

**Town of Navassa
2022-2023 Budget Ordinance**

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BE IT ORDAINED AND ESTABLISHED by the Town Council of the Town of Navassa, North Carolina that:

SECTION 1. The following amounts are hereby appropriated in the General Fund for the operation of the Town government and its activities for the fiscal year beginning July 1, 2022, and ending June 30, 2023, in accordance with the chart of accounts heretofore established for the Town:

<u>DEPARTMENT</u>	<u>BUDGETED</u>
Governing Body	\$126,063.00
Administration	\$314,564.00
Public Building	\$3,000.00
Environmental Development	\$177,568.00
Public Safety	\$358,297.00
Street & Transportation	\$ 30,245.00
Community Center	\$ 38,038.00
Environmental Protection	\$ 53,700.00
Cultural & Recreation	\$ 41,520.00

TOTAL APPROPRIATIONS:	\$1,142,995.00
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SECTION 2. It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023:

<u>REVENUES</u>	<u>BUDGETED</u>
Ad Valorem Tax	\$275,000.00
Sales & Use Tax	\$576,986.00
DMV-NCVTS	\$ 53,798.00
Event Revenue-Community Center	\$ 5,000.00
Franchise Tax	\$ 50,000.00
Beer & Wine Tax	\$ 8,900.00
Interest Earnings	\$ 300.00
Mosquito Grant	\$ 800.00
Planning & Zoning	\$ 10,000.00
Storm Water	\$ 10,000.00
Miscellaneous Revenue	\$ 1,500.00

Police Collections	\$ 500.00
Fund Balance Appropriation – ARP Fund	\$ 90,000.00
Fund Balance Appropriation - NCORR	\$ 60,211.00

Total Estimated Revenues **\$1,142,995.00**

SECTION 3. The following amounts are hereby appropriated in the Powell Bill Fund for the operation of the Street Maintenance for the fiscal year beginning July 1, 2022 and ending June 30, 2023 in accordance with the chart of accounts heretofore approved for the Town:

<u>EXPENDITURES</u>	<u>BUDGETED</u>
Powell Bill	\$135,338.00

Total Expenditure: **\$135,338.00**

SECTION 4. It is estimated that the following revenues will be available in the Powell Bill Fund for the fiscal year beginning July 1, 2022 and ending June 30, 2023.

POWELL BILL REVENUE:

Powell Bill	\$ 61,446.00
Powell Fund Balance App.	\$ 73,892.00
Total:	\$135,338.00

SECTION 5. The following amounts are hereby appropriated in the Capital Project Fund for the construction of six capital projects for the fiscal year beginning July 1, 2022 and ending June 30, 2023 in accordance with the chart of accounts heretofore approved for the Town:

<u>EXPENDITURES</u>	<u>BUDGETED</u>
Municipal Building	\$ 800,000.00
Moze Heritage	\$ 241,500.00
Multiuse Path	\$ 642,570.00
Navassa Storm Water	\$ 263,300.00
Navassa Waterfront Park	\$ 415,868.00
Indian Creek Project	\$ 521,002.00

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Total: \$2,884,240.00

SECTION 6. It is estimated that the following revenues will be available in the Capital Project Fund for the fiscal year beginning July 1, 2022 and ending June 20, 2023.

<u>REVENUE:</u>	<u>BUDGETED</u>
Municipal Building-General Fund	\$ 800,000.00
Moze Heritage – Kerr McGee Settlement	\$ 241,500.00
Multiuse Path	
DOT Match	\$ 585,432.00
Town Match	\$ 57,138.00
Navassa Storm Water – Kerr McGee Settlement	\$ 263,300.00
Navassa Waterfront Park – Kerr McGee Settlement	\$ 415,868.00
Indian Creek Project – Kerr McGee Settlement	\$ 521,002.00
Total:	\$2,884,240.00

SECTION 7. There is hereby levied a tax rate of twenty cents (.23) per one hundred dollars (100.00) valuation of property listed as of January 1, 2022 for the purpose of raising revenue included in “Ad Valorem Taxes – Current Year” in the General Fund, in Section 2 of this ordinance. This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$126,626,960.00 an estimated collection rate of 93%.

SECTION 8. The Budget Officer is hereby authorized to transfer appropriations as contained herewith under the following conditions:

- a. Budget Officer may transfer amounts between line item expenditures within a department without limitation and without a report being required. These changes should result in increased in recurring obligations such as salaries.
- b. Budget Officer may transfer amounts up to \$1,000.00 between departments, including contingency appropriations, within the same fund. Budget Officer must make an official report on such transfers at the next regular meeting of the Town Council.
- c. Budget Officer may not transfer any amounts between fund except as approved by the Town Council in the Budget Ordinance as amended.

SECTION 9. The Budget Officer may make cash advances between funds for periods not to exceed sixty (60) days without reporting to Town Council. Any

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advances that exceed sixty (60) days must be approved by Town Council. All advances that will be outstanding at the end of the fiscal year must be approved by Town Council.

SECTION 10. Copies of this Budget Ordinance shall be furnished to the Town Clerk, Budget Officer, and Finance Officer to be kept on file by them for their direction in the disbursement of funds.

Adopted this _____ day of June, 2022.

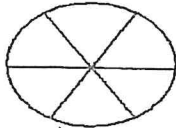
Jerry Merrick, Mayor Pro Tem

Seal

Michelyn Alston, Town Clerk

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People Working



For People

TOWN OF NAVASSA
334 MAIN STREET
NAVASSA, NC 28451
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Town Council
Eulis A. Willis, Mayor
Jerry Merrick, Mayor Pro Tem
William Ballard
Ida Dixon
James Hardy
Ernest Mooring

Claudia A. Bray,
Town Administrator/Finance Officer
Michelyn Alston,
Town Clerk/Deputy Finance Officer

May 31, 2022

NC Department of State Treasurer
Attn. Susan McCullen, CPA
3200 Atlantic Ave.
Raleigh, NC 27604

Dear Ms. McCullen,

In response to the letter dated May 20, 2022, from the State and Local Government Finance Department. We've made several attempts to have a special meeting to address the issues noted in the letter. However, the attempts were failed due to lack of quorum. We understand the severity of the matter and have a plan for resolution if we can get a quorum to act. We have a special meeting scheduled for Thursday, June 2, 2022 at 9:00 am.

We have negotiated with Claudia A. Bray; she is willing to work as a part time employee as the grant administrator and finance officer until the Town finds someone to take over her role. Due to timing with the upcoming budget adoption and other deadlines, we felt that this was the best course of action at this point. In addition, we are reaching out to Senator Bill Rabon for assistance. We are requesting that he introduce a local bill to amend the charter adding the requirements for a quorum to three members. Currently, there is no quorum requirement established in the charter. Therefore, that will remove the issue of a quorum and we can continue to conduct the business at hand.

In addition, we have contacted the Cape Fear Council of Government Allen Serkin; he is assisting and supporting us in contacting Senator Rabon. We have discussed with Allen in finding an interim person as well. I don't know if you are able to do so but a letter from your organization to Senator Rabon supporting our efforts would be greatly appreciated.

Further in response to item# 4, Michelyn Alston handles the accounts payable function. She issues the checks and the finance officer and councilmember verify the invoices against the checks written and signs the checks. As far as bank reconciliation, that process has changed after the meeting. The finance officer does the bank reconciliation, and the deputy finance officer checks the reconciliation against the bank statements.

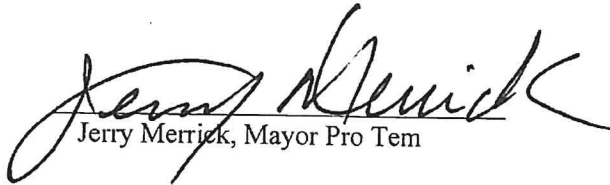
We understand the fiduciary responsibilities and take it very seriously. We've made significant improvements with our new finance team and it's important that will continue to do so. Hopefully, the other councilmembers will come on board and support our efforts.

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Thank you for your assistance and cooperation.

Warmest Regards,

Navassa Town Council


Jerry Merrick, Mayor Pro Tem


William Ballard


James Hardy

Ernest Mooring

Ida Dixon

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Independent Contractor Agreement

This Agreement is made between Town of Navassa ("Client") with a principal place of business at 334 Main St., Navassa, NC and Claudia A. Bray- Bray Consulting Services ("Contractor").

1. Services to Be Performed

Contractor agrees to perform the following services: Financial and Grant Administration (See Attachment A). Any request outside of that scope of work will be billed at \$28.84 hourly. Client agrees that the Contractor will work remotely unless an activity requires her to come to the office; for example, coding the invoices. Client agrees that the Contractor will work directly with the Finance Officer and will have no contract with other council members unless requested by Finance Officer.

2. Payment

In consideration for the services to be performed by Contractor, Client agrees to pay Contractor at the rate of \$3,000 monthly. The Client will be paid on a biweekly (\$1,500.00) basis. Contractor shall be paid one week after Contractor submits an invoice to Client. The invoice should include the following: the dates covered by the invoice, and a summary of the work performed and completed.

3. Expenses

Contractor shall be responsible for all expenses incurred while performing services under this Agreement. This includes automobile, truck, and other travel expenses; vehicle maintenance and repair costs; vehicle and other license fees and permits; insurance premiums; road, fuel, and other taxes; fines; radio, pager, or cell phone expenses; meals; and all salary, expenses, and other compensation paid to employees or contract personnel the Contractor hires to complete the work under this Agreement.

4. Vehicles and Equipment

Client will furnish all vehicles, equipment, tools, and materials used to provide the services required by this Agreement. Client will not require Contractor to rent or purchase any equipment, product, or service as a condition of entering into this Agreement. Client will allow the Contractor to use their desktop, laptop and email account.

5. Business Licenses, Permits, and Certificates

Contractor represents and warrants that Contractor will comply with all federal, state, and local laws requiring drivers and other licenses, business permits, and certificates required to carry out the services to be performed under this Agreement.

6. State and Federal Taxes

Client will not:

- withhold FICA (Social Security and Medicare taxes) from Contractor's payments or make FICA payments on Contractor's behalf

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- make state or federal unemployment compensation contributions on Contractor's behalf, or
- withhold state or federal income tax from Contractor's payments.

Contractor shall pay all taxes incurred while performing services under this Agreement—including all applicable income taxes and, if Contractor is not a corporation, self-employment (Social Security) taxes.

7. Fringe Benefits

Contractor understands that she is not eligible to participate in any employee pension, health, vacation pay, sick pay, or other fringe benefit plan of Client.

8. Unemployment Compensation

Client shall make no state or federal unemployment compensation payments on behalf of Contractor. Contractor will not be entitled to these benefits in connection with work performed under this Agreement.

9. Workers' Compensation

Client shall not obtain workers' compensation insurance on behalf of Contractor.

10. Insurance

Client shall not provide insurance coverage of any kind for Contractor.

11. Indemnification

Contractor shall indemnify and hold Client harmless from any loss or liability arising from performing services under this Agreement.

12. Term of Agreement

This agreement will become effective when signed by both parties and will terminate on the earlier of:

- the term of the agreement will be six months to enable Client to find a competent replacement or
- The date a party terminates the Agreement as provided below:

13. Terminating the Agreement

With reasonable cause, either Client or Contractor may terminate this Agreement, effective immediately upon giving written notice.

Reasonable cause includes:

- a material violation of this Agreement, or
- any act exposing the other party to liability to others for personal injury or property damage.

OR

Either party may terminate this Agreement at any time by giving 30 days' written notice to the other party of the intent to terminate.

14. Exclusive Agreement

This is the entire Agreement between Contractor and Client.

15. Modifying the Agreement

This Agreement may be modified only by a writing signed by both parties.

16. Resolving Disputes

If a dispute arises under this Agreement, any party may take the matter to North Carolina state court, jurisdiction of the county of Brunswick.

17. Confidentiality

Contractor acknowledges that it will be necessary for Client to disclose certain confidential and proprietary information to Contractor for the Contractor to perform duties under this Agreement. Contractor acknowledges that disclosure to a third party or misuse of this proprietary or confidential information would irreparably harm Client. Accordingly, Contractor will not disclose or use, either during or after the term of this Agreement, any proprietary or confidential information of Client without Client's prior written permission except to the extent necessary to perform services on Client's behalf. Proprietary or confidential information includes:

- the written, printed, graphic, or electronically recorded materials furnished by Client for Contractor to use
- any written or tangible information stamped "confidential," "proprietary," or with a similar legend, or any information that Client makes reasonable efforts to maintain the secrecy of
- business or marketing plans or strategies, customer lists, operating procedures, trade secrets, design formulas, know-how and processes, computer programs and inventories, discoveries, and improvements of any kind, sales projections, and pricing information
- information belonging to customers and suppliers of Client about whom Contractor gained knowledge because of Contractor's services to Client, and

Upon termination of Contractor's services to Client, or at Client's request, Contractor shall deliver to Client all materials in Contractor's possession relating to Client's business. Contractor acknowledges that any breach or threatened breach of Clause 17 of this Agreement will result in irreparable harm to Client for which damages would be an inadequate remedy. Therefore, Client shall be entitled to equitable relief, including an injunction, in the event of such breach or threatened breach of Clause 17 of this Agreement. Such equitable relief shall be in addition to Client's rights and remedies otherwise available at law.

18. Proprietary Information.

A. The product of all work performed under this Agreement ("Work Product"), including without limitation all notes, reports, documentation, drawings, computer programs, inventions, creations, works, devices, models, work-in-progress and deliverables will be the sole property of the Client, and Contractor hereby assigns to the Client all right, title and interest therein, including but not limited to all audiovisual,

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literary, moral rights and other copyrights, patent rights, trade secret rights and other proprietary rights therein. Contractor retains no right to use the Work Product and agree not to challenge the validity of the Client's ownership in the Work Product.

B. Contractor hereby assigns to the Client all right, title, and interest in any and all photographic images and videos or audio recordings made by the Client during Contractor's work for them, including, but not limited to, any royalties, proceeds, or other benefits derived from such photographs or recordings.

C. The Client will be entitled to use Contractor's name and/or likeness use in advertising and other materials.

19. No Partnership

This Agreement does not create a partnership relationship. Contractor does not have authority to enter into contracts on Client's behalf.

20. Assignment and Delegation

Contractor may not assign or subcontract any rights or delegate any of its duties under this Agreement without Client's prior written approval.

21. Applicable Law

This Agreement will be governed by North Carolina law, without giving effect to conflict of laws principles.

Signatures

Client/Owner: _____
Printed Name

Signature

Date

Contractor: _____
Printed Name

Signature

Date

ATTACHEMENT A

Financial Services includes the following:

1. Payroll:

- a. Biweekly Payroll/Direct Deposit
- b. Council Stipend
- c. Federal Tax Deposit
- d. NC State Tax Deposit
- e. Orbit Submission
- f. 401K/457 Submission
- g. Quarterly Reports 941
- h. W2/W3 Submission

2. Budget Activity:

- a. Bank Reconciliation
- b. Adjusting Entries – FY 2020-2021
- c. Closing Budget Year – FY 2020-2021
- d. Any necessary General Entries and Budget Amendment
- e. Audit Preparation FY 2021-2022
- f. Create new budget in FMS FY 2022-2023

3. Accounts Payable:

- a. Invoice Coding
- b. Budget vs Actuals

Grant Administration: submitting all the required activities; pay request, quarterly reports, biweekly conference calls, bid process, subcontractor selection and payment and the management of the following grants:

- a. Indian Creek
- b. Waterfront
- c. Storm Water
- d. Moze Heritage
- e. NCORR
- f. Strap
- g. Kerr McGee – OU1/OU2