



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

P.O. Box 281
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**BOARD OF COMMISSIONERS
6:45 PUBLIC HEARING
REGULAR MEETING 7:00 PM
AUGUST 10, 2020
AGENDA**

Regular Meeting

1. Regular Meeting 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 from July 13, 2020
5. 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
6. Committee Reports
 - a. Finance and Administration (Ms. Hunter)
 - b. Public Works (Ms. Harding)
 - c. Public Safety (Mr. Hardy)
 - d. Human Resources/Information Technology (Mr. Blalock)
 - e. Revitalization/Historic District Commission (Mr. Coffman)
 - f. Beautification/Facilities (Ms. Britt)
 - g. Planning/Zoning/Annexation (Mr. Packer)
7. Old Business
 - a. Status of Grants: Volkswagen Grant Awarded to Town
 - b. Status of Frontier Warren
 - c. Zoning Ordinance Change – Mobile Homes in R-20
 - d. USDA Bond Closing Documents and Resolutions
 - e. FEMA Reimbursement Agreement
8. New Business
 - a. Water/Sewer/Landfill payment plan
 - b. Interlocal Government Agreement – COVID Grant Funds Disbursed by County
9. Announcements
10. Closed Session to discuss contract negotiations per NC General Statute § 143-318.11 (a)(5)
11. Adjournment

PUBLIC NOTICE

Notice is hereby served that the Warrenton Board of Commissioners will hold a public hearing on Monday, August 10, 2020 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 proposed change to the Zoning Ordinances, requiring a special use permit for mobile home parks located in areas zoned R-20.

A regularly-scheduled meeting of the Warrenton Board of Commissioners will be held at 7:00 pm or immediately following the public hearing for consideration and/or approval of the proposed Ordinance change and other business that may come before the Board. Should COVID-19 restrictions remain in effect, the below conference information will be utilized in lieu of a physical meeting for both public hearings. All interested citizens are urged to attend.

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

Zoom Meeting

<https://us02web.zoom.us/j/89377600960?pwd=dG5qR1ZNNHI3cTJlajJhUldMZHpjUT09>

Meeting ID: 893 7760 0960

Password: 625627

Dial in: +1 646 558 8656

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"

Post Office Box 281
113 S. Bragg Street
Warrenton, NC 27589-0281
PHONE (252) 257-1122 FAX (252)257-9219

REGULAR MONTHLY MEETING
TOWN OF WARRENTON BOARD OF COMMISSIONERS
MONDAY, JULY 13, 2020

Attending were Mayor Walter Gardner, Town Administrator Robert Davie, Commissioners Mary Hunter, Michael Coffman, Travis Packer, John Blalock, Margaret Britt, Kimberly Harding on phone, Police Chief Goble Lane, William "Bill" Perkinson Public Works Director, and Annette Silver Minute Taker. Commissioner William "Tom" Hardy was absent. Several citizens were participating by phone or Zoom.

CALL TO ORDER-PLEDGE OF ALLEGIENCE- MOMENT OF SILENCE

The regular monthly meeting of the Town of Warrenton was called to order by Mayor Gardner Monday, July 13, 2020 at 7:00pm. The Pledge of Allegiance was led by Commissioner Britt. A Moment of Silence was held for those experiencing tragedy or illness as well as those less fortunate.

CONFLICT OF INTEREST STATEMENT - PROPOSED AGENDA

The Conflict of Interest Statement was reviewed by Mayor. The Proposed Agenda was presented and the Mayor suggested a closed session to discuss business expansion and added items 7. F. for Status of Grants and 7. G. for contract for the WWTP project. (Status of Grants report was handed out at meeting.) A motion was made by Commissioner Packer with second by Commissioner Blalock to approve the Proposed Agenda with additions. The motion was approved by unanimous roll call vote.

PUBLIC COMMENTS

No Public Comments were voiced.

MINUTES OF JUNE 8, 2020 METING, MINUTES OF CALLED MEETING JUNE 24, 2020 and MINUTES OF PUBLIC HEARING REGARDING BUDGET JUNE 8, 2020

The regular Minutes of June 8, 2020, called Minutes of June 24, 2020 and Minutes of June 8, 2020 Public Hearing were presented. A motion was made by Commissioner Coffman with second by Commissioner Hunter to approve the Minutes. The motion was approved by unanimous roll call vote.

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 Report

The Consent Agenda was presented. A motion to approve was made by Commissioner Coffman with second by Commissioner Britt. The motion was approved by unanimous roll call vote.

COMMITTEE REPORTS

FINANCE and ADMINISTRATION Commissioner Hunter and Town Administrator had in addition to written reports a handout of the printed and previously adopted 2020-2021 Budget. Mr. Davie stated there would possibly be a surplus in General Funds and Water/Sewer Accounts for FY 2019-2020 but expected a sizeable deficient in Water/Sewer Fund 38, due to a drop in water usage and fewer accounts.

PUBLIC WORKS Commissioner Harding and Public Director had nothing in addition to written reports.

PUBLIC SAFETY In absence of Commissioner Hardy, Chief Lane had nothing in addition to written reports

HUMAN RESOURCES/INFORMATION TECHNOLOGY Commissioner Blalock reported 3 employees at the Plant had tested positive for COVID-19. They are in quarantine and improving. Mr. Davie stated Justin Cashman is no longer employed part-time with TOW and he anticipates using those funds to employ Stacy Woodhouse as consultant to focus on major projects including Frontier Warren.

REVITALIZATION/HISTORIC DISTRICT COMMISSION Commissioner Coffman reported Revitalization Committee met and agreed to cancel Harvest Market on October 10, 2020 as well as all Movie Nights due to COVID-19. Revitalization discussed branding of Warrenton and has developed a survey being promoted over social media and in the Warren Record. Mayor Gardner suggested sending the survey out with the water bills in the next billing cycle. The Historic District approved six COAs.

BEAUTIFICATION/FACILITIES Commissioner Britt had no report.

PLANNING/ZONING/ANNEXATION Commissioner Packer had no report.

OLD BUSINESS

Frontier Warren will be announced officially, with a press release by Research Triangle Foundation, on July 28, 2020. An application to NC IDEA for an Ecosystem Grant is planned to support Frontier Warren (up to \$200,000).

Zoning Ordinance changes for Mobile Home Parks were reviewed, based on a request from the Board of Commissioners, at a July 7, 2020 Planning Board meeting. The Planning Board has recommended to make a change to the ordinances requiring a Special Use permit for Mobile Home Parks in areas zoned R-20. A Public Hearing to receive public comment on the proposed ordinance change is scheduled for August 10, 2020 6:45pm prior to the regular board meeting.

An updated Capital Project Ordinance for the WWTP Grant Project to include a new loan portion was presented (increasing the grant budget from \$1.6million to \$2,105,575). A motion to approve the revised Capital Project Ordinance of 7/7/2020 was made by Commissioner Blalock with second by Commissioner Hunter. The motion was approved by unanimous roll call vote.

A recommendation to award the low bid of the paving portion of the USDA project (USDA-RD Water/Sewer System Improvements Street Overlays, MESCO Project # G14126.0), was presented by Gary Flowers in the form of a letter. A motion was made by Commissioner Blalock with second by Commissioner Britt to award the street paving portion of the USDA project. The motion was approved by unanimous roll call vote. Street paving will begin soon as part of the USDA grant project. A portion of Marshall Street will not be done to stay within budget.

As an added agenda item, Town Administrator Davie presented the documentation to award the renovation work on the WWTP as part of the NC DEQ grant project. A motion to approve the award was made by Commissioner Hunter with second by Commissioner Packer, subject to attorney review. The motion was approved unanimously by roll call vote.

Adjusting water rates and delaying a portion of the planned increase was discussed by Board, since the increase from Kerr Lake Regional Water Authority will now occur on July 1, 2021 instead of July 1, 2020. The Board took no action to change the current rates as adopted in the recent budget ordinance.

STATUS OF GRANTS

(Fund 51 & 61) USDA Rural Development: Work will begin shortly on paving and ADA accessibility
(Fund 53) NC Commerce Main Street Downtown Redevelopment: Currently, the Milano's building renovation grant project is experiencing difficulties, with banks unwilling to lend because of a lack of income and because there are no insurance proceeds on the previous Milano's building that burned. The fire at the previous Milano's building has been ruled "cause undetermined." The new Milano's building is currently insured under the Town's policy. A meeting is planned between Attorney Styers and Milano's owner to discuss spending the balance of the grant funding -- \$209,000. Town of Warrenton will continue to be involved and oversee the project, since the Town has a lien on the building and an agreement with the NC Commerce Department.

(Fund 55) NC DEQ Water Infrastructure WWTP: Received approval of loan portion by LGC. Waiting on Notice To Proceed letter from State.

(Fund 64 & 65) NC DEQ – Sewer Rehab – Battle Ave/Unity & Bute: Project nearing completion.

(Fund 63) NC DEQ AIA SEWER: Awaiting any additions from Bill Perkinson before closing out grant and providing map deliverable.

NC Neighborhood Revitalization Program: Completed re-advertising RFP for services to administer the grant, as only one response to RFP was received. Expect to move forward with Mike Scott shortly.

Volkswagen Settlement Grant: As of June 1, application is still open and under review, no award announcements have been made yet.

Building Reuse Grant: Awaiting closing on building before executing grant agreement with Commerce and Dr. O'Malley.

NEW BUSINESS

As the new owner of 104 N. Main Street (burned Milano's building), Jimmy Harris is cleaning up debris and is in talks with NC Department of Transportation (NC DOT) to make the intersection wider and easier for large trucks to turn and navigate. The focus is on donating a portion of land to NC DOT on the northeast corner of E. Macon Street and N. Main Street. Harris' plans are to clean up and grade the lot. He is considering a place for food trucks and tables in front of the Quilt Lizzy building and partner with other local organizations who are interested in improving the lot.

An agreement from Educational Data Systems, Inc. (EDSI) was presented, which would allow a temporary employee to work for the town at the expense of EDSI. This person would work in Town Hall on the Frontier Warren project. A motion was made by Commissioner Blalock with second by Commissioner Hunter to approve EDSI agreement. The motion was approved by unanimous roll call vote.

A motion to adjourn meeting for Closed Session meeting to discuss 143 -318a4 was made by Commissioner Hunter with second by Commissioner Coffman. The motion was approved by unanimous roll call vote. A motion to return to open session was made by Commissioner Hunter and seconded by Commissioner Packer. The motion was approved by unanimous vote. With no further business the meeting was adjourned.

Budget vs Actual

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Period Ending 7/31/2020

34 FRONTIER WARREN							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
Revenues							
34-351-422 Rent Paid to Town Frontier Warren	22,000	2,280.00	2,280.00	2,280.00	(19,720.00)	10%	
34-352-363 Donations	34,500	0.00	0.00	0.00	(34,500.00)		
Revenues Totals:	56,500	2,280.00	2,280.00	2,280.00	(54,220.00)	4%	
Expenses							
34-405-203 Supplies	2,000	25.90	25.90	25.90	1,974.10	1%	
34-405-250 Lights/Heat/Security	5,000	170.64	170.64	170.64	4,829.36	3%	
34-405-251 Telephone/Internet	3,000	116.97	116.97	116.97	2,883.03	4%	
34-405-255 Bldg Maint/Clean Svcs	8,500	222.00	222.00	222.00	8,278.00	3%	
34-405-309 Advertising	1,500	1,020.00	1,020.00	1,020.00	480.00	68%	
34-405-332 Signs below \$5,000	500	156.25	156.25	156.25	343.75	31%	
34-405-422 Rent Paid by Town	36,000	6,000.00	6,000.00	6,000.00	30,000.00	17%	
Non-Departmental Totals:	56,500	7,711.76	7,711.76	7,711.76	48,788.24	14%	
Expenses Totals:	56,500	7,711.76	7,711.76	7,711.76	48,788.24	14%	
34 FRONTIER WARREN	Revenues Over/(Under) Expenses:	(5,431.76)	(5,431.76)	(5,431.76)			

Budget vs Actual

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Period Ending 7/31/2020

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
Revenues							
37-302-301 Ad Valorem Taxes - Current	454,562	2,121.88	2,121.88	2,121.88	(452,440.12)	0%	
37-302-302 Ad Valorem Taxes - Prior Year	5,000	0.00	0.00	0.00	(5,000.00)		
37-302-303 Ad Valorem Taxes - all other prior years	2,000	150.00	150.00	150.00	(1,850.00)	8%	
37-302-304 Ad Valorem Taxes - Penalties & Interest	1,900	172.70	172.70	172.70	(1,727.30)	9%	
37-307-310 Motor Vehicles - Current	33,024	2,922.44	2,922.44	2,922.44	(30,101.56)	9%	
37-320-320 Local Option Sales Tax Monthly	240,000	18,328.59	18,328.59	18,328.59	(221,671.41)	8%	
37-325-325 Utility Franchise Tax Quarterly	86,000	0.00	0.00	0.00	(86,000.00)		
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	0.00	0.00	0.00	(1,000.00)		
37-325-329 PD Narcotics Tax	142	0.00	0.00	0.00	(142.00)		
37-335-335 Powell Bill	25,583	0.00	0.00	0.00	(25,583.00)		
37-345-345 Zone Board of Adj	1,000	50.00	50.00	50.00	(950.00)	5%	
37-345-346 Code Enforcement	2,750	50.00	50.00	50.00	(2,700.00)	2%	
37-351-353 Landfill Fees Residential	178,176	12,218.69	12,218.69	12,218.69	(165,957.31)	7%	
37-351-355 Cemetery Fees	1,800	0.00	0.00	0.00	(1,800.00)		
37-351-356 Police Rpt Fees	50	0.00	0.00	0.00	(50.00)		
37-351-357 Court Fees	300	27.00	27.00	27.00	(273.00)	9%	
37-351-360 Cell Tower Rent	29,400	0.00	0.00	0.00	(29,400.00)		
37-351-361 Parking/Ordinance Collections PD	300	5.00	5.00	5.00	(295.00)	2%	
37-365-001 Interest Income	50	0.00	0.00	0.00	(50.00)		
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	0.00	(500.00)		
37-365-370 WWTP 25% of GF Exp	42,674	0.00	0.00	0.00	(42,674.00)		
37-365-371 WS 25% of GF Exp	93,167	0.00	0.00	0.00	(93,167.00)		
37-365-410 Interest Investment NCCMT	6,000	0.00	0.00	0.00	(6,000.00)		

Budget vs Actual

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Period Ending 7/31/2020

37 GENERAL FUND

Description	Budget	MTD	QTD	YTD	Variance	Percent
37-381-039 Transfer In from WWTP	32,497	0.00	0.00	0.00	(32,497.00)	
Revenues Totals:	1,250,975	36,046.30	36,046.30	36,046.30	(1,214,928.70)	3%
Expenses						
37-401-010 Salary - Full Time	134,928	9,992.20	9,992.20	9,992.20	124,935.80	7%
37-401-012 Salary - Adm Assistant	46,450	3,529.60	3,529.60	3,529.60	42,920.40	8%
37-401-014 Salary - Part Time	175	175.04	175.04	175.04	0.00	100%
37-401-020 ER-FICA Taxes	9,557	764.40	764.40	764.40	8,792.60	8%
37-401-021 ER-FICA Taxes - Adm Assistant	4,306	283.41	283.41	283.41	4,022.59	7%
37-401-030 ER-Retirement - Orbit	29,135	2,298.72	2,298.72	2,298.72	26,836.28	8%
37-401-040 ER-Health Insurance	21,596	3,360.93	3,360.93	3,360.93	18,235.07	16%
37-401-050 ER-Life Insurance	504	84.00	84.00	84.00	420.00	17%
37-401-060 ER-Workman's Comp	383	358.31	358.31	358.31	24.69	94%
37-401-200 Travel Expense	1,200	0.00	0.00	0.00	1,200.00	
37-401-203 Supplies	5,000	128.48	128.48	128.48	4,871.52	3%
37-401-250 Light, Heat & Security	12,000	699.10	699.10	699.10	11,300.90	6%
37-401-251 Telephone & Postage	3,000	196.71	196.71	196.71	2,803.29	7%
37-401-255 Bldg. Maint/ Clean SVS	4,500	86.66	86.66	86.66	4,413.34	2%
37-401-256 Bank Fees/ Petty Cash	1,500	0.00	0.00	0.00	1,500.00	
37-401-295 Training	1,400	0.00	0.00	0.00	1,400.00	
37-401-301 Computer Maint	3,500	293.17	293.17	293.17	3,206.83	8%
37-401-302 Software Support	1,760	29.98	29.98	29.98	1,730.02	2%
37-401-303 Software Purchase less than \$5,000	500	0.00	0.00	0.00	500.00	
37-401-304 Website	1,200	1,200.00	1,200.00	1,200.00	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	500	190.00	190.00	190.00	310.00	38%
37-401-309 Advertising	1,300	230.18	230.18	230.18	1,069.82	18%
37-401-310 Dues & Subscriptions	3,000	1,801.62	1,801.62	1,801.62	1,198.38	60%

Budget vs Actual

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Period Ending 7/31/2020

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-401-325 NC Sales/Use Tax Paid (No Tax)	700	0.00	0.00	0.00	700.00		
37-401-400 Liability Insurance	5,500	555.00	555.00	555.00	4,945.00	10%	
37-401-401 County Tax Collection Svs	8,000	176.80	176.80	176.80	7,823.20	2%	
37-401-405 Audit Expense	7,600	0.00	0.00	0.00	7,600.00		
37-401-415 Economic Development Consultant	11,000	1,000.00	1,000.00	1,000.00	10,000.00	9%	
37-401-420 Attorney Fees	3,500	0.00	0.00	0.00	3,500.00		
37-401-499 Miscellaneous Expense	2,144	0.00	0.00	0.00	2,143.96		
37-401-700 WDRI Grant Expense	264	0.00	0.00	0.00	264.00		
37-401-801 Town Hall Roof Loan-Principal	5,280	428.95	428.95	428.95	4,851.05	8%	
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	43.30	344.70	11%	
37-401-889 Reserve for USDA Loans	2,304	0.00	0.00	0.00	2,304.00		
37-401-998 Contingency	500	0.00	0.00	0.00	500.00		
General Government Totals:	347,809	27,906.56	27,906.56	27,906.56	319,902.44	8%	
37-402-014 Mayor Part Time Salary	1,500	125.00	125.00	125.00	1,375.00	8%	
37-402-020 ER - FICA TAXES	115	9.56	9.56	9.56	105.44	8%	
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	134.56	2,030.44	6%	
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	0.00	220.00		
37-405-440 Runn Warrenton 5K	2,500	0.00	0.00	0.00	2,500.00		
37-405-450 Revitalization Comm	9,500	0.00	0.00	0.00	9,500.00		
37-405-470 Small Town Maint St	2,200	375.00	375.00	375.00	1,825.00	17%	
Non-Departmental Totals:	14,920	375.00	375.00	375.00	14,545.00	3%	
37-501-010 SALARY FULL TIME	213,895	10,295.29	10,295.29	10,295.29	203,599.71	5%	

Budget vs Actual

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Period Ending 7/31/2020

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-501-014 Salary - Part Time	10,000	3,113.52	3,113.52	3,113.52	6,886.48	31%	
37-501-016 Police Clerical Salary	34,112	2,624.00	2,624.00	2,624.00	31,488.00	8%	
37-501-019 Salary - Over-Time	5,000	709.67	709.67	709.67	4,290.33	14%	
37-501-020 ER-FICA Taxes	19,552	1,274.87	1,274.87	1,274.87	18,277.13	7%	
37-501-030 ER - Retirement Orbit	44,904	2,392.86	2,392.86	2,392.86	42,511.14	5%	
37-501-031 ER - 401K 5%	10,573	550.25	550.25	550.25	10,022.75	5%	
37-501-040 ER - Health Insurance	37,370	3,410.87	3,410.87	3,410.87	33,959.13	9%	
37-501-050 ER - Life Insurance	1,010	140.00	140.00	140.00	870.00	14%	
37-501-060 ER - Workman's Comp	6,420	4,541.87	4,541.87	4,541.87	1,878.13	71%	
37-501-200 Travel Expense	1,000	0.00	0.00	0.00	1,000.00		
37-501-203 Supplies	3,000	65.73	65.73	65.73	2,934.27	2%	
37-501-204 Uniforms	2,000	0.00	0.00	0.00	2,000.00		
37-501-205 Equipment & Material	3,000	33.76	33.76	33.76	2,966.24	1%	
37-501-250 Light, Heat & Security	10,908	644.56	644.56	644.56	10,263.44	6%	
37-501-251 Telephone & Postage	7,494	645.16	645.16	645.16	6,848.84	9%	
37-501-252 Fuel	14,000	0.00	0.00	0.00	14,000.00		
37-501-255 Bldg Maint/Clean Svs	4,475	86.66	86.66	86.66	4,388.34	2%	
37-501-295 Training	2,000	0.00	0.00	0.00	2,000.00		
37-501-301 Computer Maint	5,848	320.00	320.00	320.00	5,528.00	5%	
37-501-302 Software Support	6,165	0.00	0.00	0.00	6,165.00		
37-501-309 Advertising	500	0.00	0.00	0.00	500.00		
37-501-351 Maint & Repair Equip	3,000	0.00	0.00	0.00	3,000.00		
37-501-370 2008 Ford Car 100	1,000	0.00	0.00	0.00	1,000.00		
37-501-371 2017 Dodge Car 200	1,000	0.00	0.00	0.00	1,000.00		
37-501-372 2016 Dodge Car 300	1,300	0.00	0.00	0.00	1,300.00		
37-501-373 2017 Dodge Car 400	1,000	0.00	0.00	0.00	1,000.00		
37-501-374 2010 Ford Car 500	1,000	0.00	0.00	0.00	1,000.00		
37-501-375 2008 Ford Car 600	700	0.00	0.00	0.00	700.00		
37-501-376 1993 Chevy Car 700	1,000	0.00	0.00	0.00	1,000.00		

Budget vs Actual

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37 GENERAL FUND						
Description	Budget	MTD	QTD	YTD	Variance	Percent
37-501-400 Liability Insurance	12,400	(576.00)	(576.00)	(576.00)	12,976.00	-5%
37-501-415 Police Shots Medical	500	0.00	0.00	0.00	500.00	
37-501-433 COP Program	500	0.00	0.00	0.00	500.00	
37-501-436 PD Narcotics Tax/Proceeds	142	0.00	0.00	0.00	142.00	
37-501-499 Miscellaneous	4,160	316.22	316.22	316.22	3,843.78	8%
37-501-801 Town Hall Roof Loan Principal	5,280	428.96	428.96	428.96	4,851.04	8%
37-501-802 Police 2017 Cars Loan Principal (USDA)	4,072	4,071.73	4,071.73	4,071.73	0.00	100%
37-501-803 Police Security Camera Loan Principal (USDA)	1,213	0.00	0.00	0.00	1,213.32	
37-501-804 Police 2018 Cars Loan Principal (USDA)	4,428	0.00	0.00	0.00	4,427.85	
37-501-831 Town Hall Roof Loan - Interest PD	388	43.31	43.31	43.31	344.69	11%
37-501-832 Police 2017 Cars Loan Interest (USDA)	708	708.27	708.27	708.27	0.00	100%
37-501-833 Police Security Camera Loan Interest (USDA)	120	0.00	0.00	0.00	119.68	
37-501-834 Police 2018 Cars Loan Interest (USDA)	1,256	0.00	0.00	0.00	1,256.15	
Police Department Totals:	488,393	35,841.56	35,841.56	35,841.56	452,551.44	7%
37-601-014 Salary - Part Time Code Enforcement	3,500	731.76	731.76	731.76	2,768.24	21%
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	5,833.33	64,166.67	8%
37-601-475 Donation to Town Fire	1,000	0.00	0.00	0.00	1,000.00	
37-601-476 Code Enforcement Exp	150	0.00	0.00	0.00	150.00	
37-601-710 Fire Museum Expense	15,000	0.00	0.00	0.00	15,000.00	
Fire Totals:	90,285	6,565.09	6,565.09	6,565.09	83,719.91	7%
37-651-330 Christmas Lights/Santa House	600	0.00	0.00	0.00	600.00	

Budget vs Actual

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Period Ending 7/31/2020

37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
37-651-331 Haley Haywood Park	1,650	0.00	0.00	0.00	1,650.00		
37-651-332 Signs below \$5,000	2,500	0.00	0.00	0.00	2,500.00		
37-651-333 Street Beautification - Below \$5,000	2,500	0.00	0.00	0.00	2,500.00		
37-651-335 Street Lighting Electric Bill	23,000	1,847.84	1,847.84	1,847.84	21,152.16	8%	
Signs and Lights Totals:	30,250	1,847.84	1,847.84	1,847.84	28,402.16	6%	
37-701-010 Salary - Full Time	52,709	3,519.54	3,519.54	3,519.54	49,189.46	7%	
37-701-014 Salary - Part Time	15,993	1,173.11	1,173.11	1,173.11	14,819.89	7%	
37-701-019 Over-Time	1,748	0.00	0.00	0.00	1,748.00		
37-701-020 ER-FICA Taxes	5,389	357.81	357.81	357.81	5,031.19	7%	
37-701-030 ER - Retirement - Orbit	11,976	754.67	754.67	754.67	11,221.33	6%	
37-701-040 ER-Health Insurance	11,800	1,744.23	1,744.23	1,744.23	10,055.77	15%	
37-701-050 ER-Life Insurance	269	43.96	43.96	43.96	225.04	16%	
37-701-060 ER-Workman's Comp	4,801	1,969.03	1,969.03	1,969.03	2,831.97	41%	
37-701-203 Supplies	3,619	319.57	319.57	319.57	3,299.43	9%	
37-701-204 Uniforms	3,624	45.80	45.80	45.80	3,578.20	1%	
37-701-251 Telephone & Postage	864	76.89	76.89	76.89	787.11	9%	
37-701-252 Fuel	8,000	239.57	239.57	239.57	7,760.43	3%	
37-701-312 Tree Removal	1,200	0.00	0.00	0.00	1,200.00		
37-701-351 Maint & Repair Equip	10,113	0.00	0.00	0.00	10,113.00		
37-701-352 Vehicle Maintenance	2,528	0.00	0.00	0.00	2,528.00		
37-701-400 Liability Insurance	6,589	0.00	0.00	0.00	6,589.00		
37-701-431 Street Debris Disposal	2,500	0.00	0.00	0.00	2,500.00		
37-701-803 LGFCU Street Truck & Trailer Loan Principal	13,294	0.00	0.00	0.00	13,294.00		
37-701-832 LGFCU Street Truck & Trailer Loan Interest	299	0.00	0.00	0.00	299.00		
Streets Totals:	157,315	10,244.18	10,244.18	10,244.18	147,070.82	7%	
37-710-361 Maint & Repair POWELL BILL	19,622	5,208.00	5,208.00	5,208.00	14,414.00	27%	

Budget vs Actual

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37 GENERAL FUND							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
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	5,215	0.00	0.00	0.00	5,215.00		
37-710-830 BB&T Battle Ave Sewer Loan POWELL - Int	646	0.00	0.00	0.00	646.00		
Powell Bill Totals:	25,583	5,208.00	5,208.00	5,208.00	20,375.00	20%	
37-801-010 Salary - Full Time Sanitation	50,696	3,285.72	3,285.72	3,285.72	47,410.28	6%	
37-801-019 Salary - Over Time Sanitation	608	0.00	0.00	0.00	608.00		
37-801-020 ER - FICA Sanitation	3,984	245.43	245.43	245.43	3,738.57	6%	
37-801-030 ER - Retirement - Orbit Sanitation	8,853	511.44	511.44	511.44	8,341.56	6%	
37-801-040 ER - Health Insurance	9,999	1,498.20	1,498.20	1,498.20	8,500.80	15%	
37-801-050 ER - Life Insurance	227	37.80	37.80	37.80	189.20	17%	
37-801-060 Workman's Compensation	3,388	3,017.09	3,017.09	3,017.09	370.91	89%	
37-801-203 Supplies	750	155.61	155.61	155.61	594.39	21%	
37-801-204 Uniforms	1,944	21.34	21.34	21.34	1,922.66	1%	
37-801-251 Telephone & Postage	504	41.22	41.22	41.22	462.78	8%	
37-801-252 Fuel	3,000	156.32	156.32	156.32	2,843.68	5%	
37-801-350 Landfull Fees	17,500	1,864.61	1,864.61	1,864.61	15,635.39	11%	
37-801-352 Vehicle Maintenance	5,958	818.74	818.74	818.74	5,139.26	14%	
37-801-400 Liability Insurance	2,844	0.00	0.00	0.00	2,844.00		
Sanitation Totals:	110,255	11,653.52	11,653.52	11,653.52	98,601.48	11%	
Expenses Totals:	1,266,975	99,776.31	99,776.31	99,776.31	1,167,198.69	8%	
37 GENERAL FUND Revenues Over/(Under) Expenses:		(62,614.37)	(62,614.37)	(62,614.37)			

Budget vs Actual

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
Revenues							
38-351-401 Water Sales	804,541	42,071.33	42,071.33	42,071.33	(762,469.67)	5%	
38-351-402 Debt Setoff WATER	302	0.00	0.00	0.00	(302.00)		
38-351-404 Sewer Services	585,218	48,498.89	48,498.89	48,498.89	(536,719.11)	8%	
38-351-407 Debt Setoff SEWER	501	0.00	0.00	0.00	(501.00)		
38-351-408 Town Taps	2,350	246.77	246.77	246.77	(2,103.23)	11%	
38-351-416 Dis/Reconnection Fee	5,168	30.00	30.00	30.00	(5,138.00)	1%	
38-351-417 Fire Sprinkler	2,253	187.74	187.74	187.74	(2,065.26)	8%	
38-351-418 Late Fees/Penalty/Cut Off	12,741	100.00	100.00	100.00	(12,641.00)	1%	
38-351-419 Returned Check Fee	545	25.00	25.00	25.00	(520.00)	5%	
38-351-420 Debt Setoff Late Fees/Penalty/Cut Off	173	0.00	0.00	0.00	(173.00)		
38-365-001 Interest Income	58	0.00	0.00	0.00	(58.00)		
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	275.00	275.00	275.00	(2,600.00)	10%	
38-365-851 Misc Revenue WATER	63	0.00	0.00	0.00	(63.00)		
38-395-396 Apropriated Fund Balance (Budget Only)	32,497	0.00	0.00	0.00	(32,497.00)		
Revenues Totals:	1,451,285	91,434.73	91,434.73	91,434.73	(1,359,850.27)	6%	
Expenses							
38-851-010 Salary Full Time	84,922	6,406.40	6,406.40	6,406.40	78,515.60	8%	
38-851-014 Salary - Part Time	15,943	1,381.45	1,381.45	1,381.45	14,561.55	9%	
38-851-019 Salary Over-Time	6,351	106.86	106.86	106.86	6,244.14	2%	
38-851-020 ER-FICA Taxes	8,202	582.14	582.14	582.14	7,619.86	7%	
38-851-030 ER - Retirement Orbit	13,801	985.24	985.24	985.24	12,815.76	7%	
38-851-040 ER - Health Insurance WATER	13,474	2,037.36	2,037.36	2,037.36	11,436.64	15%	
38-851-050 ER - Life Insurance	310	51.52	51.52	51.52	258.48	17%	
38-851-060 ER - Workman's Comp	1,643	1,347.41	1,347.41	1,347.41	295.59	82%	

Budget vs Actual

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-851-200 Travel Expense	250	0.00	0.00	0.00	250.00		
38-851-203 Supplies	1,778	56.28	56.28	56.28	1,721.72	3%	
38-851-204 Uniforms	2,160	36.79	36.79	36.79	2,123.21	2%	
38-851-205 Materials & Supplies	36,000	248.60	248.60	248.60	35,751.40	1%	
38-851-250 Light & Heat & Security	5,981	438.56	438.56	438.56	5,542.44	7%	
38-851-251 Telephone & Postage	8,658	420.99	420.99	420.99	8,237.01	5%	
38-851-252 Fuel	6,000	329.20	329.20	329.20	5,670.80	5%	
38-851-255 Bldg. Maint/Clean Svs	2,214	43.34	43.34	43.34	2,170.66	2%	
38-851-260 Electric Tank/Pumps	2,750	66.12	66.12	66.12	2,683.88	2%	
38-851-296 Continuing Education	625	0.00	0.00	0.00	625.00		
38-851-301 Computer Maintenance	2,364	153.18	153.18	153.18	2,210.82	6%	
38-851-302 Software Support	1,243	0.00	0.00	0.00	1,243.00		
38-851-305 Technology Upgrades	2,250	0.00	0.00	0.00	2,250.00		
38-851-309 Advertising	250	0.00	0.00	0.00	250.00		
38-851-310 Dues & Subscriptions	389	12.50	12.50	12.50	376.50	3%	
38-851-313 State Permits	1,250	0.00	0.00	0.00	1,250.00		
38-851-345 Water Tank Contract	16,620	4,154.87	4,154.87	4,154.87	12,465.13	25%	
38-851-351 Maint. & Repair Equip	4,500	0.00	0.00	0.00	4,500.00		
38-851-352 Vehicle Maintenance	2,400	16.50	16.50	16.50	2,383.50	1%	
38-851-400 Town Liability Insurance	7,643	0.00	0.00	0.00	7,643.00		
38-851-405 Audit Expense	3,724	0.00	0.00	0.00	3,724.00		
38-851-441 Certify Lab Services	1,340	0.00	0.00	0.00	1,340.00		
38-851-448 External Contract	15,656	1,146.80	1,146.80	1,146.80	14,509.20	7%	
38-851-451 Water Purchase	256,182	16,886.19	16,886.19	16,886.19	239,295.81	7%	
38-851-801 Town Hall Roof Loan - Principal	2,640	214.47	214.47	214.47	2,425.53	8%	
38-851-802 USDA Public Works Trucks - Princ Water	2,485	0.00	0.00	0.00	2,485.00		
38-851-803 USDA Town Hall/WS Loan Principal	41,150	0.00	0.00	0.00	41,150.00		

Budget vs Actual

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-851-831 Town Hall Roof Loan - Interest Water	194	21.65	21.65	21.65	172.35	11%	
38-851-836 USDA Public Works Trucks - Int Water	433	0.00	0.00	0.00	433.00		
38-851-889 RESERVE FOR USDA LOANS	4,407	0.00	0.00	0.00	4,407.00		
38-851-896 WS 25% of GF Expense	46,584	0.00	0.00	0.00	46,584.00		
38-851-998 Contingency	31,411	0.00	0.00	0.00	31,411.00		
Water Totals:	656,177	37,144.42	37,144.42	37,144.42	619,032.58	6%	
38-852-010 Salary - Full Time	84,922	6,406.40	6,406.40	6,406.40	78,515.60	8%	
38-852-014 Salary - Part Time	15,943	1,381.59	1,381.59	1,381.59	14,561.41	9%	
38-852-019 Salary - Over Time Sewer	6,351	226.00	226.00	226.00	6,125.00	4%	
38-852-020 ER - FICA Sewer	8,202	610.43	610.43	610.43	7,591.57	7%	
38-852-030 ER-Retirement Orbit	13,801	994.55	994.55	994.55	12,806.45	7%	
38-852-040 ER-Health Insurance SEWER	13,474	2,037.36	2,037.36	2,037.36	11,436.64	15%	
38-852-050 ER-Life Insurance	310	51.52	51.52	51.52	258.48	17%	
38-852-060 ER-Workman's Comp	1,642	1,347.41	1,347.41	1,347.41	294.59	82%	
38-852-200 Travel Expense	225	0.00	0.00	0.00	225.00		
38-852-203 Supplies	1,778	16.76	16.76	16.76	1,761.24	1%	
38-852-204 Uniforms	2,160	36.79	36.79	36.79	2,123.21	2%	
38-852-205 Materials & Supplies	26,000	248.58	248.58	248.58	25,751.42	1%	
38-852-250 Light & Heat & Security	5,981	438.55	438.55	438.55	5,542.45	7%	
38-852-251 Telephone & Postage	8,658	420.99	420.99	420.99	8,237.01	5%	
38-852-252 Fuel	6,000	329.18	329.18	329.18	5,670.82	5%	
38-852-255 Bldg. Maint/Clean Svs	2,214	43.34	43.34	43.34	2,170.66	2%	
38-852-260 Electric Tank/Pumps	9,500	861.56	861.56	861.56	8,638.44	9%	
38-852-296 Continuing Education	625	0.00	0.00	0.00	625.00		
38-852-301 Computer Maint.	2,364	80.00	80.00	80.00	2,284.00	3%	
38-852-302 Software Support	1,243	0.00	0.00	0.00	1,243.00		
38-852-305 Technology Upgrades	2,250	0.00	0.00	0.00	2,250.00		

Budget vs Actual

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-852-309 Advertising	500	0.00	0.00	0.00	500.00		
38-852-310 Dues & Subscriptions	400	12.50	12.50	12.50	387.50	3%	
38-852-313 State Permits	1,250	0.00	0.00	0.00	1,250.00		
38-852-351 Maint & Repair Equip	4,500	0.00	0.00	0.00	4,500.00		
38-852-352 Vehicle Maintenance	2,400	16.50	16.50	16.50	2,383.50	1%	
38-852-400 Liability Insurance	1,911	0.00	0.00	0.00	1,911.00		
38-852-405 Audit Expense	3,724	0.00	0.00	0.00	3,724.00		
38-852-435 Purchase of Sewer Services	300,500	0.00	0.00	0.00	300,500.00		
38-852-448 External Contract	20,000	574.60	574.60	574.60	19,425.40	3%	
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	214.48	2,425.52	8%	
38-852-802 USDA Public Works Trucks - Princ Sewer	2,485	0.00	0.00	0.00	2,485.00		
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	0.00	1,000.00		
38-852-810 BB&T Battle Avenue Sewer Loan - Principal	6,452	0.00	0.00	0.00	6,452.00		
38-852-811 NCDEQ Sewer Rehab Annual Loan- Principal	13,750	0.00	0.00	0.00	13,750.00		
38-852-830 BB&T Battle Ave Sewer Loan - Int	523	0.00	0.00	0.00	523.00		
38-852-831 Town Hall Roof Loan - Interest Sewer	194	21.66	21.66	21.66	172.34	11%	
38-852-836 USDA Public Works Trucks - Int Sewer	433	0.00	0.00	0.00	433.00		
38-852-837 NCDEQ Sewer Rehab Annual Loan- Interest	3,575	0.00	0.00	0.00	3,575.00		
38-852-889 Reserve for USDA Loans	4,407	0.00	0.00	0.00	4,407.00		

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38 WATER / SEWER							
Description	Budget	MTD	QTD	YTD	Variance	Percent	
38-852-896 WS 25% of GF Expense	46,584	0.00	0.00	0.00	46,584.00		
38-852-998 Contingency	35,581	0.00	0.00	0.00	35,581.00		
Sewer Expenses Totals:	746,611	16,370.75	16,370.75	16,370.75	730,240.25	2%	
38-901-037 Transfer to General Fund	16,000	1,125.00	1,125.00	1,125.00	14,875.00	7%	
38-901-902 Transfer Out to Water Treatment Plant	32,497	0.00	0.00	0.00	32,497.00		
Transfers Out Totals:	48,497	1,125.00	1,125.00	1,125.00	47,372.00	2%	
Expenses Totals:	1,451,285	54,640.17	54,640.17	54,640.17	1,396,644.83	4%	
38 WATER / SEWER	Revenues Over/(Under) Expenses:		36,794.56	36,794.56	36,794.56		

A/P Check Listing

Vendor Range - 123 OTTO LLC' - 'YOUR TRADEMARK ATTORNEY
Date From - 7/1/2020 Date To - 7/31/2020

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Check Number	Bank	Vendor	Date	Amount
62615	30	AMAZON CAPTIAL SERVICES, INC.	07/01/2020	\$310.29
62616	30	BLUE RIDGE SPRINGS, INC	07/01/2020	\$45.70
62626	30	DUKE ENERGY PROGRESS	07/01/2020	\$120.43
62627	30	FLEMING INVESTMENT COMPANY	07/01/2020	\$3,000.00
62628	30	HUMANA SPECIALTY BENEFITS	07/01/2020	\$29.38
62629	30	MIRANDA E. MEDLIN	07/01/2020	\$260.00
62630	30	NATIONAL MAIN STREET CENTER	07/01/2020	\$375.00
62631	30	NC LEAGUE OF MUNICIPALITIES	07/01/2020	\$1,554.00
62632	30	NCL OF WISCONSIN, INC.	07/01/2020	\$175.51
62633	30	SONITROL INTEGRATED SECURITY	07/01/2020	\$1,302.00
62634	30	DOCUMENT SYSTEMS, INC	07/02/2020	\$64.05
62635	30	NC DEPARTMENT OF REVENUE	07/02/2020	\$110.64
62636	30	TABLETOP MEDIA GROUP LLC	07/02/2020	\$1,200.00
62637	30	VAUGHAN & SON AUTOBODY	07/02/2020	\$1,189.04
62638	30	CAROLINA DIGITAL PHONE INC	07/07/2020	\$316.00
62639	30	HARRIS ENTERPRISES	07/07/2020	\$251.08
62640	30	KERR-TAR REG COUNCIL OF GOV	07/07/2020	\$138.00
62641	30	PETE SMITH TIRE & QUICK LUBE, INC	07/07/2020	\$214.19
62642	30	SCHOOL OF GOVERNMENT AT UNC	07/07/2020	\$109.62
62643	30	THE DAILY DISPATCH	07/07/2020	\$388.50
62644	30	UNIFIRST CORPORATION	07/07/2020	\$268.54
62645	30	WOMACK PUBLISHING CO. INC.	07/07/2020	\$40.00
62646	30	WRIGHT EXPRESS FSC	07/07/2020	\$1,178.92
62647	30	AMAZON CAPTIAL SERVICES, INC.	07/13/2020	\$500.55
62648	30	Community Eye Care	07/13/2020	\$92.40
62649	30	MERITECH INC	07/13/2020	\$1,778.00
62650	30	NICK TYSON	07/13/2020	\$46.70
62651	30	NORTH CAROLINA 811, INC	07/13/2020	\$25.00
62652	30	VAUGHAN & SON AUTOBODY	07/13/2020	\$66.00
62653	30	BLUE RIDGE SPRINGS, INC	07/15/2020	\$33.60

A/P Check Listing

Vendor Range - 123 OTTO LLC' - 'YOUR TRADEMARK ATTORNEY
Date From - 7/1/2020 Date To - 7/31/2020

Town of Warrenton
08/03/2020 10:00 AM

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Check Number	Bank	Vendor	Date	Amount
62654	30	FLEMING INVESTMENT COMPANY	07/15/2020	\$212.80
62655	30	Herring-Rivenbark, Inc.	07/15/2020	\$399,738.18
62656	30	Joe Barr	07/15/2020	\$19.00
62657	30	NC DEQ/DWR/WSS Laboratory Cert. Branch	07/15/2020	\$1,750.00
62658	30	NC INTERLOCAL RISK MANAGMENT	07/15/2020	\$15,810.90
62659	30	SOUTHERN CORROSION, INC.	07/15/2020	\$4,154.87
62660	30	CITIZENS INSURANCE & BONDING,	07/15/2020	\$555.00
62661	30	MUNICIPAL INSURANCE TRUST	07/15/2020	\$666.91
62662	30	United Healthcare	07/15/2020	\$10,946.78
62663	30	DOCUMENT SYSTEMS, INC	07/16/2020	\$1,214.95
62664	30	DUKE ENERGY PROGRESS	07/16/2020	\$9,212.56
62665	30	KPH PAVING & LANDSCAPING, INC.	07/16/2020	\$5,208.00
62666	30	MIRANDA E. MEDLIN	07/16/2020	\$150.00
62667	30	Spectrum Business	07/16/2020	\$124.98
62668	30	ALWAYS CARE BENEFITS, INC.	07/17/2020	\$829.52
62669	30	CENTURY LINK COMMUNICATIONS	07/17/2020	\$169.53
62670	30	FRONTIER NATURAL GAS	07/17/2020	\$12.42
62671	30	GFL ENVIRONMENTAL	07/17/2020	\$326.58
62672	30	HARRIS ENTERPRISES	07/17/2020	\$2,671.45
62673	30	SOUTHERN CORROSION, INC.	07/17/2020	\$4,154.87
62674	30	TIME WARNER CABLE	07/17/2020	\$116.97
62675	30	WARREN COUNTY PUBLIC UTILITIES	07/17/2020	\$16,886.19
62676	30	WARREN COUNTY PUBLIC WORKS	07/17/2020	\$1,864.61
62677	30	FIRST CITIZENS BANK	07/20/2020	\$1,756.57
62678	30	RJA FIRE EXTINGUISHERS SALES & SERVICE, INC.	07/20/2020	\$152.00
62679	30	FRONTIER NATURAL GAS	07/21/2020	\$8.28
62680	30	MUNICIPAL ENGINEERING	07/21/2020	\$71,966.00
62681	30	ONE CALL NOW	07/21/2020	\$155.20
62682	30	TRI-COUNTY POWER EQUIPMENT INC	07/21/2020	\$751.93

A/P Check Listing

Vendor Range - 123 OTTO LLC' - 'YOUR TRADEMARK ATTORNEY
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Town of Warrenton
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Check Number	Bank	Vendor	Date	Amount
62683	30	United Healthcare	07/21/2020	\$12,111.76
62684	30	UNITED PARCEL SERVICE	07/21/2020	\$124.00
62685	30	HACH COMPANY	07/24/2020	\$792.40
62686	30	Herring-Rivenbark, Inc.	07/24/2020	\$15,000.00
62687	30	HUMANA SPECIALTY BENEFITS	07/24/2020	\$29.38
62688	30	INFORMATION TECHNOLOGY SERVICE	07/24/2020	\$174.04
62689	30	MIRANDA E. MEDLIN	07/24/2020	\$180.00
62690	30	MUNICIPAL INSURANCE TRUST	07/24/2020	\$666.91
62691	30	QUILL CORPORATION	07/24/2020	\$10.65
62692	30	WOMACK PUBLISHING CO. INC.	07/24/2020	\$439.43
62693	30	COUNTRYBOY'S EXCAVATING	07/27/2020	\$600.00
62694	30	DUKE ENERGY PROGRESS	07/27/2020	\$1,965.57
62695	30	PRUDENTIAL RETIREMENT	07/27/2020	\$939.25
62696	30	US CELLULAR	07/27/2020	\$1,204.68
62697	30	VERIZON WIRELESS	07/27/2020	\$280.07
62698	30	WATER GUARD, INC.	07/27/2020	\$1,538.74
62699	30	COLUMBIAN MUTUAL LIFE INS CO	07/29/2020	\$37.88
62700	30	FLEMING INVESTMENT COMPANY	07/29/2020	\$3,000.00
62701	30	HARRIS ENTERPRISES	07/29/2020	\$3,046.07
62702	30	LAKE GASTON SIGNS & GRAPHIC CO.	07/29/2020	\$156.25
62703	30	PETE SMITH TIRE & QUICK LUBE, INC	07/29/2020	\$643.30
62704	30	WRIGHT EXPRESS FSC	07/29/2020	\$890.65
62705	30	JANET WILLIAMS	07/31/2020	\$153.35
62706	30	LONNIE CLINT GREER	07/31/2020	\$316.22
62707	30	STACY WOODHOUSE	07/31/2020	\$1,000.00
62708	30	TABLETOP MEDIA GROUP LLC	07/31/2020	\$1,020.00
85	Checks Totaling -			\$613,090.79

Totals By Fund

	Checks	Voids	Total
34	\$7,761.76		\$7,761.76
36	\$860.56		\$860.56

A/P Check Listing

Vendor Range - 123 OTTO LLC' - 'YOUR TRADEMARK ATTORNEY
Date From - 7/1/2020 Date To - 7/31/2020

Town of Warrenton
08/03/2020 10:00 AM

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Check Number	Bank	Vendor	Date	Amount
		Checks	Voids	Total
37		\$44,265.45		\$44,265.45
38		\$40,412.58		\$40,412.58
39		\$33,086.26		\$33,086.26
51		\$486,704.18		\$486,704.18
Totals:		\$613,090.79		\$613,090.79

Memo

To: Town Commissioners
From: Bill Perkinson
CC: Mayor, Town Administrator
Date: August 4, 2020
Re: Revision 1 - July 2020 Monthly Activity Report for Public Works

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) Comprehensive water system map (Required by NC DENR) – Creation will be funded by NC DEQ grant. (2) 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 very difficult due to location of line – Replacement of line will be funded by USDA Rural Development grant. (3) Replace sewer main on Bute Street and Unity Drive – Replacement of lines funded by NC DEQ grant. (4) Replace sewer main on South Main Street from Battle Avenue intersection to sewer trunk line at Horse Creek - Replacement of line funded by NC DEQ grant. (5) Purchase and install public works 2-way radio repeater. Funded by USDA Rural Development grant. (6) 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) Reimbursement for sewer service line repair. Reimbursed property owner at 114 W. Franklin St. for what he had paid his plumber for working on his sewer drain line that was not functioning properly. Later, it was determined that the problem was the result of this sewer service not being connected to the new sewer main when it was replaced on Front St. This was part of the USDA project. This was later corrected by the project contractor. Reimbursement Amount: \$212.80 (2) Repair – Kioti 4wd Tractor. Replaced starter and battery cable. Contractor: Harris Enterprises (Labor - \$300.00, Parts - \$423.60) (3) Repair – 2-inch Leaking Water Main located on Baltimore Road. Contractor: Countryboy's Excavating (Labor and Mobilization - \$600.00, Parts supplied by Town) (4) Emergency Repair – Fairlane Elevated Tank. Repaired altitude valve. Contractor: Harris Enterprises (Labor - \$180.00, Parts - \$5.00)

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) - \$1,721.40

- **Water and Sewer Adjustment Request:** For consideration at the August 10, 2020 meeting of the Board of Commissioners. **Claude Bowers, III** – 307 S. Main St., Account #001-0000290-1. Leak occurred under the house. Normal usage 3,000. Request is for sewer adjustment of 38,000 gallons at \$9.01/1000. Total \$343.28. Adjustment recommended by staff.

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: August 4, 2020
Re: July 2020 Monthly Activity Report for WWTP

- **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)** Emergency Repair – Grit Removal Pump and Vortex. Disassembled and dried out motors, replaced bearings, and reassembled after motors were submerged during flooding. Contractor: Harris Enterprises (Labor - \$1,500.00, Parts - \$183.79). **(2)** Repair – Plant Grounds 6 ft. Gate. Fabricated replacement gate after fallen tree destroyed original. Contractor: Harris Enterprises (Labor - \$1,200.00, Parts - \$325.00). **(3)** Emergency Repair – Oxidation Ditch No. 1 Floating Mixer. Replaced contactor. Contractor: Harris Enterprises (Labor - \$240.00, Parts - \$179.86).

Total cost for Repairs (Account No. 39-861-342) - \$3,628.65

- **Plant Discharge Quality:** Our discharge quality remained good throughout the entire month. 11.37 million gallons were treated.

Activity Detail Summary (by Category)

Warrenton Police Department

(07/01/2020 - 07/31/2020)

Incident Investigations

13B - Simple Assault	1
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23H - All Other Larceny	2
-------------------------	---

90Z - All Other Offenses	1
--------------------------	---

Total Offenses	4
----------------	---

Total Incidents	4
-----------------	---

Arrests

13B - Simple Assault	1
----------------------	---

Total Charges	1
---------------	---

Total Arrests	1
---------------	---

Accidents

Total Accidents	5
-----------------	---

Citations

Driving While License Revoked	1
-------------------------------	---

Secondary Charge	1
------------------	---

Total Charges	2
---------------	---

Total Citations	1
-----------------	---

Warning Tickets

Total Charges	0
---------------	---

Total Warning Tickets	0
-----------------------	---

Ordinance Tickets

Total Ordinance Tickets	0
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Activity Detail Summary (by Category)

Warrenton Police Department

(07/01/2020 - 07/31/2020)

Criminal Papers

Total Criminal Papers Served 0

Total Criminal Papers 0

Civil Papers

Total Civil Papers Served 0

Total Civil Papers 0

Activity Log Event Summary (Cumulative Totals)

Warrenton Police Department

(07/01/2020 - 07/31/2020)

911 Hang-up	2	Accident	7
Alarm Activation	6	Assault-Physical	2
Assist Highway Patrol	1	Assist NPD	8
Assist Other Department	1	Assist WC EMS	5
Assist WCSO	7	C.O.P.S. - Main St	18
C.O.P.S.- Neighborhood Patrol	8	Careless and Reckless Driving	1
Complaint	4	Dispute	2
Disturbance	1	Domestic	1
Downed Tree / Power Line	1	Escort	3
Found Property/Item	4	Information by Phone	2
Investigation and/or Interview	2	Larceny	2
Lost property	1	Medical / Person Hurt or Sick	1
Mental Patient	1	Open Door (Business)	1
Ordinance Violation	2	Other	2
Parking Violation	1	Property Check – Business	27
Property Check – Residential	14	Shots fired	1
Suspicious Person / Vehicle	4	Talk with Officer	4
Traffic Control	2	Traffic Stop	41
Trespassing	3	Vehicle Lockout	1
Wash Patrol Vehicle	1		

Total Number Of Events: 195



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

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BOC Meeting July 2020 – Action Items Checklist

1. Execute annexation resolution, file copy of resolution with Register of Deeds, update Ordinance Book as addition to Table 1. (cont.)
2. Work with Mitch Styers on ordinance language for HDC penalty (cont.)
3. Work with Mitch Styers on Opal Jones purchase offer for lot on Market St. (cont.)
 - ✓ Mitch tracking down heir ownership
4. Advertise for Public Hearing, scheduled for August 10, 2020 regarding Mobile Homes in R-20 as a special use.
 - ✓ Ad sent to Janie @ newspaper
5. Include branding survey in August water bill mailer
 - ✓ Scheduled
6. Execute revised Capital Project Ordinance – WWTP Repairs / Upgrades
 - ✓ Done. Ready for pickup by Ben.
7. Execute contract award documents – WWTP Repairs / Upgrades
 - ✓ Done



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STATUS OF GRANTS

(Fund 51 & 61) USDA Rural Development -- \$6.065 million total project cost. Included are Town Hall renovation, water main, water line repairs, radio-frequency water meter installation.

- Work will begin shortly on paving and ADA accessibility.

(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. Building owner is no longer able to obtain loans to finish the building. Town has placed building under insurance.

(Fund 55) NC DEQ Water Infrastructure WWTP -- \$1,600,000 to rehab most severe areas of WWTP

- Town \$1,600,000 with 100% grant and Town to pay 1.5% processing fee.
- Bids received exceeded grant amount by nearly \$1 million. Engineering firm working with winning bidder to identify savings. With reduced scope of project, additional loan is still required. Norlina and Warren County boards have approved the additional loan.
- Work to begin October 1, 2020.

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 July 2020.

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

- Received Intent to Fund letter from NCDEQ for 75% total expense from NC DENR to repair Battle Ave sewer from overflow area down to treatment plant. Approximately \$750,120 in total project costs.
- Also received Intent to Fund letter for 75% of total cost which equals a grant of \$345,000 and loan amount of \$115,000 and a match amount of \$7,475 for a total of \$467,475 from NC DENR to repair sewer lines on Unity Dr. and Bute St.
- Substantial completion, only high visibility striping left.

(Fund 63)NC DEQ AIA SEWER - \$150,000 to develop an Asset Management Plan for Sewer Lines.

- 95% grant from NC DENR, 5% \$7,500 match including 1.5% grant fee from the Town. The grant fee of \$2,250 was paid 6-26-18 with O & A Letter and Resolution.
- Awaiting any additions from Bill Perkinson before closing out grant and providing map deliverable.

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.

- Final drawings received from architect
- Received approval from NCSHPO. Updated drawings submitted to Main Street.
- Expect to start construction shortly with target completion date in late fall of 2020.

NC Neighborhood Revitalization Program

- Application underway for CDGB funds to assist in repairing houses owned by citizens of low or moderate incomes.
- Completed re-advertising RFP for services to administer the grant, as only one response to RFP was received. Expect to move forward with Mike S

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.
- Application for "off-road" vehicles; backhoe and tractor has been retracted by Town due to match requirement. "On-road" vehicles: dump truck and garbage truck remain as valid applications with no match requirement from the Town.
- 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.

Building Reuse Grant

- Town awarded \$50,000 from NC Commerce for Warrenton Veterinary Clinic.
- Awaiting closing on building before executing grant agreement with Commerce and Dr. O'Malley.

PARTF Grant

- Town applied for Parks grant for property on Church Street from NC Parks and Recreation Trust Fund. Town match approximately \$40,000.
- Notification will be in September 2020.



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STATUS REPORT – FRONTIER WARREN

Publicity:

- News Observer, Thursday August 8th
- Triangle Business Journal, Monday August 3rd
- WRAL and WRAL Techwire, Wednesday, July 29th

County Board Tour of Co-working space, Wednesday, July 29th
Comments from RTF CEO Scott Levitan: *“Couldn’t be happier.”*

Current Lessees (maximum 10 offices):

- Frontier Natural Gas (3 offices)
- Table Top Media (2 offices)
- Drip
- OnlyMoso
- On Main
- CC’s Flowers (6 month free term)
- Empty slot (lease sent out for possible signatures)

Ice House Training Class - Cohort-1

- Class size set at 15
- As of COB on Thursday total signed up equaled 22
- Once a week for 8 weeks, every Thursday evening at 7:00 PM for an hour and half. Best practice training for aspiring and existing entrepreneurs

Software Programming Class – TBD

- Code The Dream is holding the class, funded with \$60,000 grant from NC IDEA
- Class to begin in winter of 2020
- Class will develop software app that links farmers to buyers during the planting season



Walter Hurst – Chairman
Staff Review

Planning Board
Request for Ordinance Change

PROPERTY ADDRESS: For all of R-20

SUMMARY OF REQUEST: Mobile Home Parks as a Special Use in R-20.

APPLICANT/OWNER: Request by Town Board of Commissioners

DETAILS OF REQUESTED ORDINANCE CHANGE

Based on the recently approved changes to multi-family dwellings in R-20, making them a Special Use requirement in the table of permitted uses, the Board of Commissioners has asked the Planning Board to consider if Mobile Home Parks should also have a Special Use requirement in areas zoned R-20.

CURRENT ORDINANCES

The table of permitted uses currently allows mobile home parks in R-20 without a Special Use or Conditional Use permit.

STAFF FINDING OF FACTS

Staff believes that changing the table of permitted uses, regarding Mobile Home Parks in R-20, from automatic approval to a Special Use permit would be consistent with recently adopted changes to Multi-Family Dwellings.



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**Planning Board
Minutes
July 7, 2020
Warrenton Town Hall**

Chairman Wally Hurst called to order a meeting of the Planning Board at 2 PM at the Warrenton Town Hall. Attending were board members Georgiana Weddington, Travis Packer, Town Administrator Robert Davie and Tracy Stevenson. On conference call were Chairman Wally Hurst, Fern Boyd and Kristy Steed. A quorum was present.

All the members were supplied with:

- Agenda.
- June 1, 2020 minutes.
- Staff Recommendation Mobile Home Parks.

Chairman Wally Hurst asked for approval of the minutes of the June 1, 2020 meeting and they were approved by consensus.

In reference to the request from the Board of Commissioners due to the recently approved changes to multi-family dwellings in R-20 making them a special use requirement, that Mobile Home Parks should also have a Special Use requirement in areas zoned R-20, the Chairman asked for any discussion, questions or comments. There being none, Fern Boyd motioned to approve the change requiring a special use permit for mobile home parks in areas zoned R-20. The motion was seconded by Kristy Steed and the motion was approved by unanimous vote.

With no further business, the meeting was adjourned.

Respectfully submitted,

Tracy R. Stevenson

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF
WARRENTON, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF
\$1,846,000 WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020A
OF THE TOWN OF WARRENTON**

BE IT RESOLVED by the Board of Commissioners (the “*Board of Commissioners*”) of the Town of Warrenton, North Carolina (the “*Town*”), that:

Section 1. The Board of Commissioners has determined and does hereby find and declare as follows:

(a) A bond order authorizing Water and Sewer System Revenue Bonds of the Town was adopted by the Board of Commissioners on January 8, 2018 (the “*Bond Order*”), which order was effective on approval.

(b) The Town issued a Water and Sewer System Revenue Bond Anticipation Note, (the “*Note*”) in the amount of \$2,615,000 which matures on August 31, 2020, in order to pay the capital cost for construction of various improvements to the Town’s water and sewer system (the “*Project*”).

(c) It is necessary for the Town to issue its \$1,846,000 Water and Sewer System Revenue Bond, Series 2020A (the “*Bond*”) at this time, the proceeds of which, together with other available funds of the Town, will refinance the Note in advance of its maturity.

(d) Concurrently with the issuance of the Bond, the Town intends to issue its \$769,000 Water and Sewer System Revenue Bond, Series 2020B, the proceeds of which, together with other available funds of the Town, will refinance a portion of the Note.

(e) The maximum period of usefulness of the Project originally financed with the proceeds of the Note and refinanced with the proceeds of the Bonds authorized hereby is estimated as a period of 40 years from August 28, 2020, the anticipated date of the Bond, and such period expires on August 28, 2060.

Section 2.

(a) Pursuant to the Bond Order, the Town shall issue its Bond in the amount of \$1,846,000, numbered RA-1, dated as of the date of delivery thereof, maturing June 1, 2060 and having mandatory redemptions in annual installments on the first day of June in the following years and in the following amounts:

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2021	\$36,000	2041	\$46,000
2022	37,000	2042	47,000
2023	38,000	2043	47,000
2024	38,000	2044	48,000
2025	38,000	2045	48,000
2026	39,000	2046	49,000
2027	39,000	2047	49,000
2028	40,000	2048	50,000
2029	40,000	2049	50,000
2030	41,000	2050	51,000

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2031	41,000	2051	51,000
2032	42,000	2052	52,000
2033	42,000	2053	53,000
2034	43,000	2054	53,000
2035	43,000	2055	54,000
2036	44,000	2056	54,000
2037	44,000	2057	55,000
2038	45,000	2058	56,000
2039	45,000	2059	56,000
2040	46,000	2060	56,000

The Bond shall bear interest from the date thereof on the unpaid part of such principal sum at the rate of 1.125% per annum until payment thereof, payable on June 1, 2021, and annually thereafter on the first day of June of each year until paid.

(b) The Bond will be sold to United States of America, United States Department of Agriculture, Rural Development (“USDA”) by private sale in accordance with Sections 8 and 9. The Bond may not be defeased without written consent of USDA during such time as USDA remains the registered owner of the Bond.

(c) The Bond shall bear interest from the date on which it is authenticated.

(d) The principal of and the interest and any redemption premium on the Bond are payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

(e) The Bond Registrar (as defined in the Bond Order) shall pay interest on the Bond on each interest payment date to the person appearing on the registration books of the Town hereinafter provided for as the registered owner of such Bond at the close of business on the record date for such interest, which is the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. During the time that USDA is the registered owner of the Bond, payment of the installments of principal and interest when due and payable on the Bond is to be made at the office of such fiscal agent as USDA designates without presentation or surrender thereof and, during any such time as an assignee thereof is the registered owner of the Bond, payment of the installments of principal when due and payable on the Bond is to be made at the corporate trust office of the Trustee (as defined in the Bond Order or a Series Resolution), on the presentation and surrender thereof, and payment of the interest when due and payable on the Bond is to be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender thereof.

Section 3. The Bond may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium. If USDA is not the owner of the Bond, the installments of principal of the Bond due on and after June 1, 2031 may be redeemed, without premium, on or after June 1, 2030.

If all or any part of the Bond is redeemed, the Bond Registrar shall send a notice of redemption by registered mail, at least 40 days before the date fixed for redemption, addressed (a) during the time that

USDA is the owner of the Bond, to such other address as USDA may designate by registered or certified mail forwarded to the Town at least 50 days before any redemption date, and (b) during any time as an assignee of USDA is not the owner of the Bond, to the address as it appears on the registration book of the Town hereinafter mentioned.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bond or part thereof called for redemption is due and payable at the redemption price provided therefor, plus accrued interest to such date. If money sufficient to pay the redemption price of the Bond or part thereof to be redeemed plus accrued interest thereon to the date set redemption are held at such place as USDA may designate (or, if the Bond has been assigned by USDA, at the corporate trust office of the Trustee under Section 2) in trust for such purpose, interest on the Bond or part thereof called for redemption ceases to accrue, such Bond or part thereof ceases to be entitled to any benefits or security under the Bond Order or to be deemed outstanding, and the registered owners of such Bond or part thereof have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If an installment of principal of the Bond is redeemed, the Bond Registrar shall direct the registered owner thereof to evidence such redemption by appropriate notation on the schedule attached to such Bond for such purpose.

Section 4. The Bond, on surrender thereof at the principal office or corporate trust office of the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for a Bond having maturities corresponding to the maturities of the installments of principal of such Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof, and bearing interest at the same rate.

The transfer of the Bond may be registered by the registered owner thereof only on execution of an assignment thereof duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice, such Bond is to be registered as to both principal and interest on such registration books in the name of the assignee named in such notice. In no event will the Bond Registrar transfer the Bond to any person other than a bank, an insurance company or a similar financial institution unless the Local Government Commission of North Carolina has previously approved such transfer.

The transfer of any bond issued in exchange for the Bond as provided above may be registered only on the registration books of the Town on the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar. On any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new bond or bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

When the Bond is exchanged or the transfer of the Bond is registered hereunder and a new bond or bonds are to be delivered in exchange therefor, the Bond Registrar shall authenticate and deliver at the earliest practicable time bonds in accordance with the provisions of this resolution. The Bond Registrar shall cancel all Bonds surrendered in any such exchange or registration of transfer. The Bond Registrar is not required to make any such exchange or registration of transfer of (a) any Bond or Bonds during a period beginning at the opening of business 15 days before the day of the mailing of a notice of

redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond or Bonds called for redemption in whole or in part under Section 3.

As to any Bond, the person in whose name it is registered is deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond is to be made only to or on the order of the registered owner thereof or his legal representative. All such payments are valid and effectual to satisfy and discharge the liability on such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Town shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of the Bond within a reasonable time according to then-current commercial standards and for the timely payment of installments of principal and interest with respect to the Bond. The Finance Director of the Town is hereby appointed the registrar, transfer agent and paying agent (the “*Bond Registrar*”) for the Bond, subject to the right of the governing body of the Town to appoint another Bond Registrar, and as such shall keep at her office the books of the Town for the registration, registration of transfer, exchange and payment of the Bond as provided in this resolution; provided, however, that, if the Bond registered in the name of USDA is assigned, the paying agent with respect to such Bond will be the Trustee.

Section 5. The Bond is to bear the manual or facsimile signatures of the Mayor and the Town Clerk, each acting on behalf of the Town, and the corporate seal or a facsimile of the corporate seal of the Town will be impressed or imprinted, as the case may be, on the Bond.

The certificate of the Local Government Commission of North Carolina to be endorsed on the Bond will bear the manual or facsimile signature of the Secretary of said Commission, and the certificate of authentication of the Bond Registrar to be endorsed on the Bonds is to be executed as provided hereinafter.

If any officer of the Town or the Local Government Commission of North Carolina whose manual or facsimile signature appears on the Bond ceases to be such officer before the delivery of such Bond, such manual or facsimile signature is nevertheless valid and sufficient for purposes the same as if he had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond is valid or obligatory for any purpose or entitled to any benefit or security under this resolution until it has been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon are to be in substantially the forms attached as Exhibit A hereto.

Section 6. The Town covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bond and all actions of the Town with respect to the proceeds thereof to comply with Internal Revenue Code of 1986, as amended (the “*Code*”). In particular, the Town covenants as follows:

- (a) At least one of the following two conditions will be satisfied: (i) less than 10% of the proceeds of the Bond reduced by costs of issuance will be used directly or indirectly in the business of a person other than a state or local governmental unit or (ii) less than 10% of the principal or interest on the Bond will be (under the terms of such issue or any underlying

arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bond reduced by costs of issuance will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bond will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business;

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bond to nongovernmental persons;

(d) It has not and will not enter into any management contract with respect to the facilities financed with the proceeds of the Bond unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the Bonds;

(e) The Town acknowledges that the continued exclusion of interest on the Bond from a recipient's gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code. The Town covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the Bond to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bond to be an "arbitrage bond" for purposes of Section 148 of the Code;

(f) The Bond is not and shall not be "federally guaranteed" as defined in Section 149(b) of the Code;

(g) The Town covenants to file or cause to be filed Form 8038-G in accordance with Section 149(e) of the Code.

(h) The Town designates the Bond as a "qualified tax-exempt obligation" eligible for the exception from the disallowance of the deduction of interest by financial institutions allocable to the cost of carrying tax-exempt obligations in accordance with the provisions of Section 265(b)(3) of the Code. The Town does not reasonably anticipate issuing more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3), including all entities which issue obligations on behalf of the Town and all subordinate entities of the Town, during calendar year 2018 and will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3) during calendar year 2020.

Section 7. The Local Government Commission of North Carolina is hereby requested to sell the Bonds at private sale pursuant to G.S. 159-123 to USDA, subject to the approval of the Mayor or his designee; provided, however, that the purchase price of the Bond is at least \$1,846,000 plus 100% of accrued interest, if any, and that the maximum interest rate does not exceed 1.125% per annum.

Section 8. The Mayor is hereby authorized to approve the purchase price of the Bond and the rate of interest on the Bond in connection with the private sale of the Bond, subject to the provisions of Section 7.

Section 9. This resolution may be amended or supplemented, from time to time, without the consent of the holder of the Bond if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the registered owners of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. This resolution may be amended or supplemented with the consent of the registered owners of a majority in aggregate principal amount of the outstanding Bond, but a modification or amendment may not, without the express consent of any registered owner of the Bond affected, reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification.

Any act done pursuant to a modification or amendment consented to by the registered owners of the Bond is binding on all holders of the Bond and will not be deemed an infringement of any of the provisions of this resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this resolution, and after consent has been given, no registered owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the Town from taking any action pursuant to a modification or amendment.

If the Town proposes an amendment or supplemental resolution to this resolution requiring the consent of the registered owners of the Bond, the Town shall cause notice of the proposed amendment to be sent to each registered owner by first-class mail, postage prepaid, to the address of such registered owner as it appears on the registration books; but the failure to receive such notice by mail by any registered owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file in the office of the Finance Director of the Town for inspection by the registered owners. If, within 60 days or such longer period as is prescribed by the Town following the giving of such notice, the registered owners of a majority in aggregate principal amount of the Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

Section 10. This resolution is effective on its passage.

The motion was adopted by a vote of _____.

AYES:

NAYS:

I, ROBERT DAVIE, TOWN CLERK OF THE TOWN OF WARRENTON, NORTH CAROLINA DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution entitled **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF WARRENTON, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF \$1,846,000 WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020A OF THE TOWN OF WARRENTON”** which was adopted by the Board of Commissioners at a regular meeting held on the 10th day of August, 2020, to become effective on thereon.

Town Clerk

EXHIBIT A

REGISTERED BOND WITHOUT COUPONS
(Registered as to both principal and interest)

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
TOWN OF WARRENTON, NORTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020A

No. RA-1

\$1,846,000

The Town of Warrenton, North Carolina (the “*Town*”), a municipal corporation in the State of North Carolina, is justly indebted and for value received hereby promises to pay to the

UNITED STATES OF AMERICA
UNITED STATES DEPARTMENT OF AGRICULTURE,
RURAL DEVELOPMENT

or its registered assigns, the principal sum of

ONE MILLION EIGHT HUNDRED FORTY-SIX THOUSAND DOLLARS

with mandatory redemptions on the 1st day of June in the following years and amounts:

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2021	\$36,000	2041	\$46,000
2022	37,000	2042	47,000
2023	38,000	2043	47,000
2024	38,000	2044	48,000
2025	38,000	2045	48,000
2026	39,000	2046	49,000
2027	39,000	2047	49,000
2028	40,000	2048	50,000
2029	40,000	2049	50,000
2030	41,000	2050	51,000
2031	41,000	2051	51,000
2032	42,000	2052	52,000
2033	42,000	2053	53,000
2034	43,000	2054	53,000
2035	43,000	2055	54,000
2036	44,000	2056	54,000
2037	44,000	2057	55,000
2038	45,000	2058	56,000
2039	45,000	2059	56,000
2040	46,000	2060	56,000

and to pay interest from the date hereof on the unpaid part of such principal sum at the rate of 1.125% per annum until payment thereof, payable on June 1, 2020, and annually thereafter on the first day of June of each year until paid. The interest so payable on any such interest payment date will be paid to the person

in whose name this Bond is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. Both the principal of and the interest on this Bond are payable in any coin or currency of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts.

During the time that the United States of America is the registered owner of this Bond, payment of the installments of principal and interest when due and payable on this Bond are to be made at the office of such fiscal agent as the United States of America designates without presentation or surrender hereof and, during any such time as an assignee hereof is the registered owner of this Bond, payment of the installments of principal when due and payable on this Bond are to be made at the corporate trust office of the Trustee (as defined in the Bond Order defined herein or a series resolution), on the presentation and surrender hereof, and payment of the interest when due and payable on this Bond will be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender hereof. On receipt of said payments of principal and interest, written acknowledgment of the receipt thereof will be given promptly to the Bond Registrar hereinafter mentioned, and the Town will be fully discharged of its obligation on this Bond to the extent of the payment so made. On final payment, this Bond must be surrendered to the Bond Registrar for cancellation.

This Bond is issued pursuant to and in accordance with Article 5 and Article 9 of Chapter 159 of the General Statutes of North Carolina, both as amended, a bond order (the "*Bond Order*") adopted by the Board of Commissioners of the Town of Warrenton, North Carolina (the "*Town*") on January 8, 2018 and effective thereon and a resolution adopted by the Board of Commissioners of the Town on August 10, 2020 (the "*Bond Resolution*"). The proceeds of this Bond are to be used, together with other available funds of the Town, to refund in advance of its maturity a Water and Sewer System Revenue Bond Anticipation Note (the "*Note*") in the amount of \$2,615,000 which matures on August 31, 2020, in order to pay the capital cost for construction of various improvements to the Town's water and sewer systems (the "*Project*").

The Bond is a special obligation of the Town payable solely from the Net Revenues (as defined in the Bond Order) of the Town's System (as defined in the Bond Order) and from the proceeds of the Water and Sewer System Revenue Bonds of the Town. NEITHER THE CREDIT NOR THE TAXING POWER OF THE TOWN IS PLEDGED FOR THE PAYMENT OF THIS BOND AND NO HOLDER OF THIS BOND HAS THE RIGHT TO COMPEL EXERCISE OF THE TAXING POWER BY THE TOWN OR THE FORFEITURE OF ANY OF THE TOWN'S PROPERTY IN CONNECTION WITH ANY DEFAULT HEREON. Reference is hereby made to the Bond Order and the Bond Resolution and to all amendments and supplements thereto for a description of the provisions, among other, respecting the nature and extent of the security, the rights, duties and obligations of the Town, the rights of the holder of this Bond and the terms on which this Bond is issued and secured.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, this Bond may be exchanged for an equal aggregate principal amount of Bonds having maturities corresponding to the maturities of the installments of principal of this Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof and bearing interest at the same rate.

This Bond is registered as to both principal and interest in the name of the United States of America on books of the Town kept by the Finance Director of the Town, as Bond Registrar, and the transfer hereof may hereafter be registered by the registered owner hereof only on execution of an assignment hereon duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice this Bond

is to be registered as to both principal and interest on such registration books in the name of the assignee named in such notice.

This Bond or any part hereof at the time outstanding may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date set redemption, but without any premium. If USDA is not the owner of the Bonds, the Bonds maturing on and after June 1, 2031 may be redeemed, without premium, on or after June 1, 2030.

On the date designated for redemption, notice having been given and money for payment of the redemption price being held in trust for such purposes, all as provided in the Bond Resolution, this Bond or part hereof becomes and is due and payable, and the interest on this Bond or part hereof so redeemed ceases to accrue.

The Bond Registrar is not required to exchange or register any transfer of (a) any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond called for redemption in whole or in part under the Bond Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required, and that the amount of this Bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, the Town, by resolution duly passed, has caused this Bond to be manually signed by the Mayor and the Town Clerk and the Town's corporate seal to be impressed hereon, all as of the 28th day of August, 2020.

Mayor

[SEAL]

Town Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bonds have been approved under the provisions of The Local Government Finance Act of North Carolina.

By: _____
Greg C. Gaskins
Secretary of the Local Government Commission

**[SIGNATURE PAGE TO TOWN OF WARRENTON, NORTH CAROLINA WATER AND SEWER
SYSTEM REVENUE BOND, SERIES 2020A]**

CERTIFICATE OF AUTHENTICATION

This Bond is issued under the provisions of the within-mentioned Resolution.

**FINANCE DIRECTOR OF THE TOWN,
AS BOND REGISTRAR**

Authorized Signature

Date of authentication: August 28, 2020

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto:

(Please print or typewrite Name, Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF
WARRENTON, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF
\$769,000 WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020B
OF THE TOWN OF WARRENTON**

BE IT RESOLVED by the Board of Commissioners (the “*Board of Commissioners*”) of the Town of Warrenton, North Carolina (the “*Town*”), that:

Section 1. The Board of Commissioners has determined and does hereby find and declare as follows:

(a) A bond order authorizing Water and Sewer System Revenue Bonds of the Town was adopted by the Board of Commissioners on January 8, 2018 (the “*Bond Order*”), which order was effective on approval.

(b) The Town issued a Water and Sewer System Revenue Bond Anticipation Note (the “*Note*”) in the amount of \$2,615,000 which matures on August 31, 2020, in order to pay the capital cost for construction of various improvements to the Town’s water and sewer system (the “*Project*”).

(c) It is necessary for the Town to issue its \$769,000 Water and Sewer System Revenue Bond, Series 2020B (the “*Bond*”) at this time, the proceeds of which, together with other available funds of the Town, will refinance a portion of the Note in advance of its maturity.

(d) Concurrently with the issuance of the Bond, the Town intends to issue its \$1,846,000 Water and Sewer System Revenue Bond, Series 2020A, the proceeds of which, together with other available funds of the Town, will refinance a portion of the Note.

(e) The maximum period of usefulness of the Project originally financed with the proceeds of the Note and refinanced with the proceeds of the Bonds authorized hereby is estimated as a period of 40 years from August 28, 2020, the anticipated date of the Bond, and such period expires on August 28, 2060.

Section 2.

(a) Pursuant to the Bond Order, the Town shall issue its Bond in the amount of \$769,000, numbered RB-1, dated as of the date of delivery thereof, maturing June 1, 2060 and having mandatory redemptions in annual installments on the first day of June in the following years and in the following amounts:

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2021	\$15,000	2041	\$19,000
2022	15,000	2042	19,000
2023	16,000	2043	20,000
2024	16,000	2044	20,000
2025	16,000	2045	20,000
2026	16,000	2046	20,000
2027	16,000	2047	21,000
2028	17,000	2048	21,000
2029	17,000	2049	21,000
2030	17,000	2050	21,000

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2031	17,000	2051	21,000
2032	17,000	2052	22,000
2033	18,000	2053	22,000
2034	18,000	2054	22,000
2035	18,000	2055	22,000
2036	18,000	2056	23,000
2037	18,000	2057	23,000
2038	19,000	2058	23,000
2039	19,000	2059	23,000
2040	19,000	2060	24,000

The Bond shall bear interest from the date thereof on the unpaid part of such principal sum at the rate of 1.125% per annum until payment thereof, payable on June 1, 2021, and annually thereafter on the first day of June of each year until paid.

(b) The Bond will be sold to United States of America, United States Department of Agriculture, Rural Development (“USDA”) by private sale in accordance with Sections 8 and 9. The Bond may not be defeased without written consent of USDA during such time as USDA remains the registered owner of the Bond.

(c) The Bond shall bear interest from the date on it is authenticated.

(d) The principal of and the interest and any redemption premium on the Bond are payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

(e) The Bond Registrar (as defined in the Bond Order) shall pay interest on the Bond on each interest payment date to the person appearing on the registration books of the Town hereinafter provided for as the registered owner of such Bond at the close of business on the record date for such interest, which is the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. During the time that USDA is the registered owner of the Bond, payment of the installments of principal and interest when due and payable on the Bond is to be made at the office of such fiscal agent as USDA designates without presentation or surrender thereof and, during any such time as an assignee thereof is the registered owner of the Bond, payment of the installments of principal when due and payable on the Bond is to be made at the corporate trust office of the Trustee (as defined in the Bond Order or a Series Resolution), on the presentation and surrender thereof, and payment of the interest when due and payable on the Bond is to be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender thereof.

Section 3. The Bond may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date fixed for redemption, but without any premium. If USDA is not the owner of the Bond, the installments of principal of the Bond due on and after June 1, 2031 may be redeemed, without premium, on or after June 1, 2030.

If all or any part of the Bond is redeemed, the Bond Registrar shall send a notice of redemption by registered mail, at least 40 days before the date fixed for redemption, addressed (a) during the time that

USDA is the owner of the Bond, to such other address as USDA may designate by registered or certified mail forwarded to the Town at least 50 days before any redemption date, and (b) during any time as an assignee of USDA is not the owner of the Bond, to the address as it appears on the registration book of the Town hereinafter mentioned.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bond or part thereof called for redemption is due and payable at the redemption price provided therefor, plus accrued interest to such date. If money sufficient to pay the redemption price of the Bond or part thereof to be redeemed plus accrued interest thereon to the date set redemption are held at such place as USDA may designate (or, if the Bond has been assigned by USDA, at the corporate trust office of the Trustee under Section 2) in trust for such purpose, interest on the Bond or part thereof called for redemption ceases to accrue, such Bond or part thereof ceases to be entitled to any benefits or security under the Bond Order or to be deemed outstanding, and the registered owners of such Bond or part thereof have no rights in respect thereof except to receive payment of the redemption price thereof, plus accrued interest to the date of redemption.

If an installment of principal of the Bond is redeemed, the Bond Registrar shall direct the registered owner thereof to evidence such redemption by appropriate notation on the schedule attached to such Bond for such purpose.

Section 4. The Bond, on surrender thereof at the principal office or corporate trust office of the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for a Bond having maturities corresponding to the maturities of the installments of principal of such Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof, and bearing interest at the same rate.

The transfer of the Bond may be registered by the registered owner thereof only on execution of an assignment thereof duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice, such Bond is to be registered as to both principal and interest on such registration books in the name of the assignee named in such notice. In no event will the Bond Registrar transfer the Bond to any person other than a bank, an insurance company or a similar financial institution unless the Local Government Commission of North Carolina has previously approved such transfer.

The transfer of any bond issued in exchange for the Bond as provided above may be registered only on the registration books of the Town on the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as is satisfactory to the Bond Registrar. On any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new bond or bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the unredeemed principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

When the Bond is exchanged or the transfer of the Bond is registered hereunder and a new bond or bonds are to be delivered in exchange therefor, the Bond Registrar shall authenticate and deliver at the earliest practicable time bonds in accordance with the provisions of this resolution. The Bond Registrar shall cancel all Bonds surrendered in any such exchange or registration of transfer. The Bond Registrar is not required to make any such exchange or registration of transfer of (a) any Bond or Bonds during a period beginning at the opening of business 15 days before the day of the mailing of a notice of

redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond or Bonds called for redemption in whole or in part under Section 3.

As to any Bond, the person in whose name it is registered is deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal or redemption price of any such Bond and the interest on any such Bond is to be made only to or on the order of the registered owner thereof or his legal representative. All such payments are valid and effectual to satisfy and discharge the liability on such Bond, including the redemption premium, if any, and interest thereon, to the extent of the sum or sums so paid.

The Town shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of the Bond within a reasonable time according to then-current commercial standards and for the timely payment of installments of principal and interest with respect to the Bond. The Finance Director of the Town is hereby appointed the registrar, transfer agent and paying agent (the “*Bond Registrar*”) for the Bond, subject to the right of the governing body of the Town to appoint another Bond Registrar, and as such shall keep at her office the books of the Town for the registration, registration of transfer, exchange and payment of the Bond as provided in this resolution; provided, however, that, if the Bond registered in the name of USDA is assigned, the paying agent with respect to such Bond will be the Trustee.

Section 5. The Bond is to bear the manual or facsimile signatures of the Mayor and the Town Clerk, each acting on behalf of the Town, and the corporate seal or a facsimile of the corporate seal of the Town will be impressed or imprinted, as the case may be, on the Bond.

The certificate of the Local Government Commission of North Carolina to be endorsed on the Bond will bear the manual or facsimile signature of the Secretary of said Commission, and the certificate of authentication of the Bond Registrar to be endorsed on the Bonds is to be executed as provided hereinafter.

If any officer of the Town or the Local Government Commission of North Carolina whose manual or facsimile signature appears on the Bond ceases to be such officer before the delivery of such Bond, such manual or facsimile signature is nevertheless valid and sufficient for purposes the same as if he had remained in office until such delivery, and the Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond are the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond is valid or obligatory for any purpose or entitled to any benefit or security under this resolution until it has been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bond and the endorsements thereon are to be in substantially the forms attached as Exhibit A hereto.

Section 6. The Town covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bond and all actions of the Town with respect to the proceeds thereof to comply with Internal Revenue Code of 1986, as amended (the “*Code*”). In particular, the Town covenants as follows:

- (a) At least one of the following two conditions will be satisfied: (i) less than 10% of the proceeds of the Bond reduced by costs of issuance will be used directly or indirectly in the business of a person other than a state or local governmental unit or (ii) less than 10% of the principal or interest on the Bond will be (under the terms of such issue or any underlying

arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bond reduced by costs of issuance will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bond will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business;

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bond to nongovernmental persons;

(d) It has not and will not enter into any management contract with respect to the facilities financed with the proceeds of the Bond unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the Bonds;

(e) The Town acknowledges that the continued exclusion of interest on the Bond from a recipient's gross income for federal income tax purposes depends, in part, upon compliance with the arbitrage limitations imposed by Section 148 of the Code. The Town covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the Bond to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bond to be an "arbitrage bond" for purposes of Section 148 of the Code;

(f) The Bond is not and shall not be "federally guaranteed" as defined in Section 149(b) of the Code;

(g) The Town covenants to file or cause to be filed Form 8038-G in accordance with Section 149(e) of the Code.

(h) The Town designates the Bond as a "qualified tax-exempt obligation" eligible for the exception from the disallowance of the deduction of interest by financial institutions allocable to the cost of carrying tax-exempt obligations in accordance with the provisions of Section 265(b)(3) of the Code. The Town does not reasonably anticipate issuing more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3), including all entities which issue obligations on behalf of the Town and all subordinate entities of the Town, during calendar year 2018 and will not designate more than \$10,000,000 of qualified tax-exempt obligations pursuant to such Section 265(b)(3) during calendar year 2020.

Section 7. The Local Government Commission of North Carolina is hereby requested to sell the Bonds at private sale pursuant to G.S. 159-123 to USDA, subject to the approval of the Mayor or his designee; provided, however, that the purchase price of the Bond is at least \$769,000 plus 100% of accrued interest, if any, and that the maximum interest rate does not exceed 1.125% per annum.

Section 8. The Mayor is hereby authorized to approve the purchase price of the Bond and the rate of interest on the Bond in connection with the private sale of the Bond, subject to the provisions of Section 7.

Section 9. This resolution may be amended or supplemented, from time to time, without the consent of the holder of the Bond if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the registered owners of the Bond and would not cause the interest on the Bond to be included in the gross income of a recipient thereof for federal income tax purposes. This resolution may be amended or supplemented with the consent of the registered owners of a majority in aggregate principal amount of the outstanding Bond, but a modification or amendment may not, without the express consent of any registered owner of the Bond affected, reduce the principal amount of the Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification.

Any act done pursuant to a modification or amendment consented to by the registered owners of the Bond is binding on all holders of the Bond and will not be deemed an infringement of any of the provisions of this resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this resolution, and after consent has been given, no registered owner of the Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the Town from taking any action pursuant to a modification or amendment.

If the Town proposes an amendment or supplemental resolution to this resolution requiring the consent of the registered owners of the Bond, the Town shall cause notice of the proposed amendment to be sent to each registered owner by first-class mail, postage prepaid, to the address of such registered owner as it appears on the registration books; but the failure to receive such notice by mail by any registered owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file in the office of the Finance Director of the Town for inspection by the registered owners. If, within 60 days or such longer period as is prescribed by the Town following the giving of such notice, the registered owners of a majority in aggregate principal amount of the Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

Section 10. This resolution is effective on its passage.

The motion was adopted by a vote of _____.

AYES:

NAYS:

I, ROBERT DAVIE, TOWN CLERK OF THE TOWN OF WARRENTON, NORTH CAROLINA DO HEREBY CERTIFY that the foregoing is a true and accurate copy of the Resolution entitled **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE TOWN OF WARRENTON, NORTH CAROLINA, PROVIDING FOR THE ISSUANCE OF \$769,000 WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020B OF THE TOWN OF WARRENTON”** which was adopted by the Board of Commissioners at a regular meeting held on the 10th day of August, 2020, to become effective on thereon.

Town Clerk

EXHIBIT A

REGISTERED BOND WITHOUT COUPONS
(Registered as to both principal and interest)

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
TOWN OF WARRENTON, NORTH CAROLINA
WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2020B

No. RB-1

\$769,000

The Town of Warrenton, North Carolina (the “Town”), a municipal corporation in the State of North Carolina, is justly indebted and for value received hereby promises to pay to the

UNITED STATES OF AMERICA
UNITED STATES DEPARTMENT OF AGRICULTURE,
RURAL DEVELOPMENT

or its registered assigns, the principal sum of

SEVEN HUNDRED SIXTY-NINE THOUSAND DOLLARS

with mandatory redemptions on the 1st day of June in the following years and amounts:

YEAR OF MATURITY	PRINCIPAL AMOUNT	YEAR OF MATURITY	PRINCIPAL AMOUNT
2021	\$15,000	2041	\$19,000
2022	15,000	2042	19,000
2023	16,000	2043	20,000
2024	16,000	2044	20,000
2025	16,000	2045	20,000
2026	16,000	2046	20,000
2027	16,000	2047	21,000
2028	17,000	2048	21,000
2029	17,000	2049	21,000
2030	17,000	2050	21,000
2031	17,000	2051	21,000
2032	17,000	2052	22,000
2033	18,000	2053	22,000
2034	18,000	2054	22,000
2035	18,000	2055	22,000
2036	18,000	2056	23,000
2037	18,000	2057	23,000
2038	19,000	2058	23,000
2039	19,000	2059	23,000
2040	19,000	2060	24,000

and to pay interest from the date hereof on the unpaid part of such principal sum at the rate of 1.125% per annum until payment thereof, payable on June 1, 2021, and annually thereafter on the first day of June of each year until paid. The interest so payable on any such interest payment date will be paid to the person

in whose name this Bond is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date. Both the principal of and the interest on this Bond are payable in any coin or currency of the United States of America which, at the respective date of payment thereof, is legal tender for the payment of public and private debts.

During the time that the United States of America is the registered owner of this Bond, payment of the installments of principal and interest when due and payable on this Bond are to be made at the office of such fiscal agent as the United States of America designates without presentation or surrender hereof and, during any such time as an assignee hereof is the registered owner of this Bond, payment of the installments of principal when due and payable on this Bond are to be made at the corporate trust office of the Trustee (as defined in the Bond Order defined herein or a series resolution), on the presentation and surrender hereof, and payment of the interest when due and payable on this Bond will be made by check mailed to such assignee at his address as it appears on the Bond registration books of the Town hereinafter mentioned without the presentation or surrender hereof. On receipt of said payments of principal and interest, written acknowledgment of the receipt thereof will be given promptly to the Bond Registrar hereinafter mentioned, and the Town will be fully discharged of its obligation on this Bond to the extent of the payment so made. On final payment, this Bond must be surrendered to the Bond Registrar for cancellation.

This Bond is issued pursuant to and in accordance with Article 5 and Article 9 of Chapter 159 of the General Statutes of North Carolina, both as amended, a bond order (the "*Bond Order*") adopted by the Board of Commissioners of the Town of Warrenton, North Carolina (the "*Town*") on January 8, 2018 and effective thereon and a resolution adopted by the Board of Commissioners of the Town on August 10, 2020 (the "*Bond Resolution*"). The proceeds of this Bond are to be used, together with other available funds of the Town, to refund in advance of its maturity a Water and Sewer System Revenue Bond Anticipation Note (the "*Note*") in the amount of \$2,615,000 which matures on August 31, 2020, in order to pay the capital cost for construction of various improvements to the Town's water and sewer systems (the "*Project*").

The Bond is a special obligation of the Town payable solely from the Net Revenues (as defined in the Bond Order) of the Town's System (as defined in the Bond Order) and from the proceeds of the Water and Sewer System Revenue Bonds of the Town. NEITHER THE CREDIT NOR THE TAXING POWER OF THE TOWN IS PLEDGED FOR THE PAYMENT OF THIS BOND AND NO HOLDER OF THIS BOND HAS THE RIGHT TO COMPEL EXERCISE OF THE TAXING POWER BY THE TOWN OR THE FORFEITURE OF ANY OF THE TOWN'S PROPERTY IN CONNECTION WITH ANY DEFAULT HEREON. Reference is hereby made to the Bond Order and the Bond Resolution and to all amendments and supplements thereto for a description of the provisions, among other, respecting the nature and extent of the security, the rights, duties and obligations of the Town, the rights of the holder of this Bond and the terms on which this Bond is issued and secured.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, this Bond may be exchanged for an equal aggregate principal amount of Bonds having maturities corresponding to the maturities of the installments of principal of this Bond then unpaid, issuable in fully registered form in the denomination of \$1,000 or any integral multiple thereof and bearing interest at the same rate.

This Bond is registered as to both principal and interest in the name of the United States of America on books of the Town kept by the Finance Director of the Town, as Bond Registrar, and the transfer hereof may hereafter be registered by the registered owner hereof only on execution of an assignment hereon duly executed by such registered owner or his attorney or legal representative. Notice of such assignment is to be given promptly by the assignor to the Bond Registrar by registered mail, such notice to be in such form as is satisfactory to the Bond Registrar, and on receipt of such notice this Bond

is to be registered as to both principal and interest on such registration books in the name of the assignee named in such notice.

This Bond or any part hereof at the time outstanding may be redeemed, at the option of the Town, as long as USDA is the owner of the Bond, at any time before the maturity of any installment of the principal thereof, either in whole or in part in the inverse order of the maturity dates of the installments of principal, from any money that may be made available for such purpose, at the aggregate principal amount of the installments of principal to be redeemed, together with the interest accrued thereon to the date set redemption, but without any premium. If USDA is not the owner of the Bonds, the Bonds maturing on and after June 1, 2031 may be redeemed, without premium, on or after June 1, 2030.

On the date designated for redemption, notice having been given and money for payment of the redemption price being held in trust for such purposes, all as provided in the Bond Resolution, this Bond or part hereof becomes and is due and payable, and the interest on this Bond or part hereof so redeemed ceases to accrue.

The Bond Registrar is not required to exchange or register any transfer of (a) any Bond during a period beginning at the opening of business 15 days before the day of the mailing of a notice of redemption of Bonds or any portion thereof and ending at the close of business on the day of such mailing or (b) any Bond called for redemption in whole or in part under the Bond Resolution.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this Bond have happened, exist and have been performed in regular and due form and time as so required, and that the amount of this Bond, together with all other indebtedness of the Town, is within every debt and other limit prescribed by said Constitution or statutes.

IN WITNESS WHEREOF, the Town, by resolution duly passed, has caused this Bond to be manually signed by the Mayor and the Town Clerk and the Town's corporate seal to be impressed hereon, all as of the 28th day of August, 2020.

Mayor

[SEAL]

Town Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within Bonds have been approved under the provisions of The Local Government Finance Act of North Carolina.

By: _____
Greg C. Gaskins
Secretary of the Local Government Commission

**[SIGNATURE PAGE TO TOWN OF WARRENTON, NORTH CAROLINA WATER AND SEWER
SYSTEM REVENUE BOND, SERIES 2020B]**

CERTIFICATE OF AUTHENTICATION

This Bond is issued under the provisions of the within-mentioned Resolution.

**FINANCE DIRECTOR OF THE TOWN,
AS BOND REGISTRAR**

Authorized Signature

Date of authentication: August 28, 2020

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto:

(Please print or typewrite Name, Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a participant of the Securities Transfer Agent Medallion Program (“*STAMP*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

\$1,846,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020A

BOND DATED and SOLD: August 28, 2020

CLOSING CHECKLIST

Containing an Index of Closing Documents

Closing: August 28, 2020 via mail and telephone.

PARTICIPANTS

TOWN	Town of Warrenton, North Carolina
ORIGINAL PURCHASER OF BOND	United States Department of Agriculture
TOWN ATTORNEY	Banzet, Thompson, Styers & May, PLLC
BOND COUNSEL	Parker Poe Adams & Bernstein LLP

INDEX OF CLOSING DOCUMENTS

The following documents, reports, letters and certificates, executed or conformed, as appropriate, are to be delivered at or before the time of delivery of and payment for the Bond.

1. Certified Copy of the Bond Order adopted by the Board of Commissioners of the Town on January 8, 2018
2. Certified Copy of the Bond Resolution adopted by the Board of Commissioners of the Town on August 10, 2020
3. Specimen Bond
4. Officers and Seal Certificate
5. General and Non-Litigation Certificate of the Town
6. Certificate of the Mayor Concerning Private Sale
7. Federal Arbitrage and Tax Certificate
8. Internal Revenue Service Form 8038-G
9. LGC Certificate and Minutes
10. State Treasurer's Receipt
11. State Treasurer's Statement as to Intended Application of Proceeds of the Bond
12. Opinion of Town Attorney
13. Opinion of Bond Counsel

**CERTIFICATE OF THE DEPUTY TOWN CLERK
OF THE TOWN OF WARRENTON, NORTH CAROLINA**

I, ROBERT DAVIE, the duly appointed and acting Town Clerk of the Town of Warrenton, North Carolina (the "*Town*"), ***DO HEREBY CERTIFY*** and acknowledge that attached hereto is a true and correct copy of the Bond Order adopted by the Board of Commissioners of the Town on January 8, 2018, which is now in full force and effect. I hereby further certify that such bond order has not been amended or modified since the date of its adoption.

WITNESS my hand and the corporate seal of the Town as of the 28th day of August, 2020.

[SEAL]

Robert Davie
Town Clerk

2. Certified Copy of Bond Resolution adopted by the Board of Commissioners of the Town on August 10, 2020

[To be provided by the Town at Closing]

3. Specimen Bond

[To be provided by the Local Government Commission at Closing]

OFFICERS AND SEAL CERTIFICATE

I, ROBERT DAVIE, Town Clerk of the Town of Warrenton, North Carolina (the “Town”), DO HEREBY CERTIFY:

1. The following is a correct list of the names of the members of the Board of Commissioners and the officers of the Town who held office as of August 10, 2020:

<u>OFFICER</u>	<u>OFFICE</u>
Walter N. Gardner, Jr.	Mayor
Mary Hunter	Mayor Pro Tem and Commissioner
John Blalock	Commissioner
Margaret Britt	Commissioner
Michael Coffman	Commissioner
Kimberly Harding	Commissioner
Tom Hardy	Commissioner
Travis Packer	Commissioner

2. The official seal of the Town, being the only seal used by the Town in the execution of the bonds, notes and contracts, is the seal, an impression of which is affixed opposite my signature on this certificate.

WITNESS my hand and said official seal this 28th day of August, 2020.

Robert Davie
Town Clerk of the
Town of Warrenton, North Carolina

[SEAL]

GENERAL AND NON-LITIGATION CERTIFICATE OF THE TOWN

WE, the undersigned, acting on behalf of the Town of Warrenton, North Carolina (the “*Town*”), created and existing under the laws of the State of North Carolina, **DO HEREBY CERTIFY**, as follows:

1. We are on the date of this Certificate the duly chosen, qualified and acting officers of the Town as indicated below, and we are on the date of this Certificate duly authorized to execute and deliver this Certificate on behalf of the Town. Neither the corporate existence of the Town nor our titles to our respective offices are being contested.

2. The Board of Commissioners of the Town (the “*Board*”) has taken all necessary actions to authorize the issuance of Water and Sewer System Revenue Bond, Series 2020A pursuant to a Bond Order adopted by the Board on January 8, 2018 and effective thereon.

3. The Mayor and the Town Clerk officially signed the \$1,846,000 Water and Sewer System Revenue Bond, Series 2020A (the “*Bond*”), being a registered bond of the Town, dated August 28, 2020, registered as to both principal and interest in the name of the United States of America, maturing in annual installments and bearing interest at the rates referenced therein, all as provided for in the Bond Resolution adopted by the Board on August 10, 2020, said bond being exchangeable for fully registered bonds in the denomination of \$1,000 each or any multiple thereof.

4. No litigation of any kind is now pending (either in state or federal courts) or, to our knowledge, threatened to restrain or enjoin the issuance or delivery of the Bond or the levy or collection of revenues to pay the principal of or the interest on the Bond, or in any manner questioning the proceedings of Board under which the Bond are issued or the validity of the Bond; that neither the corporate existence or boundaries of the Town nor the title to the office of any officer whose signature appears on the Bond is being contested; and that no authority or proceedings for the issuance of the Bond or for the security thereof have been repealed, revoked or rescinded.

5. The below-named persons were on the date hereof the duly elected or appointed and qualified incumbents of the respective offices of the Town set forth opposite their names, and that the signatures set forth opposite their names are their genuine signatures:

	<u>OFFICE</u>	<u>SIGNATURE</u>
Walter N. Gardner, Jr.	Mayor	_____
Meredith Valentine	Finance Director	_____
Robert Davie	Town Administrator and Town Clerk	_____

IN WITNESS WHEREOF, we have hereunto set our hands and have hereunto affixed the corporate seal of the Town and have caused this certificate to be delivered, as of the 28th day of August, 2020.

TOWN OF WARRENTON, NORTH CAROLINA

By: _____
Meredith Valentine
Finance Director

By: _____
Robert Davie
Town Administrator and Town Clerk

[SEAL]

CERTIFICATE OF THE MAYOR CONCERNING PRIVATE SALE

I, WALTER N. GARDNER, JR., Mayor of the Town of Warrenton, North Carolina (the “Town”), DO HEREBY CERTIFY that, pursuant to the provisions of the resolution providing for the issuance of \$1,846,000 Water and Sewer System Revenue Bond, Series 2020A (the “Bond”), adopted on August 10, 2020 by the Board of Commissioners of the Town, I have approved the sale of the to the United States of America of the Bond at an aggregate purchase price of \$1,846,000, and a rate of interest of 1.125% per annum.

WITNESS my hand this 28th day of August, 2020.

Walter N. Gardner, Jr.
Mayor
Town of Warrenton

7. Tax Certificate

8. Internal Revenue Service Form 8038-G

[To be furnished by Bond Counsel at Closing]

9. LGC Certificate and Minutes

10. State Treasurer's Receipt

11. State Treasurer's Statement as to Intended Application of Proceeds of the Bond

[To be furnished by the LGC at Closing]

[Letterhead of Town Attorney]

August 28, 2020

Town of Warrenton, North Carolina
Warrenton, North Carolina

Parker Poe Adams & Bernstein LLP
Raleigh, North Carolina

\$1,846,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020A

Ladies and Gentlemen:

I have acted as Town Attorney to the Town of Warrenton (the “*Town*”) in connection with the issuance and sale of the above-referenced bond (the “*Bond*”) under the terms of (1) a bond order adopted on January 8, 2018 (the “*Bond Order*”) by the Board of Commissioners (the “*Board*”) of the Town of Warrenton, North Carolina (the “*Town*”) and (2) a resolution (the “*Resolution*”) adopted on August 10, 2020 by the Board, which authorized the issuance of the Bond by the Town pursuant to and under the provisions of Sections 159-43 *et seq.* and Sections 159-160 *et. seq.*, General Statutes of North Carolina, as amended (the “*Act*”).

In such capacity, I have examined the following:

- (a) the Act;
- (b) the Bond Order;
- (c) the Resolution; and
- (d) such other laws, documents, instruments, proceedings and opinions as I deemed relevant in rendering this opinion.

From such examination I am of the opinion, under existing law, that:

1. The Town is a public body corporate and politic and is duly organized and existing under the Constitution and laws of the State of North Carolina.
2. The Board has the power and authority to adopt the Bond Order and the Resolution. The Bond Order and the Resolution have been duly adopted by the Board, are in full force and effect and have not been amended, altered or repealed as of the date hereof.
3. The Town has the power to receive federal funds and to repay its obligations to the federal government through the issuance of the Bond.
4. To the best of my knowledge, after reasonable investigation, there is no action, suit, proceeding or governmental investigation at law or in equity before or by any court, public board or body,

pending of which the Town has been served with a summons, summons and complaint or other notice of commencement, or threatened against the Town, either (a) to restrain or enjoin the issuance or delivery of the Bond or (b) to question in any manner the authority of the Town to issue, or the issuance or validity of any proceedings authorizing the Bond or the levy or collection of revenues to pay the Bond, nor is the corporate existence or boundaries or the title of any of the officers of the Town to their respective offices being contested. There is no litigation of any nature now pending or threatened by or against the Town wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Town or adversely affect the power of the Town to levy, collect and enforce the collection of revenues for the payment of the Bond or any other bonds, or adversely impact the project's success or the Town's legal standing.

Respectfully submitted,

[Letterhead of Parker Poe Adams & Bernstein LLP]

August 28, 2020

Town of Warrenton, North Carolina
Warrenton, North Carolina

\$1,846,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020A

Ladies and Gentlemen:

We have acted as bond counsel to the Town of Warrenton, North Carolina (the “*Town*”) in connection with the issuance and sale of the above-referenced bond (the “*Bond*”).

The Bond is issuable as a fully registered obligations and will mature and bear interest at the rate and at the time, all as provided in the Resolution adopted on August 10, 2020 (the “*Resolution*”) by the Board of Commissioners (the “*Board*”) of the Town.

In connection with the issuance of the Bond, we have examined the following, and we have assumed the truth and accuracy of the representations, covenants and warranties set forth therein:

- (a) certified copies of (1) the bond order adopted by the Board on January 8, 2018 (the “*Bond Order*”) and (2) the Resolution;
- (b) specimen Bond; and
- (c) such other certificates and documents as we deemed relevant and necessary in rendering this opinion.

From such examination we are of the opinion, under existing law, that:

1. The Bond has been duly authorized under the provisions of the Constitution and laws of the State of North Carolina (the “*State*”), including The State and Local Government Revenue Bond Act.
2. The Bond is a legal, valid and binding obligation of the Town. The rights of the owners of the Bond and the enforceability of the Bond may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, as well as general principles of equity, regardless of whether the application of such principles is considered in a proceeding in equity or at law, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.
3. The principal of and interest on the Bond are special obligations payable by the Town solely from the sources described in the Bond Order. The principal of and interest on the Bond are not payable from the general funds of the Town, nor do they constitute a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon any of its income, receipts or revenues, except the funds which are pledged under the Bond Order. Neither the credit nor the taxing power of the State or the Town are pledged for the payment of the principal of or interest on the Bond, and no owner of the Bond has the

right to compel the exercise of the taxing power by the State or the Town or the forfeiture of any of its property in connection with any default thereon.

4. Interest on the Bond is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bond in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bond to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bond. We express no opinion regarding other federal tax consequences arising with respect to the Bond.

5. The interest on the Bond is exempt from State of North Carolina income taxation.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, and documents and proceedings.

Respectfully submitted,

PARKER POE ADAMS & BERNSTEIN LLP

\$769,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020B

BOND DATED and SOLD: August 28, 2020

CLOSING CHECKLIST

Containing an Index of Closing Documents

Closing: August 28, 2020 via mail and telephone.

PARTICIPANTS

TOWN	Town of Warrenton, North Carolina
ORIGINAL PURCHASER OF BOND	United States Department of Agriculture
TOWN ATTORNEY	Banzet, Thompson, Styers & May, PLLC
BOND COUNSEL	Parker Poe Adams & Bernstein LLP

INDEX OF CLOSING DOCUMENTS

The following documents, reports, letters and certificates, executed or conformed, as appropriate, are to be delivered at or before the time of delivery of and payment for the Bond.

1. Certified Copy of the Bond Order adopted by the Board of Commissioners of the Town on January 8, 2018
2. Certified Copy of the Bond Resolution adopted by the Board of Commissioners of the Town on August 10, 2020
3. Specimen Bond
4. Officers and Seal Certificate
5. General and Non-Litigation Certificate of the Town
6. Certificate of the Mayor Concerning Private Sale
7. Tax Certificate
8. Internal Revenue Service Form 8038-G
9. LGC Certificate and Minutes
10. State Treasurer's Receipt
11. State Treasurer's Statement as to Intended Application of Proceeds of the Bond
12. Opinion of Town Attorney
13. Opinion of Bond Counsel

**CERTIFICATE OF THE TOWN CLERK
OF THE TOWN OF WARRENTON, NORTH CAROLINA**

I, ROBERT DAVIE, the duly appointed and acting Town Clerk of the Town of Warrenton, North Carolina (the "*Town*"), ***DO HEREBY CERTIFY*** and acknowledge that attached hereto is a true and correct copy of the Bond Order adopted by the Board of Commissioners of the Town on January 8, 2018, which is now in full force and effect. I hereby further certify that such bond order has not been amended or modified since the date of its adoption.

WITNESS my hand and the corporate seal of the Town as of the 28th day of August, 2020.

[SEAL]

Robert Davie
Town Clerk

2. Certified Copy of Bond Resolution adopted by the Board of Commissioners of the Town on August 10, 2020

[To be provided by the Town at Closing]

3. Specimen Bond

[To be provided by the Local Government Commission at Closing]

OFFICERS AND SEAL CERTIFICATE

I, ROBERT DAVIE, Town Clerk of the Town of Warrenton, North Carolina (the “Town”), DO HEREBY CERTIFY:

1. The following is a correct list of the names of the members of the Board of Commissioners and the officers of the Town who held office as of August 10, 2020:

<u>OFFICER</u>	<u>OFFICE</u>
Walter N. Gardner, Jr.	Mayor
Mary Hunter	Mayor Pro Tem and Commissioner
John Blalock	Commissioner
Margaret Britt	Commissioner
Michael Coffman	Commissioner
Kimberly Harding	Commissioner
Tom Hardy	Commissioner
Travis Packer	Commissioner

2. The official seal of the Town, being the only seal used by the Town in the execution of the bonds, notes and contracts, is the seal, an impression of which is affixed opposite my signature on this certificate.

WITNESS my hand and said official seal this 28th day of August, 2020.

Robert Davie
Town Clerk of the
Town of Warrenton, North Carolina

[SEAL]

GENERAL AND NON-LITIGATION CERTIFICATE OF THE TOWN

WE, the undersigned, acting on behalf of the Town of Warrenton, North Carolina (the “*Town*”), created and existing under the laws of the State of North Carolina, **DO HEREBY CERTIFY**, as follows:

1. We are on the date of this Certificate the duly chosen, qualified and acting officers of the Town as indicated below, and we are on the date of this Certificate duly authorized to execute and deliver this Certificate on behalf of the Town. Neither the corporate existence of the Town nor our titles to our respective offices are being contested.

2. The Board of Commissioners of the Town (the “*Board*”) has taken all necessary actions to authorize the issuance of Water and Sewer System Revenue Bond, Series 2020B pursuant to a Bond Order adopted by the Board on January 8, 2018 and effective thereon.

3. The Mayor and the Deputy Town Clerk officially signed the \$769,000 Water and Sewer System Revenue Bond, Series 2020B (the “*Bond*”), being a registered bond of the Town, dated August 28, 2020, registered as to both principal and interest in the name of the United States of America, maturing in annual installments and bearing interest at the rates referenced therein, all as provided for in the Bond Resolution adopted by the Board on August 10, 2020, said bond being exchangeable for fully registered bonds in the denomination of \$1,000 each or any multiple thereof.

4. No litigation of any kind is now pending (either in state or federal courts) or, to our knowledge, threatened to restrain or enjoin the issuance or delivery of the Bond or the levy or collection of revenues to pay the principal of or the interest on the Bond, or in any manner questioning the proceedings of Board under which the Bond are issued or the validity of the Bond; that neither the corporate existence or boundaries of the Town nor the title to the office of any officer whose signature appears on the Bond is being contested; and that no authority or proceedings for the issuance of the Bond or for the security thereof have been repealed, revoked or rescinded.

5. The below-named persons were on the date hereof the duly elected or appointed and qualified incumbents of the respective offices of the Town set forth opposite their names, and that the signatures set forth opposite their names are their genuine signatures:

	<u>OFFICE</u>	<u>SIGNATURE</u>
Walter N Gardner, Jr.	Mayor	_____
Meredith Valenine	Finance Director	_____
Robert Davie	Town Administrator and Town Clerk	_____

IN WITNESS WHEREOF, we have hereunto set our hands and have hereunto affixed the corporate seal of the Town and have caused this certificate to be delivered, as of the 28th day of August, 2020.

TOWN OF WARRENTON, NORTH CAROLINA

By: _____
Meredith Valentine
Finance Director

By: _____
Robert Davie
Town Administrator and Town Clerk

[SEAL]

CERTIFICATE OF THE MAYOR CONCERNING PRIVATE SALE

I, WALTER N GARDNER, JR., Mayor of the Town of Warrenton, North Carolina (the “*Town*”), **DO HEREBY CERTIFY** that, pursuant to the provisions of the resolution providing for the issuance of \$769,000 Water and Sewer System Revenue Bond, Series 2020B (the “*Bond*”), adopted on August 10, 2020 by the Board of Commissioners of the Town, I have approved the sale of the to the United States of America of the Bond at an aggregate purchase price of \$769,000, and a rate of interest of 1.125% per annum.

WITNESS my hand this 28th day of August, 2020.

Walter N. Gardner, Jr.
Mayor
Town of Warrenton

7. Tax Certificate

8. Internal Revenue Service Form 8038-G

[To be furnished by Bond Counsel at Closing]

9. LGC Certificate and Minutes

10. State Treasurer's Receipt

11. State Treasurer's Statement as to Intended Application of Proceeds of the Bond

[To be furnished by the LGC at Closing]

[Letterhead of Town Attorney]

August 28, 2020

Town of Warrenton, North Carolina
Warrenton, North Carolina

Parker Poe Adams & Bernstein LLP
Raleigh, North Carolina

\$769,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020B

Ladies and Gentlemen:

I have acted as Town Attorney to the Town of Warrenton (the “*Town*”) in connection with the issuance and sale of the above-referenced bond (the “*Bond*”) under the terms of (1) a bond order adopted on January 8, 2018 (the “*Bond Order*”) by the Board of Commissioners (the “*Board*”) of the Town of Warrenton, North Carolina (the “*Town*”) and (2) a resolution (the “*Resolution*”) adopted on August 10, 2020 by the Board, which authorized the issuance of the Bond by the Town pursuant to and under the provisions of Sections 159-43 *et seq.* and Sections 159-160 *et. seq.*, General Statutes of North Carolina, as amended (the “*Act*”).

In such capacity, I have examined the following:

- (a) the Act;
- (b) the Bond Order;
- (c) the Resolution; and
- (d) such other laws, documents, instruments, proceedings and opinions as I deemed relevant in rendering this opinion.

From such examination I am of the opinion, under existing law, that:

1. The Town is a public body corporate and politic and is duly organized and existing under the Constitution and laws of the State of North Carolina.
2. The Board has the power and authority to adopt the Bond Order and the Resolution. The Bond Order and the Resolution have been duly adopted by the Board, are in full force and effect and have not been amended, altered or repealed as of the date hereof.
3. The Town has the power to receive federal funds and to repay its obligations to the federal government through the issuance of the Bond.
4. To the best of my knowledge, after reasonable investigation, there is no action, suit, proceeding or governmental investigation at law or in equity before or by any court, public board or body,

pending of which the Town has been served with a summons, summons and complaint or other notice of commencement, or threatened against the Town, either (a) to restrain or enjoin the issuance or delivery of the Bond or (b) to question in any manner the authority of the Town to issue, or the issuance or validity of any proceedings authorizing the Bond or the levy or collection of revenues to pay the Bond, nor is the corporate existence or boundaries or the title of any of the officers of the Town to their respective offices being contested. There is no litigation of any nature now pending or threatened by or against the Town wherein an adverse judgment or ruling could have a material adverse impact on the financial condition of the Town or adversely affect the power of the Town to levy, collect and enforce the collection of revenues for the payment of the Bond or any other bonds, or adversely impact the project's success or the Town's legal standing.

Respectfully submitted,

[Letterhead of Parker Poe Adams & Bernstein LLP]

August 28, 2020

Town of Warrenton, North Carolina
Warrenton, North Carolina

\$769,000
Town of Warrenton, North Carolina
Water and Sewer System Revenue Bond
Series 2020B

Ladies and Gentlemen:

We have acted as bond counsel to the Town of Warrenton, North Carolina (the “*Town*”) in connection with the issuance and sale of the above-referenced bond (the “*Bond*”).

The Bond is issuable as a fully registered obligations and will mature and bear interest at the rate and at the time, all as provided in the Resolution adopted on August 10, 2020 (the “*Resolution*”) by the Board of Commissioners (the “*Board*”) of the Town.

In connection with the issuance of the Bond, we have examined the following, and we have assumed the truth and accuracy of the representations, covenants and warranties set forth therein:

- (a) certified copies of (1) the bond order adopted by the Town on January 8, 2018 (the “*Bond Order*”) and (2) the Resolution;
- (b) specimen Bond; and
- (c) such other certificates and documents as we deemed relevant and necessary in rendering this opinion.

From such examination we are of the opinion, under existing law, that:

1. The Bond has been duly authorized under the provisions of the Constitution and laws of the State of North Carolina (the “*State*”), including The State and Local Government Revenue Bond Act.
2. The Bond is a legal, valid and binding obligation of the Town. The rights of the owners of the Bond and the enforceability of the Bond may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors’ rights heretofore or hereafter enacted to the extent constitutionally applicable, as well as general principles of equity, regardless of whether the application of such principles is considered in a proceeding in equity or at law, and their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.
3. The principal of and interest on the Bond are special obligations payable by the Town solely from the sources described in the Bond Order. The principal of and interest on the Bond are not payable from the general funds of the Town, nor do they constitute a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon any of its income, receipts or revenues, except the funds which are pledged under the Bond Order. Neither the credit nor the taxing power of the State or the Town are pledged for the payment of the principal of or interest on the Bond, and no owner of the Bond has the

right to compel the exercise of the taxing power by the State or the Town or the forfeiture of any of its property in connection with any default thereon.

4. Interest on the Bond is excludable from gross income for federal income tax purposes and is not an item of tax preference for purposes of the federal alternative minimum tax. The opinion set forth in the preceding sentence is subject to the condition that the Town comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bond in order that interest thereon be, or continue to be, excludable from gross income for federal income tax purposes. The Town has covenanted to comply with all such requirements. Failure to comply with certain of such requirements may cause interest on the Bond to be included in gross income for federal income tax purposes retroactive to the date of issuance of the Bond. We express no opinion regarding other federal tax consequences arising with respect to the Bond.

5. The interest on the Bond is exempt from State of North Carolina income taxation.

In rendering the foregoing opinions, we have assumed the accuracy and truthfulness of all public records and of all certifications, documents and other proceedings examined by us that have been executed or certified by public officials acting within the scope of their official capacities and have not verified the accuracy or truthfulness thereof. We have also assumed the genuineness of the signatures appearing upon such public records, certifications, and documents and proceedings.

Respectfully submitted,

PARKER POE ADAMS & BERNSTEIN LLP



North Carolina Department of Public Safety Division of Emergency Management

APPLICANT: _____

DISASTER: **COVID-19**
FEMA No.: **4487-DR-NC**
PUBLIC ASSISTANCE CFDA# **97.036**

STATE–APPLICANT DISASTER ASSISTANCE AGREEMENT

This Agreement made by and between the State of North Carolina, Department of Public Safety, Division of Emergency Management (“the State”) and _____ (“the Applicant”) shall be effective on the date signed by the State and the Applicant. It shall apply to all disaster assistance funds provided by or through the State to the Applicant as a result of the disaster named **COVID-19** and pursuant to the Major Disaster Declaration made by the President of the United States numbered FEMA **4487-DR-NC**.

The designated representative of the Applicant (Applicant’s Agent) certifies that:

1. The Applicant’s Agent has the legal authority under North Carolina law to apply for assistance on behalf of the Applicant, that it is duly authorized pursuant to appropriate Applicant authority and/or a resolution, motion, or similar action has been duly adopted or passed as an official act of the applicant’s governing body, and that the agents and officials designated herein are duly authorized under North Carolina law to act on behalf of the organization in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters pertaining to the disaster assistance required by the agreements and assurances contained herein.
2. The Applicant shall provide all necessary financial and managerial resources to meet the terms and conditions of receiving Federal and State disaster grant assistance.
3. The applicant shall use disaster assistance funds solely for the purpose for which these funds are provided and as approved by the Governor’s Authorized Representative (GAR).
4. The Applicant is aware of and shall comply with cost-sharing requirements of Federal and State disaster assistance: specifically, that Federal assistance is limited to 75% of eligible expenditures, and that State assistance is limited to 25% of the eligible costs. Alternate projects selected by the Applicant may be eligible for only 75% of the approved Federal share of estimated eligible costs.
5. The Applicant shall provide the following completed documentation to the State:
 - a. Designation of Applicant’s Agent.
 - b. State-Applicant Disaster Assistance Agreement.
 - c. Private Non-Profit Organization Certification (if required).
 - d. Summary of Documentation Form itemizing actual costs expended for large project payment requests.
 - e. Monthly Progress Reports.
 - f. Copies of Single Audit Reports as applicable.

If the Applicant fails to provide any of the above documentation, the State will be under no obligation to reimburse the Applicant for eligible expenses.

6. The Applicant shall establish and maintain a proper accounting system to record expenditures of disaster assistance funds in accordance with generally accepted accounting principles or as directed by the Governor's Authorized Representative. If applicable, the Applicant shall conduct audit(s) pursuant to the Single Audit Act of 1984, 31 U.S.C. § 7501 *et. seq.*, 44 C.F.R. Part 14, 2 C.F.R. Part 200, OMB Circular A-133, "Audits of States, Local Governments and Non-profit Organizations," and applicable North Carolina laws, rules and regulations.
7. The Applicant shall provide to the State monthly Progress Reports for all open large projects funded by State and Federal disaster assistance grants. The first Progress Report shall be due on the 10th day of the first month following initiation of the project and subsequent Progress Reports will be due on the 10th day of every month thereafter until project completion. Forms and reporting requirements will be provided by the Governor's Authorized Representative (GAR).
8. The Applicant, its employees and agents, including consultants, contractors and subcontractors to be paid with funds provided under this Agreement, shall give State and Federal agencies designated by the Governor's Authorized Representative (GAR), full access to and the right to examine all records and documents related to the use of disaster assistance funds.
9. The Applicant shall return to the State, within thirty (30) days of a request by the Governor's Authorized Representative (GAR), any funds advanced to the Applicant that are not supported by audit or other Federal or State review of documentation maintained by the Applicant.
10. The Applicant shall comply with all applicable codes and standards in the completion of eligible work to repair or replace damaged public facilities.
11. The Applicant shall comply with all applicable provisions of Federal and State statutes, rules and regulations regarding the procurement of goods and services and regarding contracts for the repair and restoration of public facilities.
12. The Applicant shall begin and complete all items of work within the time limits established by the Governor's Authorized Representative (GAR) and in accordance with applicable Federal and State statutes, rules and regulations.
13. The Applicant shall request a final inspection within ninety (90) days after completion of each and every large project funded under this Agreement, or within ninety (90) days after the expiration of the time limit established for each project under Paragraph 12 above, whichever occurs first. Applicant shall present all supporting documentation to State and/or Federal inspectors at the time of final inspection. **The State, as Grantee, reserves the right to conduct a final inspection of any large project after expiration of the ninety-day (90-day) period and to reimburse Applicant only for costs documented at the time of final inspection.**
14. The Applicant shall comply with all applicable Federal and State statutes, rules and regulations for publicly financed or assisted contracts including, but not limited to, non-discrimination, labor standard, and access by the physically handicapped.

15. The Applicant's Designated Agent shall execute and comply with the Lobbying Prohibition certification incorporated herein as Attachment A.
16. The Applicant's Designated Agent shall execute and comply with the Statement of Assurances (SF 424D) document incorporated herein as Attachment B.
17. The Applicant shall not enter into cost-plus-percentage-of-cost contracts for any contracts subject to this Agreement including for debris removal, emergency protective measures, or completion of disaster restoration or repair work.
18. The Applicant shall not enter into contracts for which payment is contingent upon receipt of State or Federal funds.
19. The Applicant shall not enter into any contract with any entity that is debarred or suspended from participation in Federal Assistance. The State and/or FEMA will not be under any obligation to reimburse Applicant for payments made to a debarred or suspended contractor. Applicant may search for debarred or suspended contractors on the "Excluded Parties List System" (EPLS) at the following website: www.sam.gov. The Applicant shall be responsible to ensure that it has checked the State Debarred Vendors Listing, <http://www.pandc.nc.gov/actions.asp> to verify that contractors, Subapplicants or Sub-Recipients have not been suspended or debarred from doing business with federal or State government.
20. The Applicant shall comply with the provisions of 42 U.S.C. § 5155 (Section 312 of the Stafford Act) which prohibits duplication of benefits. Applicant shall notify State immediately if any other source of funds is available to offset disaster assistance provided pursuant to this Agreement. Applicant agrees that eligible costs under this Agreement will be reduced by duplicate benefits received from any other source.
21. The Applicant shall comply with all uniform grant administration requirements required by State and Federal statutes, rules and regulations, including but not limited to, the Robert T. Stafford Disaster Relief and Emergency assistance Act, Public Law 93-288, as amended, Title 44 of the Code of Federal Regulations, 2 C.F.R. Part 200, applicable OMB Circulars, and policy guidance issued by the Federal Emergency Management Agency (FEMA).
22. If the Applicant pays contractors, subcontractors or consultants with funds provided through this Agreement, the Applicant shall include language in all contracts that binds the contractor, subcontractor or consultant to the terms and conditions of this Agreement with the State. Contractual arrangements with contractors, subcontractors or consultants shall in no way relieve the Applicant of its responsibilities to ensure that all funds provided through this Agreement are administered in accordance with all State and Federal requirements.

FOR THE APPLICANT:

Date

Applicant's Federal Tax I.D.
Number (required)

BY: _____
Signature

Typed Name

Title

FOR THE STATE:

Date

BY: _____
Signature

Typed Name

Title

ATTACHMENT A

LOBBYING PROHIBITION

The undersigned certifies, to the best of his or her knowledge and belief, that:

- (1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence either directly or indirectly an officer or employee of any State or Federal agency, a member of the N.C. Legislature, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL. "Disclosure Form to Report Lobbying," in accordance with its instructions.
- (3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all recipients of funds under this Agreement shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

Name of Applicant

BY: _____
Signature of Applicant's Designated Agent

ATTACHMENT B

ASSURANCES-CONSTRUCTION PROGRAMS

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington DC 20503

PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY

NOTE: Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of the project costs) to ensure proper planning, management and completion of the project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, through any authorized representative, access to and the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title, or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal interest in the title of real property in accordance with awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply by the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progress reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§ 4728-2763) relating to prescribed standards for merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. § 4801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681, 1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§ 290dd-3 and 290ee-3), as amended relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended relating to nondiscrimination in the sale, rental, or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and, (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§ 276a to 276a-7), the Copeland Act (40 U.S.C. § 276c and 18 U.S.C. § 874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§ 327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L.93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) elevation of flood hazards in floodplains in accordance with EO 11988; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. § 1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. § 7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. § 1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. § 470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. § 469a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
APPLICANT ORGANIZATION	DATE SUBMITTED



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

WATER/SEWER/LANDFILL PAYMENT PLAN

SUMMARY

Required by North Carolina Executive Orders 124 and 142 to waive late fees and penalties and suspend cut-offs on town utilities through July 30, 2020, the Town of Warrenton is now required to recoup outstanding balances during a minimum six-month repayment period. Below is the staff recommendation based on guidelines published by the UNC School of Government.

POLICY

It shall be the policy of the Town, beginning in September 2020 and continuing through February 2021 that:

1. Unpaid balances, accumulated prior to August 20, 2020, will automatically be assigned to a six-month payment plan.
2. All customers will receive a message in the comments section of their August bill stating that customers will be offered a six-month, interest-free, payment plan on outstanding balances.
3. Customers with balances will be mailed a notification letter on or around August 25 with a six-month payment plan and specific balance due each month.
4. Unpaid balances, whether accumulated during the Governor's executive order or during times prior or after, will be calculated on August 20, 2020.
5. The payment plan will require the balance of the current month plus one-sixth of the outstanding balance to be paid monthly. Should customers default on the payment plan, the Town's current cutoff policy will be implemented. The current cutoff policy is triggered when a balance is unpaid as of 4:30 PM on the 20th of each month.
6. It shall be the policy of the Town to continue to waive late fees and penalties through February of 2021. However, disconnect and reconnect fees will be charged.

Adoption of this plan is in accordance with Executive Orders issued by the Governor of North Carolina. Adoption of this plan also rescinds and replaces the prior adopted moratorium and suspension of late fees and cutoffs.

Approved August 10, 2020 by the Board of Commissioners of the Town of Warrenton by a vote of _____ (aye) to _____ (nay).

Mayor Walter M. Gardner, Jr.



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

Agreement to Extend Debt Payment

Executive Orders 124 and 142, from North Carolina’s Governor, placed a moratorium on residential utility disconnections from March 31, 2020 to July 29, 2020. Some customers have not paid balances over this March 31-July 29 timeframe, or have paid partial balances. The executive orders require that these customers must be given the opportunity to pay their balance (the amount in arrears) over a six-month period. **Below is your agreement with the Town of Warrenton to pay your outstanding balance:**

Account #: _____ Customer Name: _____

Delinquent/Service Address: _____

Current/Billing Address: _____

Contact Phone: _____

For value received, the undersigned Town of Warrenton (“Town”) and Customer hereby acknowledge and agree that:

1. The Customer presently owes Town the sum of \$_____, said sum being presently due and payable.
2. In consideration of Town allowing additional time to pay the amounts presently due and payable as outlined in paragraph 1 and of continued providing of water and sewer service, the Customer agrees to pay their installment payment by the 15th of every month as follows:

\$_____ will be paid by the 15th day of each month for 6 months

3. In addition, the customer agrees to pay their current utility bill in full by the 15th of every month. This amount is dependent upon the gallons used during regular billing schedule. No Late Fees will be charged during these six months.
4. In the event the Customer fails to make any one payment punctually on the agreed extended terms, the Town of Warrenton shall have full rights without notice to discontinue services and to proceed with collection of the entire outstanding balance due to the Town at that time.

To discuss any portion of your agreement you may call 252-257-3315.

Authorized by:

Robert Davie, Town Administrator



STATE OF NORTH CAROLINA
OFFICE OF THE GOVERNOR



STATE OF NORTH CAROLINA
DEPARTMENT OF JUSTICE

Guidance on Customer Payment Plans under Executive Order 124 and 142

Executive Orders 124 and 142 placed a moratorium on residential customer disconnections from March 31, 2020 to July 29, 2020. Some customers have not paid balances over this March 31-July 29 timeframe, or have paid partial balances. The executive orders require that these customers must be given the opportunity to pay their balance (the amount in arrears) using a reasonable payment arrangement that spreads out repayment over at least six months. Specifically, Executive Order 142 reads:

“Customers shall be provided the opportunity to make reasonable payment arrangements to pay off over at least a six (6) month period any arrearages accumulated during the effective period of [Executive Order 124], of Section 2 of [Executive Order 142], and of any other order extending this Executive Order. In the event a utility service provider and customer are unable to agree on the duration of an extended repayment plan, the default repayment period shall be six (6) months. The six (6) month payoff period shall be calculated from the date of termination of this Section of this Executive Order....”

E.O. 142 § 2(C). Both the Governor’s Office and the Attorney General’s Office have received several questions about how customer payment plans should work under the executive orders. The following guidance responds to these questions.

Note that this guidance does not apply to utilities that are regulated by the North Carolina Utilities Commission. Therefore, this guidance does not apply to utilities such as Duke Energy, Dominion Energy, PSNC, Piedmont Natural Gas, and Aqua. This guidance does apply, however, to providers such as municipal utilities and electric co-ops. The last page of this guidance document provides more information about how customer protections are different for different kinds of utilities.

What kind of notice must the utility offer to make customers aware they have the right to a repayment plan?

The executive orders require utilities to “reasonably inform their customers” of the orders’ protections “through the means those providers most typically use to communicate urgent messages to customers, such as print, email, SMS text message, Internet, and phone calls.” E.O. 124 § 1(F) and E.O. 142

§§ 2(A)-(B). The executive orders also require that utilities “provid[e] the opportunity to make reasonable payment arrangements.” E.O. 124 § 1(C); E.O. 142 § 2(C).

This means that the utility must inform customers about their right to a repayment plan, and must communicate this notice:

- Clearly;
- At a reasonable time -- at least ten days -- before any disconnection may take place; and
- On a bill, or through the communication method the utility uses to communicate urgent messages (like a text message or phone call), or both.

The notice to customers does not need to contain any particular words, but the notice must “reasonably inform” the customer about their right to a repayment plan. E.O. 124 § 1(F); E.O. 142 § 2(B).

A notice that is sent before the date on which this guidance is published is valid so long as it reasonably informs the customer.

What kind of payment plan must the utility offer?

The executive orders require that utilities offer “reasonable payment arrangements to pay off” balances “over at least a six (6) month period.” In practice, this means:

- **No forced front-loading of payment plans.** The executive orders state: “Customers shall be provided the opportunity to make reasonable payment arrangements.” E.O. 124 § 1(C); E.O. 142 § 2(C). It would not be reasonable for the utility to require that payments be front-loaded so that materially more is due in the first month (or first few months).¹

The Utilities Commission has identified two standard ways in which regulated utilities can offer customers repayment plans:

- “Equal, fixed monthly installments”; or
- “A pre-agreed fixed percentage of each monthly bill added to current charges.”

Either or both of these standard options comply with the executive orders’ requirement for a “reasonable payment arrangements.” Other arrangements may also comply with the executive orders. Further, customers and the utility may consent to personalized payment plans that front-load or back-load payments in a way that is customized for the customer’s needs and financial situation.

- **Six months from July 29 is the default payment period.** As stated in the executive orders, if the customer and utility are “unable to agree on the duration of an extended repayment plan, the default repayment period shall be six (6) months.” E.O. 124 § 1(C); E.O. 142 § 2(C). The six-month repayment period begins on July 29, 2020, which is the date of termination of the

¹ This is shown not only by the way the word “reasonable” is used in ordinary speech by laypeople, but also by the Utilities Commission’s recent order that requires its regulated utilities to offer “equal, fixed monthly installments” or offer payment plans that add a “fixed percentage” on top of each monthly bill. July 29, 2020 Emergency Order, Docket No. M-100, Sub 158, § 4(b). The executive orders point to the Utilities Commission orders as guidance in interpreting the orders’ text. E.O. 124 § 1(A)(3); E.O. 142 § 2(A).

general moratorium under Section 1(C) of Executive Order 124 and Sections 2(C) and 2(D) of Executive Order 142.

- **Repayment plans may extend longer than six months.** If the customer and utility agree that the payment plan should extend over a period that is different from the standard six months, they may create that kind of personalized repayment plan.
- **Terms of the repayment plan must be disclosed to the customer.** When discussing a repayment plan with a customer, the utility must tell the customer the amount in arrears and how that amount will be divided between payments. The utility should also make clear the consequences of missing a payment under the payment plan, including possible disconnection.

Can the utility charge a fee or interest to the customer for entering into a repayment plan?

No. The executive orders provide, “No interest or late fee shall be charged on arrearages.” E.O. 124 § 1(C); E.O. 142 § 2(C).

Can the utility penalize a customer for entering into a repayment plan by submitting a negative credit report or refusing to transfer service?

No. Utilities may not report a customer to a credit reporting agency if the customer is in compliance with an established payment plan and is current on bills that are not covered by the executive orders. Utilities also must allow customers to move and transfer accounts to a new service location within their service area if they are in compliance with an established payment plan and are current on bills that are not covered by the executive orders. Any other action would be a prohibited fee or prohibited disconnection under the executive orders. E.O. 124 § 1(C) and E.O. 142 § 2(C); see also E.O. 124 § 1(A)(3) and the Utilities Commission July 29, 2020 Emergency Order, Docket No. M-100, Sub 158, §§ 4(c), (e).

If a customer misses a payment on his or her repayment plan, can the utility disconnect that customer?

Yes. However, as noted above, for the payment arrangement to be “reasonable” as required by the executive orders, the utility must clearly disclose to the customer the terms of the repayment plan, including when the customer will be disconnected if the customer does not make a payment.

If a customer misses a payment on his or her repayment plan, can the utility accelerate all remaining amounts due?

No. A utility may not respond to a missed payment on a repayment plan by making the entire amount of the repayment plan immediately payable. This would amount to a late fee on the arrearage, which is prohibited under Sections 1(C) of Executive Order 124 and 2(C) of Executive Order 142, and would be inconsistent with the requirement in Executive Order 142, Section 2(C), that repayment plans have a duration of at least six months.

If a customer misses a payment on his or her repayment plan, can the utility charge a fee or interest?

No. The executive orders prohibit any “interest or late fee” that is “charged on arrearages” from March 31 to July 29, the period of the executive order moratorium. E.O. 124 § 1(C); E.O. 142 § 2(C).

Which bills are subject to the executive orders?

The utility must give any customer the opportunity to enter into a repayment plan for any unpaid balance on bills with an assigned date of March 31 to July 29.

Utilities should use a consistent method, based on the business practice they have been using since the executive orders were issued, to assign a date to bills based on either (1) the date they were sent, (2) the due date listed on the bill, (3) the past-due date listed on the bill, or (4) some other method.

For example, if the utility originally used the listed due date to determine whether a bill was covered by the disconnection and late-fee moratorium in Executive Order 124, the utility must provide repayment plans for arrearages incurred from any bill with a listed due date between 12:01 am on March 31 and 11:59 pm on July 29.

Which bills are not subject to the executive orders?

The executive orders apply only to bills with an assigned date of March 31 to July 29. (See the answer immediately above about which date should be assigned to a bill.) The executive orders do not prohibit disconnection, late fees, or interest for bills outside this time period. See E.O. 142 § 2(D).

The Attorney General strongly encourages utilities to provide repayment plans and work flexibly with customers for all balances due during the COVID-19 emergency, even if those balances are not covered by the executive orders.

If a utility does not follow these repayment plan requirements, what happens?

If a utility does not follow the requirements of the executive orders concerning repayment plans, it is prohibited from disconnecting customers. The Attorney General’s Office is assigned responsibility “to enforce the provisions” of Executive Orders 124 and 142 “through any methods provided by current law.” E.O. 124 § 1(J) and E.O. 142 § 2(A). If necessary, the Attorney General’s Office would pursue any enforcement by seeking a temporary restraining order against the utility entity after providing notice to the entity and seeking a resolution of the issue without litigation.

If a utility does not follow the orders, consumers should contact the Attorney General’s Office by calling 1-877-566-7226 or by visiting <https://ncdoj.gov/file-a-complaint/consumer-complaint/> on the Attorney General’s website.

Which utilities are covered by this guidance?

This guidance applies to utilities that are not governed by the North Carolina Utilities Commission and that provide electric, natural gas, water, or wastewater services directly to end-user residential customers, as well as all providers of a combination of these services. This includes municipal utilities and member-owned cooperatives.

Which utilities are not covered by this guidance? What protections exist for customers of those utilities?

For Duke Energy, Dominion Energy, PSNC, Piedmont Natural Gas, Aqua, and all other utilities governed by the Utilities Commission, a different set of customer protections apply. For these utilities, the Utilities Commission ordered that:

- Customers will have 12 months to repay any overdue balances that are on their accounts as of August 31, 2020.
- These repayment plans must be based on either:
 - Equal, fixed monthly installments; or
 - Pre-agreed, fixed monthly percentages of each monthly bill that are added to current charges.
- For bills rendered on or before August 31, 2020, customers may be disconnected for nonpayment only if they fail to follow their payment plans and receive notice. For bills rendered on or after September 1, 2020, customers may be disconnected if they do not stay current.
- Late fees cannot be charged on any accounts until the end of the COVID-19 State of Emergency or until there is a further order by the Commission.

See the Utilities Commission's [July 29, 2020 emergency order](#) for more details.

Interlocal Agreement Between the County of Warren
And the Municipality of Warrenton
For Management of Funds from the Coronavirus Relief Fund (CRF)
Established by the Coronavirus Aid, Relief, and Economic Security (CARES) Act

THIS INTERLOCAL AGREEMENT, made and entered into pursuant to Article 20 of Chapter 160A of the North Carolina General Statutes this 3rd day of August 2020, by and between the County of Warren, a body politic and corporate organized and existing under the laws of the state of North Carolina (hereinafter referred to as “County”) and Warrenton, a North Carolina Municipal Corporation organized and existing under the laws of the state of North Carolina (hereinafter referred to as “Municipality”);

WHEREAS, the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136) established the Coronavirus Relief Fund (CRF); and

WHEREAS, the State of North Carolina received approximately \$4.067 billion in CRF funds, including approximately \$481,000,000, which the U.S. Treasury sent directly to four local governments in the State; and

WHEREAS, S.L. 2020-80 allocates \$300 million of the State of North Carolina’s CRF allocation to counties ineligible to receive direct funding from the federal CRF; and

WHEREAS, S.L. 2020-80 directs the recipient County to allocate at least 25 percent of the funds for use by municipalities within the County for necessary expenditures incurred due to the public health emergency as required by section 601(d) of the Social Security Act, as amended by the CARES Act; and

WHEREAS, S.L. 2020-80 requires the recipient County to determine the total amount allocated to each municipality within the County, and requires each municipality that receives funds to develop a plan to spend the funds by September 1, 2020, or the County can use those funds or redistribute to other municipalities; and

WHEREAS, S.L. 2020-80 makes the CRF allocations subject to recoupment by the U.S. Treasury if they are not used in an eligible manner according to the most recently published U.S. Treasury Department guidance for CRF; and

WHEREAS, S.L. 2020-80 states counties and municipalities are liable to the State for any misuse or mishandling of the funds, and subject to clawback and other appropriate measures, including the reduction or elimination of other State Funds; and

WHEREAS, S.L. 2020-80 states any local government officer, official, or employee will be subject to a civil action by the State and held personally liable for reimbursement for violating the requirements of the CRF allocation; and

WHEREAS, S.L. 2020-80 and the North Carolina Pandemic Recovery Office have structured the administration of the CRF allocation to require the County to administer the allocation to municipalities and submit expenditure plans to the State; and

WHEREAS, the North Carolina Pandemic Recovery Office has advised that municipalities shall be directly liable to the State for violating the requirements of the CRF allocation; and

WHEREAS, the County's CRF allocation is \$953,968; and

WHEREAS, the Municipality's CRF allocation is \$96,548. [*This includes the amount of \$21,266, which was previously budgeted in the County's CRF Plan.*]

NOW, THEREFORE, it is agreed as follows:

1. Warren County shall allocate to the Municipality \$96,548 for expenditures as specified in the Municipality's plan, due Sept. 1, 2020. As stated in S.L. 2020-80, U.S. Treasury Guidance, and N.C. Pandemic Recovery Office guidance, the county is administering the local government CRF allocation. Counties and municipalities are liable to the State for any misuse or mishandling of the funds allocated to each entity, and subject to clawback and other appropriate measures, including the reduction or elimination of State Funds.
2. Municipality agrees to expend funds allocated pursuant to this Agreement in compliance with the Coronavirus Aid, Relief, and Economic Security (CARES) Act (P.L. 116-136), S.L. 2020-80, U.S. Treasury Department Guidance, and NC Pandemic Recovery Office guidance. Any funds allocated by the County to the Municipality that are found to be expended in violation of all applicable laws and guidance shall be repaid by the Municipality to the State of North Carolina. The County assumes no liability for any violations of CRF expenditure requirements by the Municipality, its officers, agents, or employees, for funds allocated by the County to the Municipality. The Municipality shall maintain documentation of their expenditures to ensure compliance with reporting and auditing requirements.

3. In accordance with guidance from the U.S. Treasury Department, CRF payments are federal financial assistance subject to Single Audit requirements found in Uniform Guidance 2 CFR §200 Subpart F. CRF is a federal program with a CFDA No. 21.019. The U.S. Treasury Department is the federal granting agency and, except for the four local governments that received CRF directly, the Office of State Management and Budget (OSBM) is the State pass-through entity. The Uniform Guidance CFR §200 Subparts B, C, D, and E do not apply, except for §200.303 and §§ 200.330 through 200.332.
4. In order to comply with State reporting requirements required pursuant to S.L. 2020-80, the Municipality shall submit its CRF Plan to the County by August 24, 2020 [date]. Municipality acknowledges that failure to submit its CRF Plan to the County by this date shall result in the loss of funding provided for in this Agreement. If the County has already transmitted funds to the Municipality and the Municipality fails to submit its CRF Plan to the County by the date provided for in this paragraph, the Municipality shall return the funds to the County.
5. In order to comply with monthly State reporting requirements on use of the funds, Municipality shall submit the required forms to the County by the 15th of [date] each month for the County to upload to the State portal (Attachments C-1 and C-2). Following receipt of the monthly reports and substantiation for the amount requested for reimbursement, as required by OSBM, the County shall reimburse the Municipality for the funds expended.
6. A Final Report (Attachment F) will be required when the Municipality's allocation is fully spent or by November 25th, whichever is earlier. It is the County's intent to reallocate any unspent funds by December 7th to other eligible CRF expenses to fully utilize all CRF funds for the community.
7. Modifications to this Agreement shall be in writing, signed, duly executed by the parties hereto, and kept on file along with the original Agreement.
8. Any notice permitted or required under this Agreement from one party to the other must be in writing and will be effective (a) on the date it was actually delivered to the addressee if delivered personally, or sent by a nationally recognized courier (such as FedEx or United Parcel Service) or sent by facsimile, or (b) three days after having been deposited in the United States mail, if sent by certified mail, return receipt request, in each case to the respective addresses of Municipality and the County listed below, or those other addresses of which either party gives the other party written notice:

If to the Municipality, to:

**Town of Warrenton
PO Box 281, Warrenton, NC 27589**

If to the County, to:

**Warren County Manager Vincent Jones
PO Box 619, Warrenton, NC 27589**

9. The parties agree that the terms and provisions of this Agreement shall be construed in accordance with the laws of the State of North Carolina. This Agreement contains the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have caused this **INTERLOCAL AGREEMENT** to be duly executed pursuant to authorization obtained in a duly adopted resolution or has otherwise been duly authorized to sign on behalf of their respective corporation.

Municipality of Warrenton

County of Warren

By _____
Mayor, Walter Gardner

By _____
Chairman Tare T" Davis
Board of County Commissioners

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Kathy Brafford, Finance Director