Sankofa bird symbolizes this idea. It's depicted with its feet firmly planted forward, looking back with an egg in its beak; the egg suggesting the future. This New Year, 2021, is a Sankofa Moment for Warren County, an opportunity to look back 100 years to 1921 and look forward 100 years to 2121, a year of "reflection and projection" summed up as The Nineteen Twenty-One Project.

The year 1921 was significant for Warren County. African Americans' out-migration marked the year after the White mob lynching of Plummer Bullock and Alfred Williams. While fear of racial oppression defined the era, African Americans' demonstrated resilience by building communities, schools, churches, institutions, families, and a progressive spirit that survives today.

Early 20th Century was not pretty in the rural south. Warren County solidified a harsh sharecropping system, which led many African Americans and poor Whites into never-ending cycles of poverty. African Americans saw progress made during Reconstruction snatched away when southern state legislatures passed new state constitutions that virtually disenfranchised all African American voters. Warren County's White citizens were at the forefront of this movement to disenfranchise Black voters and declare white supremacy.

The Nineteen Twenty-One Project's purpose revolves around historical truth-telling, to help us all understand the ways that racial oppression and white supremacy at the turn of the 20th Century shape systemic racism and our society today. The Project's guiding questions are:

Why does white supremacy culture lead to inequity in Warren County?  
What do we change now to ensure a future that's equitable and just for all?

The Nineteen Twenty-One Project is a concept intended to be reparative. It invites all Warren County community members, publicly-funded and civic organizations, churches and faith groups, young and old, to open hearts and

minds and deliberate on the questions above. These questions will work as prompts for Black History Month programs, Bible study sessions, and conversations with neighbors.

How do we resist impulses not to understand the past? It belongs to all of us. What if we move beyond the adage, "I don't see color, I treat everybody the same?" The 1921 Project is not about calling people out but instead calling them into dialogue, learning, and progressive actions. The year 2021 is an occasion to practice Sankofa, an exciting opportunity to strive for collaborative and intergenerational relationships. If we use this year as a time for study, reflection, and visioning a future with equity and justice for all, we will tell a story that is a beacon of light and hope.

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## **FOR IMMEDIATE RELEASE**

### **UPCOMING PRODUCTION RE-ENACTS COURT TRIAL OF 1921**

*“Seeking Justice” is a play based on actual events from 1921 that led to an intense gunfight, eventual lynchings of two Black Men, and a court trial.*

Warrenton, North Carolina – The Nineteen Twenty-One Project and its partner organizations present the thought-provoking production, “Seeking Justice,” on Saturday, June 12, 2021, the Warren County Courthouse, Superior Courtroom, 109 South Main Street, Warrenton, NC, at 11:30 AM and again at 2 AM.

Seeking Justice revolves around a January 1921 confrontation over “bad apples” between two Black men and a White teenage store clerk, which triggered events that led to a gunfight at the train depot in Norlina.

Nineteen black men were accused of gunfighting, 18 were arrested, and one Black man, Matthew Bullock, escaped. Plummer Bullock and Alfred Williams were taken from the Warrenton jail and lynched by a White mob.

The play incorporates the Warren County Superior Court trial documents of 15 Black men, held May 25, 1921. Their charges ranged from “rioting” to “secret assault.” One of the accused was dying in the Raleigh penitentiary hospital from Tuberculosis (TB) and did not return for trial.

White supremacy characterizes the era of the performance’s setting. “Seeking Justice” recounts the stories of blatant disregard for law and humanity and both the brashness and sadness experienced in the community. The play’s narration provides a lens through which we find the same hundred-year-old attitudes and practices shaping our communities today.

The Nineteen Twenty-One Project performance partners include the UNC’s Humanities for the Public Good Initiative, Warren Artist Market, Warren County Arts Council, Warren County History Collective, and the Warren County NAACP Branch.

The script, a collaborative effort organized by Thomas Park of Warren Artist Market, draws on research from the University of North Carolina Descendants Project and features a diverse cast of community members.

The performances will adhere to the North Carolina’s Governor’s COVID guidelines. In person attendance is limited to invited guests; however, live online access will be available on [facebook.com/theWarrenist](https://www.facebook.com/theWarrenist). Two performances will occur in the large courtroom, 11:30 AM and 2:00 PM, on Saturday, June 12, 2021.

For more information, email Cosmos George: [cng50\\_secut@yahoo.com](mailto:cng50_secut@yahoo.com) or text 252-213-2310 or Jereann Johnson: [jereannkingblue@gmail.com](mailto:jereannkingblue@gmail.com) or text: 252-213-1517.

## ABOUT THE NINETEEN TWENTY-ONE PROJECT

The Nineteen Twenty-One Project aims to spark conversations about our history and how our history shapes who we are as a community today. The Project is also about our future -- a future with equity, peace, and justice. The Sankofa bird symbolizes this idea. The bird is depicted with its feet firmly planted forward, looking back with an egg in its beak, suggesting the future.

The Nineteen Twenty-One Project, grounded in a West African saying, “Look back to go forward,” encourages a year of reflecting and projecting by all citizens in Warren County, looking back 100 years to 1921 and looking forward 100 years to 2121.

The Project’s guiding questions are:

Why and how does white supremacy culture lead to inequity in Warren County?

What do we change now to ensure an equitable future and justice for all?

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