



Town of Micro
Board of Commissioners Meeting AGENDA
Tuesday -March 10, 2026
7:00 p.m.
Micro Town Hall

1. CALL TO ORDER

- Call to Order
- Pledge of Allegiance
- Invocation

2. PUBLIC COMMENT

3. ADJUSTMENT/ADOPTION OF THE AGENDA

- a. Adjustments to the Agenda
- b. Adoption of the Agenda

POTENTIAL ACTION: Adoption of Agenda

4. CONSENT AGENDA

(Items on the consent agenda are considered routine in nature or have been thoroughly discussed at previous meetings. Any member of the Board may request to have an item removed from the consent agenda for further discussion.)

- a. Draft Minutes
 - [January 6, 2026 – Regular Meeting](#)
 - [February 10, 2026 – Regular Meeting](#)
- b. Resolution Directing Clerk to Certify Sufficiency Annexation #2026-14-ANX - Bizzell Grove Tract
 - [Resolution #2026-05](#)

POTENTIAL ACTION: Adoption of Consent Agenda as Presented

5. SPECIAL PRESENTATION/INTRODUCTIONS

6. FINANCIAL & WATER SEWER REPORT

- a. Billing Adjustment Report
Presenter: Christy Thomas, Finance Officer
 - [February 2026 Report](#)
- b. Monthly Financial Report Update
Presenter: Christy Thomas, Finance Officer
 - [General Ledger](#)
 - [Budget to Actual](#)
- c. Water Sewer Report
Presenter: Jason Banks, Public Works Director

7. PLANNING BOARD REPORT

- a. Planning Board Report
Presenter: Planning Board Representative

POTENTIAL ACTION: No Report - Feb. meeting cancelled due lack of action items

8. OLD BUSINESS

9. PUBLIC HEARINGS

10. NEW BUSINESS

- a. FY '26-'27 Budget Session #1 – March 26, 2026 @ 4:00 p.m.
Presenter: Kimberly Moffett, Town Clerk

- b. Website ADA Compliance
Presenter: Kimberly Moffett, Town Clerk

- c. Resolution Adopting Procurement Policy in Compliance with ARPA Requirements
Presenter: Kimberly Moffett, Town Clerk
- [Resolution #2026-02](#)

POTENTIAL ACTION: Adoption of Resolution #2026-02

- d. Resolution Adopting Record Retention Policy in Compliance with ARPA Requirements
Presenter: Kimberly Moffett, Town Clerk
- [Resolution #2026-03](#)

POTENTIAL ACTION: Adoption of Resolution #2026-03

- e. Resolution Adopting Internal Control Policy in Compliance with ARPA Requirements
Presenter: Kimberly Moffett, Town Clerk
- [Resolution #2026-04](#)

POTENTIAL ACTION: Adoption of Resolution #2026-04

11. COMMISSIONER REPORTS

- a. Special Events Report
Presenter: Katy Garcia, Commissioner

POTENTIAL ACTION: None - Informational Only

12. CLOSED SESSION

13. ADJOURNMENT

- a. Adjourn the Meeting

POTENTIAL ACTION: Motion to Adjourn



Town of Micro
Board of Commissioners Meeting AGENDA
Tuesday - January 6, 2026
7:00 p.m.
Micro Town Hall

Elected Officials Present:

Marty Parnell, Mayor
Kevin Worley, Commissioner
Tim Earp, Mayor Pro Tem
Katy Garcia, Commissioner

Others Present:

Christy Thomas, Finance Officer
Jason Banks, Public Works Director
Kimberly Moffett, Town Clerk

1. CALL TO ORDER

- Call to Order
- Pledge of Allegiance
- Invocation

Mayor Parnell called the meeting to order at 7:03 p.m. He led everyone in the Pledge of Allegiance and Jason Banks offered the Invocation.

2. PUBLIC COMMENT

3. ADJUSTMENT/ADOPTION OF THE AGENDA

- a. Adjustments to the Agenda

It was requested to add the following items to the agenda under Old Business discussion regarding Powell Bill and add under New Business; hours of operation, part time police officer and fence quotes.

- b. Adoption of the Agenda

ACTION: Adoption of Agenda with additions as noted above

Motion: Council Member Garcia
Second: Council Member Worley
Vote: Unanimous

4. CONSENT AGENDA

(Items on the consent agenda are considered routine in nature or have been thoroughly discussed at previous meetings. Any member of the Board may request to have an item removed from the consent agenda for further discussion.)

- a. Draft Minutes
- *December 17, 2025 – Special Meeting*

ACTION: Adoption of Consent Agenda as Presented

Motion: Council Member Worley
Second: Mayor Pro Tem Earp
Vote: Unanimous

5. SPECIAL PRESENTATION/INTRODUCTIONS

6. FINANCIAL & WATER SEWER REPORT

- a. Billing Adjustment Report
Presenter: Christy Thomas, Finance Officer

Ms. Thomas provided reports and stated there were a total of two requests for water leaks.

- b. Monthly Financial Report Update
Presenter: Christy Thomas, Finance Officer

Ms. Thomas provided a printed report that stated that everything was in good shape and that Mr. Worsley would be in the office on Friday to assist with any outstanding grant reporting. Ms. Thomas stated the check for the sale of the dump truck that was totaled was received. She further stated there would be some budget amendments that would be required. It was requested Mr. Worsley be contacted to obtain 3-4 dates he might be available to begin work on the upcoming FY budget.

- c. Water Sewer Report
Presenter: Jason Banks, Public Works Director

Mr. Banks reported that all DEQ reports are up to date. He provided an update on Bizzell Grove Subdivision and stated that sewers installed, and they were getting ready to connect to county water. He also reported that we are currently waiting to hear back from DEQ regarding requirement for a separate ORC in town. He stated the dump truck had been sold, the street sweeper was up and running, all repairs to the F-350 had been completed, chemical pumps for wells were purchased (these need to be changed out every two years), and cost of antenna to read meters is approximately \$59,000. He stated all SCADA issues had been addressed and there have been no communication failures recently. He stated that Step Construction had cut the lock on wet well #5. He stated the front of the town building had been pressure washed and all Christmas lights were taken down. He stated letters had been sent out to residents informing them of the Lead & Copper Inventory project.

7. PLANNING BOARD REPORT

- a. Planning Board Report
Presenter: Planning Board Representative

POTENTIAL ACTION: There is no report as no meeting was held in December

8. NEW BUSINESS

- a. Powell Bill Discussion

It was stated there is currently \$137,240.48 available in the Powell Bill Street Fund. There was discussion about speed bumps, and all agreed they were not fans of speed bumps but were willing to consider them as a option for placement at Davis, Fayetteville and Wilson. Ms. Moffett stated she did not believe that Powell Bills could be expended on speed bumps, but research would be done to confirm. Further discussion was had regarding locations needing work and they included RR Street by the Post Office, W. Fayetteville Street, Hinnant Street, RR by Hinnant Outreach and Charles Street.

9 PUBLIC HEARINGS

10. NEW BUSINESS

- a. Ordinance – Amending Fees & Charges

Ms. Moffett stated this ordinance would amend the Comprehensive List of Fees & Charges to indicate that the water meter charge & inspection fee would be \$550. Language will be amended to include the word “installation”

ACTION: Adoption of Ordinance # 2026-01-01 with amendment

Motion: Mayor Pro Tem Earp
Second: Commissioner Worley
Vote: Unanimous

- b.

Fats, Oil and Grease (FOG) Ordinance & Grease Trap Ordinance Discussion
Presenter: Jason Banks, Public Works Director

Mr. Banks stated he would provide a draft version of an ordinance for consideration at the February regular meeting.

ACTION: Direct Staff to Proceed

- c.

Resolution – Adopting Updated Language in Utility Billing Document
Presenter: Kimberly A. Moffett, Town Clerk

Ms. Moffett stated the proposed language change referred to changing the “disconnect fee” to read as a “non-payment fee”, additional language about sewer was included in the application for service packet and additional detailed information about payment extensions and payment plans.

ACTION: Adoption of Resolution #2026-01

Motion: Commissioner Garcia
Second: Mayor Pro Tem Earp
Vote: Unanimous

- d.

Discussion Regarding Options for Utility Billing Clerk
Presenter: Marty Parnell, Mayor

ACTION: Table to Future Meeting

- e.

Planning Board / Board of Adjustment Potential Appointments
Presenter: Kimberly Moffett, Town Clerk

Ms. Moffett stated that both Gary Wheeler and Chad Holloman agreed to serve another 3-year terms on the Planning Board/Board of Adjustment. As both these positions are ETJ, final appointments are made by the Johnston County Commissioners. Ms. Moffett stated she would forward these recommendations along to the County Commissioners.

ACTION: Approval Appointments to Planning Board/BOA

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

- f. Discussion Regard Hours of Operation Administrative Offices

ACTION: Table to Future Meeting

- g. Part Time Police Officer
Presenter: Commissioner Kevin Worley

There was discussion regarding possibility of hiring a part-time officer. It was agreed that a discussion would be had with Mr. Worsley to determine if that was possible, financially, as there are additional considerations other than salary.

- h. Fence Quote for Park

Commissioner Worley reported that he had received two quotes for the fence. The first quote was for \$29,000, which would be a refurbished fence and the second quote was for \$39,000 which would include 6' industrial commercial grade fence. Commissioner Garcia stated the quote she received was for an aluminum fence at \$46,000.

ACTION: Approval to Go with \$39,000 quote

Motion: Commissioner Worley
Second: Mayor Pro Tem Earp
Vote: Unanimous

11. COMMISSIONER REPORTS

- a. Special Events Report
Presenter: Katy Garcia, Commissioner

Commissioner Garcia stated the Ball Drop was an excellent family event and everyone that attended seemed to enjoy themselves. She spoke about possibly looking into holding a Family Game Night at the Community Center in February.

12. CLOSED SESSION

13. ADJOURNMENT

- a. Adjourn the Meeting

With there being nothing further the meeting was adjourned at 9:22 p.m.

ACTION: Motion to Adjourn

Motion: Commissioner Worley

Second:
Vote:

Commissioner Garcia
Unanimous

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk



**Town of Micro
Board of Commissioners Meeting
MINUTES
Tuesday -February 10, 2026
7:00 p.m.
Micro Town Hall**

Elected Officials Present:

Marty Parnell, Mayor
Kevin Worley, Commissioner
Katy Garcia, Commissioner

Others Present:

Christy Thomas, Finance Officer
Kimberly Moffett, Town Clerk
Mike Wilber, Town Attorney

1. CALL TO ORDER

- Call to Order
- Pledge of Allegiance
- Invocation

Mayor Parnell called the meeting to order at 7:00 p.m. He led everyone in the Pledge of Allegiance and offered the Invocation.

2. PUBLIC COMMENT

3. ADJUSTMENT/ADOPTION OF THE AGENDA

- a. Adjustments to the Agenda

It was requested that Item 6c be removed as Public Works Director Banks was unable to attend the meeting.

- b. Adoption of the Agenda

ACTION: Adoption of Agenda w/amendment as noted above

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

4. CONSENT AGENDA

(Items on the consent agenda are considered routine in nature or have been thoroughly discussed at previous meetings. Any member of the Board may request to have an item removed from the consent agenda for further discussion.)

- a. Draft Minutes

- [January 13, 2026 – Staff Meeting](#)
- [January 23, 2026 – Special Meeting](#)

ACTION: Adoption of Consent Agenda as Presented

Motion: Commissioner Worley
Second: Commissioner Garcia
Vote: Unanimous

5. SPECIAL PRESENTATION/INTRODUCTIONS

6. FINANCIAL & WATER SEWER REPORT

- a. Billing Adjustment Report
Presenter: Christy Thomas, Finance Officer

Ms. Thomas provided a printed report and stated there were a total of 4 adjustments made for leaks.

- b. Monthly Financial Report Update
Presenter: Christy Thomas, Finance Officer

Ms. Thomas provided printed reports of both the Budget vs. Actual as well as General Ledger. She stated we are in good shape. She stated all bank reconciliations are current and up to date. There were no questions.

- c. ~~Water Sewer Report~~
~~*Presenter:* Jason Banks, Public Works Director~~

7. PLANNING BOARD REPORT

- a. Planning Board Report
Presenter: Planning Board Representative

There was no Planning Board meeting in January due to inclement weather, however, Ms. Moffett stated that Planning Board members had reviewed the application for 2026-01-SUP for completeness.

8. OLD BUSINESS

9. PUBLIC HEARINGS

- a. 2026-01-SUP – 108 W. Fayetteville Street - *Quasi-Judicial*
Presenter: Kimberly A. Moffett, Town Clerk & Applicant

Town Attorney Wilber was present and provided an overview of a Quasi-Judicial process. He stated all testimony must be given under oath. All decisions made by the Council must be made based on Findings of Fact, testimony and evidence provided at the meeting.

Attorney Wilber issued the oath to applicant, translator for applicant and Ms. Moffett.

ACTION: Open Public Hearing at 7:08 p.m.

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

Ms. Moffett stated application for 2026-01-SUP was received on January 13, 2026. The name of the project is Selma Islamic Center Inc., and the applicant is Elgareh Sebaey Mohamed. Request is for use of an accessory apartment to be located at 108 W. Fayetteville Street, Micro. Current zoning at this location is CD – Commercial Downtown.

Section 3-103-3 – Table of Permitted Uses allows the use of a dwelling, attached house via the Special Use Permit Process in the CD zoning district, with additional requirements per 4-101-20 as follows:

"An attached house may consist of a single-family dwelling located on floors, above, below or behind a street-level floor"

The application was reviewed for completeness by staff, as well as the Planning Board. Ms. Moffett stated a Special Use Permit requires the following:

Findings of Facts must be addressed and met to receive an approval.

Notice as required by 2-103-2 was completed – all property owners within a 100' radius of subject parcel were notified of public hearing via US postal service.

Signage was posted at parcel location at least 10 days prior to hearing

A quasi-judicial hearing shall be held pursuant to 2-104.

A simple majority of the Board of Commissioners is required for approval.

Any conditions for approval shall be specified in motion and on permit.

At this time, each Finding of Fact was read and applicant, Elgareh Sebaey Mohamed, via his interpreter, stated all Finding of Facts had been met.

Ms. Moffett stated the application would be entered into evidence as Exhibit "A".

At this time the following Finding of Facts was read:

FINDING OF FACT #1:

The proposed use and development comply with the applicable regulations of this Ordinance.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #2:

The proposed use and improvements are compatible with the character of the surrounding area and the capacity of neighboring lands to develop as permitted in the applicable zoning district.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #3:

The proposed use will have minimal adverse impact on surrounding land regarding service delivery, traffic circulation, aesthetics, odor, noise, glare, and vibration.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #4:

The use will not deteriorate or otherwise adversely impact water, air, scenic, and other natural resources.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #5:

The use will maintain safe ingress and egress to the site. Commissioner Worley voiced his concerns about parking on sidewalks that has taken place. He stated he would like to add a condition ensuring there would be parking on sidewalks.

ACTION: Motion to Approve with Condition

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #6:

The use will be served by adequate road and infrastructure to support development of the site.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #7:

The use will protect property values and preserve public safety and welfare of the surrounding area and community at-large.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

FINDING OF FACT #8:

The use complies with other applicable town, state, and federal laws regulating development of land within the Town's jurisdiction.

ACTION: Motion to Approve

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

ACTION: Close Hearing at 7:18 p.m.

Motion: Commissioner Worley
Second: Commissioner Garcia
Vote: Unanimous

ACTION: Approve #2026-01-SUP w/ Condition as listed in FOF #5

Motion: Commissioner Worley
Second: Commissioner Garcia
Vote: Unanimous

10. NEW BUSINESS

- a. Ordinance – Fats, Oil, Grease (FOG) & Great Trap
Presenter: Jason Banks, Public Works Director

Ms. Moffett stated that Mr. Banks was unable to attend the meeting. She provided a brief overview on the draft ordinance that was presented at the January meeting. There were no questions or concerns.

ACTION: Adoption of Ordinance # 2026-02-01

Motion: Commissioner Worley
Second: Commissioner Garcia
Vote: Unanimous

- b. Ordinance – Budget Amendments
Presenter: Christy Thomas, Finance Officer

Ms. Thomas provided information regarding the budget amendments. She stated that she had worked with Mr. Worsley on these.

ACTION: Adoption of Ordinance #2026-02-02

Motion: Commissioner Garcia
Second: Commissioner Worley
Vote: Unanimous

- c. Options for Part-Time Utility Billing Clerk

Ms. Moffett provided information about opportunity to apply for a fellow apprenticeship from School of Government. It was agreed to hold off.

- d. Hours of Operation

There was discussion about current hours, and it was agreed to maintain current office hours of Monday – Thursday from 10:00 a.m. – 4:00 p.m., and office closed to public on Fridays. Ms. Moffett stated that staff are in the office beginning at 8:00 a.m. each day and if there is someone at the front door, staff always unlocks the door and assists.

11. COMMISSIONER REPORTS

- a. Special Events Report
Presenter: Katy Garcia, Commissioner

Commissioner Garcia stated she would be reaching out to Kingdon Builders to begin planning Easter Event in Jerome Park.

Mayor Parnell stated there had been a slight delay in concrete pouring for fence at Jerome Park due to inclement weather.

Commissioner Godwin stated the county was aware of several municipalities' concerns regarding the cost share for the Fire Department. He stated the commissioners were open to having additional discussion regarding this to hear feedback as well as alternative solutions.

12. CLOSED SESSION

13. ADJOURNMENT

- a. Adjourn the Meeting

With there being nothing further the meeting was adjourned at 7:41 p.m.

<u>ACTION:</u>	Motion to Adjourn
Motion:	Commissioner Garcia
Second:	Commissioner Worley
Vote:	Unanimous

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk



TOWN OF MICRO
PO Box 9
450 US Highway 301 N
Micro, NC 27555
Office: 919-284-2572

SPECIAL USE PERMIT APPLICATION

\$250 fee + any applicable zoning fee(s)



New Special Use Permit



Modification to Previously Approved SUP

SITE INFORMATION:

Name of Project: Selma Islamic Center, Inc.

Acreage of Property: 0.23 Zoning District: Commercial

County Tag #: 2000268492 NC Pin #: 263619-60-2696

Address/Location: 108 Fayetteville St, Micro, NC 27555

Existing Use: Religious institution

APPLICANT INFORMATION:

Applicant: Elgareh Sebaey Mohamed

Mailing Address: P.O. Box 52 Micro, NC 27555

Phone: (310) 925-5055

Contact Person Name: Elgareh Sebaey Mohamed Phone: (310) 925-5055

Email: islamoneem@gmail.com

OFFICE USE ONLY:

Date Received: 1/18/26 Amount Paid: \$ 250 File Number: 2026-01-SUP

clc.

PROPERTY OWNER INFORMATION:

Owner: Selma Islamic Center, INC.

Mailing Address: P.O. Box 52 Micro, NC 27555

Phone: (310) 925-5055

Phone: (310) 925-5055

Email: islamoneem@gmail.com

EXPLANATION OF PROJECT:

Please provide detailed information concerning this request.

The subject property is an existing religious facility currently operated as the Selma Islamic Center (Alsalam Mosque). The building was previously used as a church and has been utilized for religious worship and related activities for approximately two years without any adverse impacts to the surrounding area.

The purpose of this Special Use Permit request is to allow limited on-site accommodation for the Imam as an accessory use to the primary religious function of the property. The on-site accommodation is intended solely to support the religious, pastoral, and counseling responsibilities of the Imam and is subordinate to the primary use of the property as a place of worship and community service.

The Imam provides daily religious services, pastoral counseling, and community support that often occur at varying times throughout the day and evening, including early morning and late evening prayer services, as well as unscheduled counseling needs. On-site accommodation will allow the Imam to be available to respond to time-sensitive religious obligations and pastoral care responsibilities while maintaining the existing operations of the mosque.

The proposed accommodation will be located within an existing portion of the building, primarily within the upstairs area, and will not require exterior modifications or expansion of the structure. All worship, office, and community service activities will continue to occur on the main level of the building. Existing kitchen and restroom facilities were previously installed during the property's prior use as a church and will continue to serve the facility as currently configured.

No changes are proposed to the exterior appearance, lighting, signage, parking layout, or access points of the property. Traffic patterns, parking demand, noise levels, and hours of activity are expected to remain consistent with the established and observed use of the property over the past two years. The presence of the Imam on-site overnight will not increase attendance, traffic, or intensity of use.

The Selma Islamic Center operates as a non-profit religious organization and serves the local community through worship services, counseling, educational activities, and religious observances. The proposed accessory accommodation is customary for religious institutions and is necessary for the continued operation of the mosque in a manner consistent with its mission and service to the community.

The request is consistent with the intent of the Town of Micro's zoning ordinance and will allow the continued use of an existing religious facility in a manner that is low-impact, service-oriented, and compatible with surrounding properties.

REQUIRED FINDINGS OF FACT:

Section 2-105-6 of the Town of Micro Zoning Ordinance requires applications for a Special Use Permit address the following findings. The burden is on the applicant and failure to adequately address the findings may result in denial of the application. Please attach additional sheets if necessary.

1. The proposed use and development comply with the applicable regulations of this Ordinance.

The proposed use complies with the applicable regulations of the Town of Micro Zoning Ordinance. The subject property is located within the Commercial zoning district and is an existing religious facility that has been continuously operated as a place of worship without violation of applicable zoning or development regulations. The request does not involve a change in the primary use of the property, expansion of the structure, or alteration of the site layout. The proposed on-site accommodation for the Imam is accessory and subordinate to the primary religious use and is intended solely to support the operation of the mosque through pastoral care, counseling, and time-sensitive religious services. No exterior modifications, additional parking areas, changes to access points, signage, lighting, or utilities are proposed. The property will continue to comply with all applicable zoning, building, fire, safety, and health regulations, as previously inspected and approved. Therefore, the proposed use and development are consistent with and compliant with the applicable provisions of the Town of Micro Zoning Ordinance.

2. The proposed use and improvements are compatible with the character of the surrounding area and the capacity of neighboring lands to develop as permitted in the applicable zoning district.

The proposed use and improvements are compatible with the character of the surrounding area and with the capacity of neighboring properties to develop as permitted within the applicable zoning district. The subject property is an existing institutional structure that was previously used as a church and is currently operated as a mosque, a use that is similar in nature, scale, and function to its prior use. The surrounding area has already experienced and accommodated religious use of the property, including regular services, periodic larger gatherings, and community-based activities, without adverse impact to adjacent properties. The proposed request does not introduce a new use or increase the intensity of the existing use. The on-site accommodation for the Imam is accessory and subordinate to the primary religious use and will occur entirely within the existing structure. No exterior changes, site expansions, or modifications to parking, access, or infrastructure are proposed. The continued use of the property as a religious facility, with limited on-site accommodation to support pastoral responsibilities, is consistent with the established character of the area and does not interfere with or limit the ability of surrounding properties to develop or be used as permitted under current zoning regulations.

3. The proposed use will have minimal adverse impact on surrounding land with regard to service delivery, traffic circulation, aesthetics, odor, noise, glare, and vibration.

The proposed use will have minimal adverse impact on surrounding properties with regard to service delivery, traffic circulation, aesthetics, odor, noise, glare, or vibration. The property has been actively used as a religious facility for approximately two years, and the Town has already observed the operational patterns associated with worship services and community activities. The request does not propose an increase in the intensity of use, expansion of services, or changes to attendance patterns. Traffic associated with daily activities is minimal, with periodic increases occurring during established worship times such as Friday services and seasonal religious observances, which have historically been accommodated without issue. The proposed on-site accommodation for the Imam will not generate additional traffic, parking demand, or noise. Any additional vehicle presence will be limited, infrequent, and comparable to existing conditions already experienced at the site. All activities occur within the existing building, and no exterior amplified sound, additional lighting, signage, or visual alterations are proposed. The use will continue to be low-impact in nature, with no generation of odors, glare, or vibration beyond that typical of a quiet institutional use. Therefore, the proposed use will have minimal adverse impact on surrounding land and is consistent with the existing character and operations of the property.

4. The use will not deteriorate or otherwise adversely impact water, air, scenic, and other natural resources.

The proposed use will not deteriorate or otherwise adversely impact water, air, scenic, or other natural resources. The request does not involve land disturbance, grading, excavation, or modification of the existing site. No changes are proposed to impervious surfaces, drainage patterns, utilities, or stormwater management. All activities will continue to occur within the existing structure, and no exterior modifications or expansions are planned. The proposed on-site accommodation for the Imam does not introduce any new environmental impacts beyond those already associated with the existing, permitted religious use of the property. The use will continue to rely on existing municipal services and infrastructure. As such, the proposed use will maintain existing environmental conditions and will not adversely affect natural resources within or surrounding the site.

5. The use will maintain safe ingress and egress to the site.

The proposed use will maintain safe ingress and egress to the site. The property is served by existing, established access points that have been safely used during the prior operation of the building as a church and its current use as a mosque. No changes are proposed to driveways, access locations, or internal circulation. The proposed accessory on-site accommodation for the Imam will occur within the existing building and will not alter traffic patterns or site access. The continued use of the property will maintain safe and adequate ingress and egress consistent with existing conditions.

6. The use will be served by adequate road and infrastructure to support development of the site.

The proposed use will be served by adequate road access and existing infrastructure to support the site. The property is an existing, developed site with established roadway access, parking, and utilities that have supported the building's prior use as a church and its current use as a mosque. No expansion of the structure, no change to site layout, and no additional infrastructure improvements are proposed as part of this request. The limited on-site accommodation for the Imam is accessory to the primary religious use and will occur within the existing building footprint. The site is already served by existing utilities and services (including water/sewer, electric, and solid waste service), and the existing road network and access are adequate to accommodate the established traffic patterns associated with the current use. Therefore, the use will continue to be supported by adequate road access and infrastructure consistent with existing conditions.

7. The use will protect property values and preserve public safety and welfare of the surrounding area and community at-large.

The proposed use will protect property values and preserve the public safety and welfare of the surrounding area and the community at-large. The property has been continuously used as a religious institution, first as a church and currently as a mosque, without adverse effects on neighboring properties or the surrounding area. The request does not involve expansion of the structure, increased intensity of use, or changes to site operations that would negatively affect surrounding properties. The on-site accommodation for the Imam is accessory and subordinate to the primary religious use and will not increase traffic, noise, lighting, or other impacts that could affect property values. The Selma Islamic Center operates as a non-profit religious organization that provides orderly, peaceful, and community-oriented services, including worship, counseling, and educational activities. These uses are consistent with maintaining a stable, well-maintained property and supporting the general welfare of the community. The continued operation of the property as a religious facility, with limited on-site accommodation to support pastoral responsibilities, will maintain compatibility with the surrounding area and will not diminish property values or compromise public safety or welfare.

ADJACENT PROPERTY OWNERS LIST

Project Name: Selma Islamic Center (Alsalam Mosque)

The following are all the persons, firms, or corporations owning property within a 100' radius.

It is the responsibility of the applicant to correctly identify the current owner, based on records in the Johnston County GIS Office, for all property owners of land within the required public notice radius

PARCEL NUMBER	NAME	ADDRESS
10008008	T&D Joco Properties	104 West Fayetteville Street
10009003	Hail, Marion L.& Ray E.	105 West Fayetteville Street
10008010	Baker, Donna A	106 West Fayetteville Street
10009012	Dohm, Danny I. & Cynthia S.	201 West Fayetteville Street
10008013	Warehouse Properties	101 US Highway 301 South
10008048B	Awad Properties	102 US Highway 301 South
10008049	Eason, James William	104 US Highway 301 South
10008050	Urquidi, Paula Jean	106 US Highway 301 South
10008051	Ray, Lois B.	108 US Highway 301 South
10008016	MCS Properties LLC	111 West Main Street

8. The use complies with other applicable town, state, and federal laws regulating development of land within the Town's jurisdiction.

The proposed use complies with all applicable town, state, and federal laws regulating the development and use of land within the Town of Micro's jurisdiction. The property is owned and operated by a non-profit religious organization and is currently developed and maintained in compliance with applicable zoning, building, fire, health, and safety regulations.

This request does not involve a change to the primary land use of the property. Any interior improvements that may be necessary to support the accessory on-site accommodation will be conducted in accordance with applicable building codes and permitting requirements, as required.

All activities associated with the property, including worship services, counseling, and related religious functions, will continue to comply with applicable local, state, and federal laws. The property will be operated in a manner consistent with all applicable regulations governing land use and development within the Town of Micro.

PROCEDURE INFORMATION:

Applications for Special Use Permits shall be referred to the Planning Board. The Planning Board will report on its recommendation to the Board of Commissioners. After notice has been given pursuant to Section 2-103-2, a **quasi-judicial*** hearing shall be held pursuant to Section 2-104. Required mailed notice shall be sent to the owners of property within a 100° radius subject parcel boundary lines. A simple majority of the Board of Commissioners is required for approval of a Special Use Permit. Conditions for approval, if any, shall be specified in the motion and on the permit.

**A quasi-judicial hearing resembles a court trial where testimony is presented. Citizens may give testimony in a quasi-judicial hearing after they have taken an oath. The Board of Commissioners acts like a court of law and receives only sworn testimony and other credible evidence. In addition, the Board of Commissioners must make findings of fact based upon the evidence presented. The Board of Commissioners refrains from "ex parte communication" about these cases, as the Town Council must decide based solely on the evidence presented at the hearing itself.*

APPLICANT AFFIDAVIT:

I /We, the undersigned, do hereby make an application and petition to the Board of Commissioners of the Town of Micro to approve the Special Use Permit. I hereby certify that I have full legal right to request such action and that the statements and/or information made herein or any plans submitted are true and correct to the best of my knowledge. I understand this application and any related material become official records of the Town of Micro, North Carolina.

Elyah Mohamed

Print Name

Elyah Mohamed 01/13/26

Signature

Date

OWNERS CONSENT FORM

Consent is required from the property owner(s) if an agent/applicant will act on their behalf. A separate form is required for each owner.

Project Name: Salma Islamic Center, Inc. Address or PIN#: 108 Fayetteville St, Micro, NC 27555

AGENT/APPLICATION INFORMATION:

Elgareh Sebazy Mohammed
(Name - please type or print clearly)

191 Lennet Lane
(Address)

Garner, NC 27529
(City, State & Zip)

I hereby give CONSENT to the above referenced agent/applicant to act on my behalf, to submit applications and all required documents and materials, and to attend and represent me at all meetings and public hearings pertaining to the following process:

Special Use Permit Other If Other Indicate: _____

Furthermore, I hereby give consent to the party designated above to agree to all terms and conditions which may arise as part of the approval of this application.

I hereby certify that I have authority to execute this consent form as/on behalf of the property owner. I understand that any false, inaccurate or incomplete information provided by me, or my agent will result in the denial, revocation or administrative withdrawal of the application, request, approval or permit. I further agree to all terms and conditions that may be imposed as part of the approval process of this application.

OWNER AUTHORIZATION:

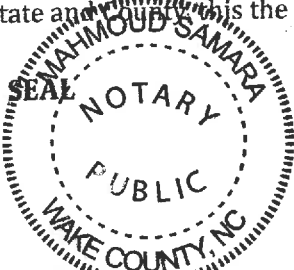
Elgareh Mohamed 191 Lennet Ln
(Name - please type or print clearly) (Address)

Elgareh Mohamed Garner NC 27529
(Signature) (City, State & Zip)

NOTARY:

STATE OF NC COUNTY OF Wake

Sworn to and subscribed before me mahmoud samara, a Notary Public for the above State and County, this the 12 day of 01 2028



mahmoud samara
Notary Public Signature

My Commission Expires:

03-03-2027

Exhibit "A"

OWNERS CONSENT FORM

Consent is required from the property owner(s) if an agent/applicant will act on their behalf. A separate form is required for each owner.

Project Name: Selma Islamic Center, Inc. Address or PIN#: 108 Fayetteville St, Micro, NC 27555

AGENT/APPLICATION INFORMATION:

Elgareh Sebaey Mohamed
(Name - please type or print clearly)

191 Lennei Lane
(Address)

Garner, NC 27529
(City, State & Zip)

I hereby give CONSENT to the above referenced agent/applicant to act on my behalf, to submit applications and all required documents and materials, and to attend and represent me at all meetings and public hearings pertaining to the following process:

Special Use Permit Other If Other Indicate: _____

Furthermore, I hereby give consent to the party designated above to agree to all terms and conditions which may arise as part of the approval of this application.

I hereby certify that I have authority to executive this consent form as/on behalf of the property owner. I understand that any false, inaccurate or incomplete information provided by me, or my agent will result in the denial, revocation or administrative withdrawal of the application, request, approval or permit. I further agree to all terms and conditions that may be imposed as part of the approval process of this application.

OWNER AUTHORIZATION:

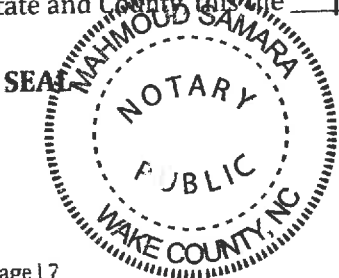
Nabil Algaferi 9891 Nc 216 Fous OK's
(Name - please type or print clearly) (Address)

Nabil Nc 27524
(Signature) (City, State & Zip)

NOTARY:

STATE OF Nc COUNTY OF wake

Sworn to and subscribed before me mahmoud samara, a Notary Public for the above State and County this the 12 day of 01 2026



mahmoud samara
Notary Public Signature

My Commission Expires:

03-03-2027

Exhibit "A"

OWNERS CONSENT FORM

Consent is required from the property owner(s) if an agent/applicant will act on their behalf. A separate form is required for each owner.

Project Name: Selma Islamic Center, Inc. Address or PIN#: 108 Fayetteville St, Micro, NC 27555

AGENT/APPLICATION INFORMATION:

Elgareh Sebacy Mohamed (Name - please type or print clearly) 191 Lennei Lane (Address)
Garner, NC 27529 (City, State & Zip)

I hereby give CONSENT to the above referenced agent/applicant to act on my behalf, to submit applications and all required documents and materials, and to attend and represent me at all meetings and public hearings pertaining to the following process:

Special Use Permit Other If Other Indicate: _____

Furthermore, I hereby give consent to the party designated above to agree to all terms and conditions which may arise as part of the approval of this application.

I hereby certify that I have authority to execute this consent form as/on behalf of the property owner. I understand that any false, inaccurate or incomplete information provided by me, or my agent will result in the denial, revocation or administrative withdrawal of the application, request, approval or permit. I further agree to all terms and conditions that may be imposed as part of the approval process of this application.

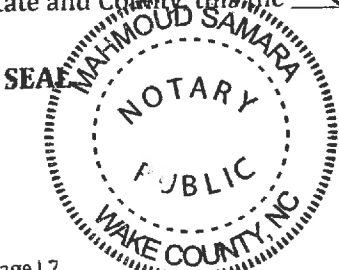
OWNER AUTHORIZATION:

Rhader al Beltaji (Name - please type or print clearly) 200 Amber Acorn Ave. (Address)
R. al Beltaji (Signature) Raleigh, N.C 27603 (City, State & Zip)

NOTARY:

STATE OF NC COUNTY OF Wake

Sworn to and subscribed before me Mahmoud Samara, a Notary Public for the above State and County, this the 12 day of 01 2026



Mahmoud Samara
Notary Public Signature

My Commission Expires:

03-03-2027

Exhibit "A"

OWNERS CONSENT FORM

Consent is required from the property owner(s) if an agent/applicant will act on their behalf. A separate form is required for each owner.

Project Name: Selma Islamic Center, Inc. Address or PIN#: 108 Fayetteville St, Micro, NC 27555

AGENT/APPLICATION INFORMATION:

Elgareh Sebacy Mohammed
(Name - please type or print clearly)

191 Lennei Lane
(Address)

Garner, NC 27529
(City, State & Zip)

I hereby give CONSENT to the above referenced agent/applicant to act on my behalf, to submit applications and all required documents and materials, and to attend and represent me at all meetings and public hearings pertaining to the following process:

Special Use Permit [] Other If Other Indicate: _____

Furthermore, I hereby give consent to the party designated above to agree to all terms and conditions which may arise as part of the approval of this application.

I hereby certify that I have authority to executive this consent form as/on behalf of the property owner. I understand that any false, inaccurate or incomplete information provided by me, or my agent will result in the denial, revocation or administrative withdrawal of the application, request, approval or permit. I further agree to all terms and conditions that may be imposed as part of the approval process of this application.

OWNER AUTHORIZATION:

Mohamed Alzuraiti 3928 Colinwood Ln
(Name - please type or print clearly) (Address)

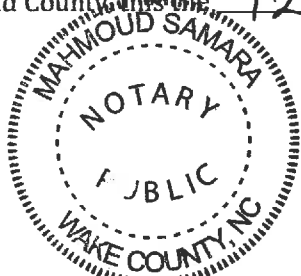
Mohamed Alzuraiti Raleigh, NC 27606
(Signature) (City, State & Zip)

NOTARY:

STATE OF NC COUNTY OF wake

Sworn to and subscribed before me mahmoud samara, a Notary Public for the above State and County, this 12 day of 01 2020

SEAL



mahmoud samara
Notary Public Signature

My Commission Expires:

03-03-2027

Exhibit "A"

OWNERS CONSENT FORM

Consent is required from the property owner(s) if an agent/applicant will act on their behalf. A separate form is required for each owner.

Project Name: Salma Islamic Center, Inc. Address or PIN#: 108 Fayetteville St, Micro, NC 27555

AGENT/APPLICATION INFORMATION:

Elgareh Sebacy Mohamed
(Name - please type or print clearly)

191 Lennei Lane
(Address)

Garner, NC 27529
(City, State & Zip)

I hereby give CONSENT to the above referenced agent/applicant to act on my behalf, to submit applications and all required documents and materials, and to attend and represent me at all meetings and public hearings pertaining to the following process:

Special Use Permit Other If Other Indicate: _____

Furthermore, I hereby give consent to the party designated above to agree to all terms and conditions which may arise as part of the approval of this application.

I hereby certify that I have authority to execute this consent form as/on behalf of the property owner. I understand that any false, inaccurate or incomplete information provided by me, or my agent will result in the denial, revocation or administrative withdrawal of the application, request, approval or permit. I further agree to all terms and conditions that may be imposed as part of the approval process of this application.

OWNER AUTHORIZATION:

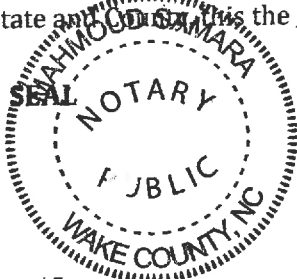
Mohamed Alwahishi 7812 US hwy 301S
(Name - please type or print clearly) (Address)

Mohamed Alwahishi four oaks NC 27524
(Signature) (City, State & Zip)

NOTARY:

STATE OF NC COUNTY OF wake

Sworn to and subscribed before me mahmoud samara a Notary Public for the above State and County on the 12 day of 01 2026



mahmoud samara
Notary Public Signature

My Commission Expires:

03-03-2027

Exhibit "A"

**North Carolina Limited Power of Attorney
Selma Islamic Center, INC.**

BE IT ACKNOWLEDGED that we the board members, **MOHAMED SALEH ALZURAIKI, NABIL ABDULLAH ALGAFNI, KHADER AL-BELTAJI, and MOHAMED ALWAHISHI** of Selma Islamic Center, INC, do hereby grant a limited and specific power of attorney to of **ELGAREH SEBAYER MOHAMED**, of 108 Fayetteville St, Micro, NC 27555, phone number (310) 925-5055 as my attorney-in-fact.

Said attorney-in-fact shall have full power and authority to undertake and perform only the following acts on my behalf:

To act on behalf of SELMA ISLAMIC CENTER, INC in all matters related to city, county, and governmental agencies, including but not limited to

- 1: Submitting, signing, and filing applications, permits, forms, and documents
- 2: Communicating with city, county, zoning, planning, and regulatory offices
- 3: Representing the mosque in meetings, hearings, and administrative matters
- 4: Signing documents required to operate, maintain, or improve mosque activities
- 5: Taking necessary actions to ensure compliance with local and state regulations

The authority herein shall include such incidental acts as are reasonably required to carry out and perform the specific authorities granted herein.

My attorney-in-fact agrees to accept this appointment subject to its terms, and agrees to act and perform in said fiduciary capacity consistent with my best interest, as my attorney-in-fact in its discretion deems advisable.

This power of attorney is effective upon execution. This power of attorney may be revoked by me at any time, and shall automatically be revoked upon my death, provided any person relying on this power of attorney shall have full rights to accept and reply upon the authority of my attorney-in-fact until receipt of actual notice of revocation.

Signed this January day of 12 2026

Mohamed Alzuraiki
MOHAMED SALEH ALZURAIKI

Nabil Algafni
NABIL ABDULLAH ALGAFNI

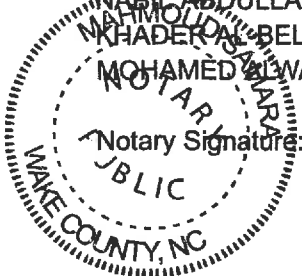
Khader Al-Beltaji
KHADER AL-BELTAJI

Mohamed Alwahishi
MOHAMED ALWAHISHI

State of North Carolina
County of wake

This document was acknowledged before me on 1-12-2026 (Date) , by:

- MOHAMED SALEH ALZURAIKI, Vice President and Treasurer
- NABIL ABDULLAH ALGAFNI, Board Member
- KHADER AL-BELTAJI, Board Member
- MOHAMED ALWAHISHI, Board Member



Notary Signature: mahmoud samara My commission expires: 03-03-2027

Exhibit "A"

Merchant Administration Area

Your transaction for 250.00 was
successful.

Order ID: 2026011317364900000
Name: ELGAREH MOHAMED
Credit Card: 403623*****1912
AVS Response: Z
Security Code: M
Response:
Auth Code: 060459
Transaction Type: auth

[Enter another transaction](#)

[Helpdesk](#)

Exhibit "A"

Exhibit "A"

ANNEXATION PETITION 2026-14-ANX

Bizzell Grove Subdivision

Owners: RRT Development, LLC

Non-Contiguous; 125.6 (+/-) acres

**TOWN OF MICRO
RESOLUTION DIRECTING THE CLERK TO INVESTIGATE
A PETITION RECEIVED UNDER G.S. 160A-58.1**

WHEREAS, a petition requesting annexation of an area described in said petition was received on March 3, 2026 by the Town of Micro; and

WHEREAS, G.S. 160A-58.1 provides that the sufficiency of the petition shall be investigated by the Town Clerk before further annexation proceedings may take place; and

WHEREAS, the Board of Commissioners of the Town of Micro deems it advisable to proceed in response to this request for annexation:

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Micro that:

The Town Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the Board of Commissioners the results of her investigation.

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk

Correction Type	Account Num	Full Name	Trans Desc	Source Date	Post Date	Void Note	Trans Amt
Account Num: 001-0000490-3							
ORIGINAL TRANSACTIO	001-0000490-3	Niver Eduardo Per	UB PAY	2/4/2026	2/5/2026	Customer paid wrong lot number	\$230.00
VOID TRANSACTION	001-0000490-3	Niver Eduardo Per	Customer paid wrong lot number	2/5/2026	2/5/2026	Customer paid wrong lot number	\$230.00
Account Num: 001-0002520-2							
ORIGINAL TRANSACTIO	001-0002520-2	Angela Jones	UB PAY	2/16/2026	2/17/202	Sewer adjustment	\$273.51
VOID TRANSACTION	001-0002520-2	Angela Jones	Sewer adjustment	2/23/2026	2/23/202	Sewer adjustment	\$273.51
NEW TRANSACTION	001-0002520-2	Angela Jones	Sewer adjustment	2/23/2026	2/23/202		\$224.55
VOID TRANSACTION	001-0002520-2	Angela Jones	Sewer adjustment	2/23/2026	2/23/202	Sewer adjustment	\$273.51
NEW TRANSACTION	001-0002520-2	Angela Jones	Sewer adjustment	2/23/2026	2/23/202		\$224.55
Account Num: 001-0002710-1							
ORIGINAL TRANSACTIO	001-0002710-1	MESHELLE FUSSE	UB Bill Transaction	2/26/2026	2/26/202	Sewer Adjustment, water leak.	\$612.15
Account Num: 001-0003260-1							
VOID TRANSACTION	001-0003260-1	LISA SULLIVAN	Sewer Adjustment, leak under ho	2/9/2026	2/9/2026	Sewer Adjustment, leak under hom	\$203.99
NEW TRANSACTION	001-0003260-1	LISA SULLIVAN	Sewer Adjustment, leak under ho	2/9/2026	2/9/2026		\$141.78

GL Account History Detail

03/03/2026 09:50 AM

Page 1 Of 6 Pages

31-100-0000 Cash - KS Bank General - 31-100-0000 Cash - KS Bank General

2/1/2026 - 2/28/2026

GL Account - 31-100-0000 Cash - KS Bank General

Date	Transaction Description	Source	Debits	Credits	Source Date
Fiscal Year 25-26		Beg-Balance	\$343,284.75	\$0.00	
02/01/2026	UB Pay	UB PM	\$77.66	\$0.00	02/03/2026 Batch-138334
02/02/2026	UB Pay	UB PM	\$322.25	\$0.00	02/03/2026 Batch-138333
02/02/2026	UB PayOPR	UB PM	\$27.54	\$0.00	02/03/2026 Batch-138333
02/03/2026	BCBS Feb 2026	GL CD	\$0.00	\$1,123.44	02/03/2026 Batch-138337
02/03/2026	BIG BOY'S TRUCK STOP	AP CK	\$0.00	\$152.54	02/03/2026 Batch-138340
02/03/2026	Interest January 2026	GL CR	\$94.87	\$0.00	02/03/2026 Batch-138341
02/03/2026	Kimberly A Moffett	AP CK	\$0.00	\$1,587.50	02/03/2026 Batch-138340
02/03/2026	Spectrum - TIME WARNER CABLE	AP CK	\$0.00	\$52.00	02/03/2026 Batch-138340
02/03/2026	TOWN OF KENLY WATER DEPT.	AP CK	\$0.00	\$9,122.21	02/03/2026 Batch-138340
02/03/2026	UB Pay	UB PM	\$1,441.93	\$0.00	02/03/2026 Batch-138335
02/03/2026	UNIFIRST	AP CK	\$0.00	\$46.59	02/03/2026 Batch-138340
02/03/2026	Void-Interest January 2026	GL CR	\$0.00	\$94.87	02/03/2026 Batch-138342
02/04/2026	UB ManPay	UB PM	\$230.00	\$0.00	02/06/2026 Batch-138362
02/04/2026	UB Pay	UB PM	\$1,393.50	\$0.00	02/04/2026 Batch-138346
02/04/2026	UB Pay	UB PM	\$171.26	\$0.00	02/05/2026 Batch-138346
02/04/2026	UB PayOPR	UB PM	\$320.97	\$0.00	02/04/2026 Batch-138346
02/05/2026	BIG BOY'S TRUCK STOP	AP CK	\$0.00	\$82.08	02/05/2026 Batch-138360
02/05/2026	CENTRAL PINES REGIONAL COUNCIL	AP CK	\$0.00	\$1,074.74	02/05/2026 Batch-138360
02/05/2026	MILNER, INC.	AP CK	\$0.00	\$74.91	02/05/2026 Batch-138360

GL Account History Detail

03/03/2026 09:50 AM

Page 2 Of 6 Pages

31-100-0000 Cash - KS Bank General - 31-100-0000 Cash - KS Bank General

2/1/2026 - 2/28/2026

02/05/2026	Stephenson Automotive	AP	CK	\$0.00	\$13.60	02/05/2026
Batch-138360						
02/05/2026	UB Pay	UB	PM	\$2,506.90	\$0.00	02/05/2026
Batch-138353						
02/05/2026	UB Pay	UB	PM	\$135.11	\$0.00	02/06/2026
Batch-138353						
02/05/2026	UB PayOPR	UB	PM	\$12.28	\$0.00	02/05/2026
Batch-138353						
02/05/2026	UB PayVoid	UB	PV	\$0.00	\$290.56	02/05/2026
Batch-138353						
02/05/2026	UB PayVoid	UB	PV	\$0.00	\$230.00	02/05/2026
Batch-138355						
02/05/2026	UTILITY SERVICE CO., INC.	AP	CK	\$0.00	\$2,724.75	02/05/2026
Batch-138360						
02/06/2026	PR Post Checks	PR	CK	\$0.00	\$3,508.33	02/03/2026
Batch-138338						
02/06/2026	UB Pay	UB	PM	\$814.14	\$0.00	02/06/2026
Batch-138361						
02/06/2026	UB PayOPR	UB	PM	\$0.35	\$0.00	02/06/2026
Batch-138361						
02/08/2026	UB Pay	UB	PM	\$194.15	\$0.00	02/09/2026
Batch-138363						
02/08/2026	UB PayOPR	UB	PM	\$0.93	\$0.00	02/09/2026
Batch-138363						
02/09/2026	Duke Energy-Pump 1	GL	CD	\$0.00	\$81.09	01/22/2026
Batch-138290						
02/09/2026	Duke Energy-Pump 2	GL	CD	\$0.00	\$74.24	01/22/2026
Batch-138291						
02/09/2026	Duke Energy-Pump 3	GL	CD	\$0.00	\$58.67	01/22/2026
Batch-138292						
02/09/2026	Duke Energy-Pump 4	GL	CD	\$0.00	\$87.48	01/22/2026
Batch-138293						
02/09/2026	Duke Energy-Pump 5	GL	CD	\$0.00	\$140.26	01/22/2026
Batch-138294						
02/09/2026	Duke Energy-Pump 6	GL	CD	\$0.00	\$81.59	01/22/2026
Batch-138295						
02/09/2026	Duke Energy-Pump 7	GL	CD	\$0.00	\$81.59	01/22/2026
Batch-138296						
02/09/2026	Duke Energy-Pump 7	GL	CD	\$0.00	\$156.22	01/22/2026
Batch-138298						
02/09/2026	Duke Energy-Sewer Flow Meter	GL	CD	\$0.00	\$49.77	01/22/2026
Batch-138284						

11-100-0000 Cash - KS Bank General - 11-100-0000 Cash - KS Bank General

2/1/2026 - 2/28/2026

GL Account - 11-100-0000 Cash - KS Bank General

Date	Transaction Description	Source	Debits	Credits	Source Date
Fiscal Year 25-26		Beg-Balance	\$302,244.66		\$0.00
02/02/2026	UB Pay	UB PM	\$78.47	\$0.00	02/03/2026 Batch-138333
02/03/2026	BCBS Feb 2026	GL CD	\$0.00	\$436.84	02/03/2026 Batch-138337
02/03/2026	Cell Tower Lease	GL CR	\$1,109.06	\$0.00	02/03/2026 Batch-138336
02/03/2026	Interest January 2026	GL CR	\$48.87	\$0.00	02/03/2026 Batch-138341
02/03/2026	Kimberly A Moffett	AP CK	\$0.00	\$1,587.50	02/03/2026 Batch-138340
02/03/2026	Spectrum - TIME WARNER CABLE	AP CK	\$0.00	\$52.00	02/03/2026 Batch-138340
02/03/2026	UB Pay	UB PM	\$164.50	\$0.00	02/03/2026 Batch-138335
02/03/2026	UNIFIRST	AP CK	\$0.00	\$17.14	02/03/2026 Batch-138340
02/03/2026	Void-Interest January 2026	GL CR	\$0.00	\$48.87	02/03/2026 Batch-138342
02/04/2026	UB Pay	UB PM	\$258.50	\$0.00	02/04/2026 Batch-138346
02/04/2026	UB Pay	UB PM	\$47.00	\$0.00	02/05/2026 Batch-138346
02/05/2026	CENTRAL PINES REGIONAL COUNCIL	AP CK	\$0.00	\$1,074.74	02/05/2026 Batch-138360
02/05/2026	MILNER, INC.	AP CK	\$0.00	\$74.92	02/05/2026 Batch-138360
02/05/2026	UB Pay	UB PM	\$235.00	\$0.00	02/05/2026 Batch-138353
02/05/2026	UB Pay	UB PM	\$23.50	\$0.00	02/06/2026 Batch-138353
02/06/2026	Duke Energy-Street Lights	GL CD	\$0.00	\$1,004.38	01/22/2026 Batch-138282
02/06/2026	PR Post Checks	PR CK	\$0.00	\$936.15	02/03/2026 Batch-138338
02/06/2026	UB Pay	UB PM	\$141.00	\$0.00	02/06/2026 Batch-138361
02/08/2026	UB Pay	UB PM	\$47.00	\$0.00	02/09/2026 Batch-138363

Period Ending 6/30/2026

Budget vs Actual

11 GENERAL		Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
Revenues								
Description								
11-101-0003 ARPA monies moved into Account from GF		0	0.00	0.00	0.00	0.00	0.00	0.00
11-136-0690 Due from Fund 69		0	0.00	0.00	0.00	0.00	0.00	0.00
11-200-3311 FEMA Reimbursement		0	0.00	0.00	0.00	0.00	0.00	0.00
11-250-1000 Fund Balance Appropriated		7,500	0.00	0.00	0.00	0.00	(7,500.00)	
11-300-0000 *****GENERAL FUND REVENUES*****		0	0.00	0.00	0.00	0.00	0.00	0.00
11-300-3100 Current Year Taxes		185,024	0.00	0.00	0.00	178,623.43	(6,400.57)	97%
11-300-3150 Prior Year Taxes		0	0.00	0.00	0.00	0.00	0.00	
11-300-3175 Tax Penalties & Interest		150	0.00	0.00	0.00	13.03	(136.97)	9%
11-300-3199 Vehicle Tax		20,800	0.00	0.00	0.00	13,007.11	(7,792.89)	63%
11-310-3230 Local Government Sales Tax		69,300	0.00	0.00	0.00	60,584.12	(8,715.88)	87%
11-310-3322 Beer & Wine Tax		1,900	0.00	0.00	0.00	0.00	(1,900.00)	
11-310-3324 Electricity Tax		20,000	0.00	0.00	0.00	11,261.71	(8,738.29)	56%
11-310-3325 Telecommunications Tax		700	0.00	0.00	0.00	554.03	(145.97)	79%
11-310-3326 Video Programming Tax		0	0.00	0.00	0.00	262.24	262.24	
11-310-3328 Solid Waste Disposal Tax		400	0.00	0.00	0.00	303.46	(96.54)	76%
11-330-3316 Powell Bill Allocation		12,000	0.00	0.00	0.00	18,254.52	6,254.52	152%
11-330-3345 Zoning Permit		1,500	0.00	0.00	0.00	2,415.00	915.00	161%
11-330-3850 Department of Commerce Grant		0	0.00	0.00	0.00	0.00	0.00	
11-330-3900 General Assembly Appropriation		0	0.00	0.00	0.00	0.00	0.00	
11-340-3311 FEMA Reimbursement		0	0.00	0.00	0.00	0.00	0.00	
11-350-3471 Garbage Fees		52,965	0.00	0.00	0.00	41,712.36	(11,252.64)	79%
11-350-3475 Household Debris		0	0.00	0.00	0.00	0.00	0.00	
11-380-3831 Parks and Rec Revenues		0	0.00	0.00	0.00	165.00	165.00	
11-380-3832 Clerk of Court		50	0.00	0.00	0.00	4.50	(45.50)	9%
11-380-3833 Police Department Donations		0	0.00	0.00	0.00	0.00	0.00	
11-380-3834 Park Grant & Donations		0	0.00	0.00	0.00	0.00	0.00	

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Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
11-380-3835 Lease Rent-US Cellular	12,000	0.00	0.00	0.00	9,949.23	(2,050.77)	83%
11-380-3836 Community Building Rental	700	0.00	0.00	0.00	970.00	270.00	139%
11-380-3837 ABC Board	4,595	0.00	0.00	0.00	1,353.78	(3,241.22)	29%
11-380-3838 Gasoline Tax	0	0.00	0.00	0.00	0.00	0.00	
11-380-3839 Miscellaneous Revenue	1,000	0.00	0.00	0.00	611.68	(388.32)	61%
11-380-3840 Gasoline Tax Refund	0	0.00	0.00	0.00	0.00	0.00	
11-380-3850 Sale of Surplus Property	0	0.00	0.00	0.00	0.00	0.00	
11-380-3860 Sale of Real Property	0	0.00	0.00	0.00	70,300.00	70,300.00	
11-385-3831 Interest Income	1,300	0.00	0.00	0.00	1,909.25	609.25	147%
11-390-3930 Transfer In Special Revenue Fund	0	0.00	0.00	0.00	0.00	0.00	
11-390-3999 Fund Balance Appropriated	0	0.00	0.00	0.00	0.00	0.00	
11-612-3301 Parks and Recreation	265	0.00	0.00	0.00	0.00	(265.00)	
11-999-9999 Contingency	0	0.00	0.00	0.00	0.00	0.00	
Revenues Totals:	392,149	0.00	0.00	0.00	412,254.45	20,105.45	105%
Expenses							
11-101-0002 Community Building Revenue to Bring Monies In	0	0.00	0.00	0.00	0.00	0.00	
11-101-0004 ARPA monies moved out as Expenses	0	0.00	0.00	0.00	0.00	0.00	
Totals:	0	0.00	0.00	0.00	0.00	0.00	
11-410-0000 *****GOVERNING BOARD*****	0	0.00	0.00	0.00	0.00	0.00	
11-410-0800 Payroll-Mayor & Commissioners	1,700	0.00	0.00	0.00	1,700.00	0.00	100%
11-410-0900 Payroll Taxes-Board	140	0.00	0.00	0.00	130.05	9.95	93%
11-410-1150 Workers Compensation	100	0.00	0.00	0.00	100.00	0.00	100%
11-410-3100 Travel-schools	0	0.00	0.00	0.00	0.00	0.00	
11-410-4500 General Insurance	125	0.00	0.00	0.00	125.00	0.00	100%
11-410-4910 Dues & Subscription	4,500	0.00	0.00	0.00	2,348.68	2,151.32	52%
11-410-6100 Election Costs	3,000	0.00	0.00	0.00	0.00	3,000.00	

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11 GENERAL										
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent			
11-410-9000 Community Support	0	0.00	0.00	0.00	0.00	0.00	0.00			
GOVERNING BODY Totals:	9,565	0.00	0.00	0.00	4,403.73	5,161.27	46%			
11-420-0000 ****ADMINISTRATION****	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-0100 Salaries	39,500	0.00	0.00	0.00	25,850.71	13,649.29	65%			
11-420-0200 Salary Admin Other- Deputy Clerk	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-0600 State Retirement - EMPLOYER CONTRIBUTION	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-0900 Payroll Taxes	3,022	0.00	0.00	0.00	1,977.59	1,044.41	65%			
11-420-1000 State Retirement	5,668	0.00	0.00	0.00	3,367.97	2,300.03	59%			
11-420-1100 Health Insurance	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-1150 Workers' Comp. Insurance	1,000	0.00	0.00	0.00	1,000.00	0.00	100%			
11-420-1800 Accounting Fees	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-1850 Audit	15,000	(9,250.00)	0.00	0.00	17,387.30	6,862.70	54%			
11-420-1900 Legal	7,000	46.00	0.00	0.00	3,625.00	3,329.00	52%			
11-420-2000 Salaries-Part-Time	0	0.00	0.00	0.00	0.00	0.00	0.00			
11-420-2600 Office Supplies	3,500	806.26	0.00	0.00	1,816.63	877.11	75%			
11-420-2900 Departmental Supplies	1,500	451.28	0.00	0.00	495.49	553.23	63%			
11-420-2920 Contracted Services	39,000	2,500.00	0.00	0.00	34,080.04	2,419.96	94%			
11-420-3100 Travel-Schools	1,000	0.00	0.00	0.00	0.00	1,000.00	0.00			
11-420-3200 Telephone	1,800	158.00	0.00	0.00	1,372.02	269.98	85%			
11-420-3250 Postage	500	0.00	0.00	0.00	314.14	185.86	63%			
11-420-3251 Post Office Box Rent	150	0.00	0.00	0.00	0.00	150.00	0.00			
11-420-3300 Utilities	2,300	0.00	0.00	0.00	1,479.28	820.72	64%			
11-420-3700 Advertising	500	0.00	0.00	0.00	67.03	432.97	13%			
11-420-3800 Computer Support	16,000	1,008.45	0.00	0.00	8,081.16	6,910.39	57%			
11-420-4500 General Insurance	6,000	0.00	0.00	0.00	5,829.75	170.25	97%			
11-420-4501 Employee Bonding	1,000	0.00	0.00	0.00	0.00	1,000.00	0.00			
11-420-4900 Tax Collection Expense	4,012	0.00	0.00	0.00	3,767.56	244.44	94%			

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Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
11-420-4950 Bank Charges	250	0.00	0.00	0.00	28.23	221.77	11%
11-420-7100 USDA Loan Principal	14,000	0.00	0.00	0.00	0.00	14,000.00	
11-420-7199 Trasfer Out	0	0.00	0.00	0.00	0.00	0.00	
11-420-7200 USDA Loan Interest	950	0.00	0.00	0.00	0.00	950.00	
11-420-9000 Miscellaneous Expense	0	0.00	0.00	0.00	564.49	(564.49)	
11-420-9999 Contingency	49,642	0.00	0.00	0.00	0.00	49,642.00	
ADMINISTRATION Totals:	213,294	(4,280.01)	0.00	0.00	111,104.39	106,469.62	50%
11-430-0000 ****POLICE****	0	0.00	0.00	0.00	0.00	0.00	
11-430-0100 Salaries	0	0.00	0.00	0.00	0.00	0.00	
11-430-0200 Salaries-Part-Time	0	0.00	0.00	0.00	0.00	0.00	
11-430-0400 Police Separation Allowance	0	0.00	0.00	0.00	0.00	0.00	
11-430-0600 Police 401K	0	0.00	0.00	0.00	0.00	0.00	
11-430-0900 Payroll Taxes	0	0.00	0.00	0.00	0.00	0.00	
11-430-1000 State Retirement	0	0.00	0.00	0.00	0.00	0.00	
11-430-1100 Health Insurance	0	0.00	0.00	0.00	0.00	0.00	
11-430-1150 Workers Compensation	0	0.00	0.00	0.00	0.00	0.00	
11-430-2500 Gasoline & Fuel Oil-Vehicles	250	84.00	0.00	0.00	16.00	150.00	40%
11-430-2600 Office Supplies	0	0.00	0.00	0.00	0.00	0.00	
11-430-2900 Departmental Supplies	0	0.00	0.00	0.00	0.00	0.00	
11-430-2950 Uniforms & Boots	0	0.00	0.00	0.00	0.00	0.00	
11-430-3100 Travel-Schools	0	0.00	0.00	0.00	0.00	0.00	
11-430-3200 Telephone	0	0.00	0.00	0.00	0.00	0.00	
11-430-3300 Utilities	300	0.00	0.00	0.00	235.50	64.50	79%
11-430-3500 Repairs & Maintenance-Vehicles & Trucks	600	32.14	0.00	0.00	550.00	17.86	97%
11-430-3550 Repairs & Maintenance-Equipment	0	0.00	0.00	0.00	0.00	0.00	
11-430-3575 Repairs & Maintenance-Buildings	0	0.00	0.00	0.00	0.00	0.00	

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11 GENERAL

Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
11-430-3800 Computer Support	0	(98.38)	0.00	0.00	98.38	0.00	
11-430-4500 General Insurance	0	0.00	0.00	0.00	0.00	0.00	
11-430-5500 Capital Outlay	0	0.00	0.00	0.00	0.00	0.00	
11-430-7100 USDA Loan Payment-Principal	0	0.00	0.00	0.00	0.00	0.00	
11-430-7200 USDA Loan Interest Expense	0	0.00	0.00	0.00	0.00	0.00	
11-434-0000 ****FIRE DEPARTMENT****	0	0.00	0.00	0.00	0.00	0.00	
11-434-6900 Fire Department Tax	42,000	11,556.79	0.00	0.00	30,443.21	0.00	100%
11-450-0000 ****STREETS****	0	0.00	0.00	0.00	0.00	0.00	
11-450-0100 Salaries	30,000	0.00	0.00	0.00	26,701.33	3,298.67	89%
11-450-0200 Salaries-Part-Time	0	0.00	0.00	0.00	0.00	0.00	
11-450-0500 RR Crossing Gates	0	0.00	0.00	0.00	0.00	0.00	
11-450-0900 Payroll Taxes	2,000	0.00	0.00	0.00	2,042.54	(42.54)	102%
11-450-1000 State Retirement	3,780	0.00	0.00	0.00	3,814.31	(34.31)	101%
11-450-1100 Health Insurance	6,100	0.00	0.00	0.00	6,532.90	(432.90)	107%
11-450-1150 Workers Compensation	3,000	0.00	0.00	0.00	(3,207.82)	6,207.82	-107%
11-450-2500 Gasoline & Fuel Oil- Vehicles	1,600	751.21	0.00	0.00	1,082.72	(233.93)	115%
11-450-2550 Gasoline & Fuel Oil-Equipment	1,000	121.39	0.00	0.00	194.79	683.82	32%
11-450-2900 Departmental Supplies	1,000	30.04	0.00	0.00	652.95	317.01	68%
11-450-2950 Uniforms & Boots	0	0.00	0.00	0.00	0.00	0.00	
11-450-2999 Christmas Expense	1,800	317.26	0.00	0.00	525.39	957.35	47%
11-450-3300 Utilities	400	0.00	0.00	0.00	300.00	100.00	75%
11-450-3350 Street Lights	10,300	0.00	0.00	0.00	7,862.72	2,437.28	76%
11-450-3500 Repairs & Maintenance- Vehicles & Trucks	1,800	0.00	0.00	0.00	1,099.38	700.62	61%
11-450-3550 Repairs & Maintenance- Equipment	2,000	970.03	0.00	0.00	2,137.35	(1,107.38)	155%
11-450-3575 Repairs & Maintenance- Buildings	1,250	0.00	0.00	0.00	0.00	1,250.00	
11-450-3900 Inmate Service Program	0	0.00	0.00	0.00	0.00	0.00	

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11 GENERAL										
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent			
11-450-5500 Capital Outlay	12,000	0.00	0.00	0.00	0.00	0.00	12,000.00			
11-450-6000 Powell Bill Expenditures	0	1,239.84	0.00	0.00	1,525.25	(2,765.09)				
11-450-6950 FEMA Grant Expenditures	0	0.00	0.00	0.00	0.00	0.00				
11-470-0000 ****SANITATION****	0	0.00	0.00	0.00	0.00	0.00				
11-470-3350 Utilities - Dump Site	500	0.00	0.00	0.00	315.90	184.10	63%			
11-470-4990 Garbage Pick-up Contract	40,660	14,831.20	0.00	0.00	22,026.56	3,802.24	91%			
11-470-4995 Johnston County Landfill Fees	0	0.00	0.00	0.00	0.00	0.00				
11-612-0000 ****RECREATION****	0	0.00	0.00	0.00	0.00	0.00				
11-612-3300 Utilities	1,200	150.00	0.00	0.00	989.16	60.84	95%			
11-612-3302 Parks and Recreation	250	0.00	0.00	0.00	227.79	22.21	91%			
11-612-3550 Repairs & Maintenance- Equipment	500	0.00	0.00	0.00	0.00	500.00				
11-612-3575 Repairs & Maintenance- Buildings	5,000	90.00	0.00	0.00	6,382.44	(1,472.44)	129%			
Totals:	169,290	30,075.52	0.00	0.00	112,548.75	26,665.73	84%			
Expenses Totals:	392,149	25,795.51	0.00	0.00	228,056.87	138,296.62	65%			
11 GENERAL	Revenues Over/(Under) Expenses:		0.00	0.00	184,197.58					

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31 WATER & SEWER											
Revenues		Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent			
Description											
31-136-0000 Due From Other Funds		0	0.00	0.00	0.00	0.00	0.00	0.00			
31-500-0000 ****WATER & SEWER REVENUES****		0	0.00	0.00	0.00	0.00	0.00	0.00			
31-500-1000 Fund Balance Appropriated		0	0.00	0.00	0.00	0.00	0.00	0.00			
31-500-3713 Water Fees		244,227	0.00	0.00	0.00	157,917.17	(86,309.83)	65%			
31-500-3715 Water Taps		1,500	0.00	0.00	0.00	0.00	(1,500.00)				
31-500-3716 Water Meters		0	0.00	0.00	0.00	3,950.00	3,950.00				
31-500-3717 Water Inspection Fees		0	0.00	0.00	0.00	3,600.00	3,600.00				
31-500-3720 Water Admin. Fees		2,680	0.00	0.00	0.00	3,055.02	375.02	114%			
31-500-3725 Reconnect Fees		2,800	0.00	0.00	0.00	3,901.49	1,101.49	139%			
31-500-3735 Returned Check Fees		100	0.00	0.00	0.00	120.00	20.00	120%			
31-500-3930 Transfer from Special Revenue Fund		0	0.00	0.00	0.00	0.00	0.00				
31-500-3931 Transfer from GF		0	0.00	0.00	0.00	0.00	0.00				
31-555-3714 Sewer Fees		306,450	0.00	0.00	0.00	186,935.87	(119,514.13)	61%			
31-555-3715 Sewer Taps		0	0.00	0.00	0.00	2,400.00	2,400.00				
31-555-3717 Sewer Inspection Fees		1,200	0.00	0.00	0.00	1,200.00	0.00	100%			
31-555-3730 Late Fees		11,900	0.00	0.00	0.00	17,515.96	5,615.96	147%			
31-595-3831 Interest Earned		1,600	0.00	0.00	0.00	2,262.45	662.45	141%			
31-599-3311 FEMA Grants		0	0.00	0.00	0.00	0.00	0.00				
31-599-3839 Miscellaneous		0	0.00	0.00	0.00	1,035.81	1,035.81				
31-599-4000 Insurance Proceeds		0	0.00	0.00	0.00	0.00	0.00				
31-599-9000 Transfer In		0	0.00	0.00	0.00	0.00	0.00				
Revenues Totals:		572,457	0.00	0.00	0.00	383,893.77	(188,563.23)	67%			
Expenses											
31-710-0000 ****WATER & SEWER ADMIN****		0	0.00	0.00	0.00	0.00	0.00				
31-710-0100 Salaries-Deputy Town Clerk		27,500	0.00	0.00	0.00	21,679.61	5,820.39	79%			

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31 WATER & SEWER									
Description	Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent		
31-710-0150 Accrued Vacation Pay Adjustment	0	0.00	0.00	0.00	0.00	0.00	0.00		
31-710-0900 Payroll Taxes-Admin	2,104	0.00	0.00	0.00	1,658.50	445.50	79%		
31-710-1000 Retirement Expense	3,946	0.00	0.00	0.00	2,770.46	1,175.54	70%		
31-710-1100 Health Ins	0	0.00	0.00	0.00	0.00	0.00			
31-710-1150 Workers' Comp Insurance	1,500	0.00	0.00	0.00	1,500.00	0.00	100%		
31-710-1800 Accounting Fees	0	0.00	0.00	0.00	0.00	0.00			
31-710-1850 Audit	15,000	(9,250.00)	0.00	0.00	16,750.00	7,500.00	50%		
31-710-1900 Legal	1,000	0.00	0.00	0.00	0.00	1,000.00			
31-710-2600 Office Supplies	1,000	500.00	0.00	0.00	289.79	210.21	79%		
31-710-2900 Departmental Supplies	2,200	339.90	0.00	0.00	963.05	897.05	59%		
31-710-2920 Contracted Services	53,180	6,102.15	0.00	0.00	43,335.98	3,741.87	93%		
31-710-3100 Schools-Training	600	0.00	0.00	0.00	457.35	142.65	76%		
31-710-3200 Telephone & Internet	2,000	158.00	0.00	0.00	1,372.02	469.98	77%		
31-710-3300 Utilities	2,000	0.00	0.00	0.00	1,479.30	520.70	74%		
31-710-3700 Advertising	300	0.00	0.00	0.00	0.00	300.00			
31-710-3800 Computer Support	14,000	804.30	0.00	0.00	10,080.31	3,115.39	78%		
31-710-4500 General Insurance	6,300	0.00	0.00	0.00	5,829.74	470.26	93%		
31-710-4950 Bank & Charge Card Fees	1,000	0.00	0.00	0.00	33.57	966.43	3%		
31-710-4955 Bad Debts	0	0.00	0.00	0.00	0.00	0.00			
31-710-5500 Capital Outlay	0	0.00	0.00	0.00	0.00	0.00			
31-710-9999 Contingency	0	0.00	0.00	0.00	0.00	0.00			
31-730-0000 ****WATER OPERATIONS****	0	0.00	0.00	0.00	0.00	0.00			
31-730-0100 Salaries	29,500	0.00	0.00	0.00	18,702.84	10,797.16	63%		
31-730-0150 Accrued Vacation Pay Adjustments	0	0.00	0.00	0.00	0.00	0.00			
31-730-0900 Payroll Taxes	2,257	0.00	0.00	0.00	1,430.75	826.25	63%		
31-730-1000 Retirement Expense	4,233	0.00	0.00	0.00	2,672.80	1,560.20	63%		
31-730-1100 Health Insurance	6,900	0.00	0.00	0.00	2,974.69	3,925.31	43%		

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31 WATER & SEWER		Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
Description								
31-730-2500 Gasoline & Fuel Oil- Vehicles		1,600	99.42	0.00	0.00	1,439.35	61.23	96%
31-730-2550 Gasoline & Fuel Oil- Equipent		750	0.00	0.00	0.00	0.00	750.00	
31-730-2900 Departmental Supplies		4,000	656.03	0.00	0.00	1,733.49	1,610.48	60%
31-730-2950 Uniforms		750	0.00	0.00	0.00	274.86	475.14	37%
31-730-2975 Water Purchase Johnston County		7,700	3,259.24	0.00	0.00	4,379.10	61.66	99%
31-730-3300 Utilities-Wells		6,500	0.00	0.00	0.00	4,896.52	1,603.48	75%
31-730-3500 Repairs & Maintenance-Vehicles & Trucks		1,300	0.00	0.00	0.00	715.38	584.62	55%
31-730-3550 Repairs & Maintenance-Equipment		15,000	1,517.92	0.00	0.00	10,094.03	3,388.05	77%
31-730-3575 Repairs & Maintenance-Buildings		500	90.00	0.00	0.00	105.00	305.00	39%
31-730-3580 Repairs & Maintenance-Water Lines		65,000	336.55	0.00	0.00	29,766.10	34,897.35	46%
31-730-3581 Repairs & Maintenance-Water Tank		9,000	0.00	0.00	0.00	8,174.25	825.75	91%
31-730-3588 Repairs & Maintenance- Well		10,000	50.50	0.00	0.00	6,574.50	3,375.00	66%
31-730-3930 Transfer to GF		0	0.00	0.00	0.00	0.00	0.00	
31-730-4600 Water Testing- Environment		4,000	2,276.35	0.00	0.00	1,723.65	0.00	100%
31-730-4910 Dues & Permits		1,000	0.00	0.00	0.00	982.00	18.00	98%
31-730-5500 Capital Outlay		0	0.00	0.00	0.00	0.00	0.00	
31-730-6950 FEMA Grant Expenditures		0	0.00	0.00	0.00	0.00	0.00	
31-740-0000 ****SEWER OPERATIONS****		0	0.00	0.00	0.00	0.00	0.00	
31-740-0100 Salaries		29,500	0.00	0.00	0.00	18,529.80	10,970.20	63%
31-740-0150 Accrued Vacation Pay Adjustment		0	0.00	0.00	0.00	0.00	0.00	
31-740-0900 Payroll Taxes		2,257	0.00	0.00	0.00	1,417.51	839.49	63%
31-740-1000 Retirement Expense		4,233	0.00	0.00	0.00	2,647.97	1,585.03	63%
31-740-1100 Health Insurance		6,900	0.00	0.00	0.00	2,974.65	3,925.35	43%

Budget vs Actual

TOWN OF MICRO
3/3/2026 9:49:05 AM

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Period Ending 6/30/2026

31 WATER & SEWER		Budget	Encumbrance	MTD	QTD	YTD	Variance	Percent
Description								
31-999-9999 Contingency		2,152	0.00	0.00	0.00	0.00	2,152.00	
	Totals:	572,457	5,454.53	0.00	0.00	341,022.38	225,980.09	61%
	Expenses Totals:	572,457	5,454.53	0.00	0.00	341,022.38	225,980.09	61%
31 WATER & SEWER	Revenues Over/(Under) Expenses:			0.00	0.00	42,871.39		

**TOWN OF MICRO
PROCUREMENT POLICY AS RELATED TO ARPA
FUNDING**

WHEREAS, it is required that municipalities receiving ARPA Funding have a Procurement Policy in place that is compliant with 2CFR 200.318-200.327, and;

WHEREAS, the Town of Micro has received ARPA Funding and will adopt the Procurement as drafted by the UNC School of Governments as related to ARPA Funds.

NOW THEREFORE, the Town of Micro adopts the attached (Attachment A) Procurement Policy.

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk

ATTACHMENT "A" RESOLUTION #2026-02

Uniform Guidance Procurement Policy For North Carolina Local Governments

I. Purpose

The purpose of this policy is to establish guidelines that meet or exceed the procurement requirements for purchases of goods (apparatus, supplies, materials, and equipment), services, and construction or repair projects when federal funds are being used in whole or in part to pay for the cost of the contract. To the extent that other sections of procurement policies and procedures adopted by Town of Micro are more restrictive than those contained in this policy, local policies and procedures shall be followed.

II. Policy

- A. **Application of Policy.** This policy applies to contracts for purchases, services, and construction or repair work funded with federal financial assistance (direct or reimbursed). The requirements of this Policy also apply to any subrecipient of the funds.

All federally funded projects, loans, grants, and sub-grants, whether funded in part or wholly, are subject to the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for federal awards (Uniform Guidance) codified at 2 C.F.R. Part 200 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds.

- B. **Compliance with Federal Law.** All procurement activities involving the expenditure of federal funds must be conducted in compliance with the Procurement Standards codified in 2 C.F.R. § 200.317 through § 200-326 unless otherwise directed in writing by the federal agency or state pass-through agency that awarded the funds. Town of Micro will follow all applicable local, state, and federal procurement requirements when expending federal funds. Should the Town of Micro have more stringent requirements, the most restrictive requirement shall apply so long as it is consistent with state and federal law.
- C. **Contract Award.** All contracts shall be awarded only to the lowest responsive responsible bidder possessing the ability to perform successfully under the terms and conditions of the contract.
- D. **No Evasion.** No contract may be divided to bring the cost under bid thresholds or to evade any requirements under this Policy or state and federal law.
- E. **Contract Requirements.** All contracts paid for in whole or in part with federal funds shall be in writing. The written contract must include or incorporate by reference the

provisions required under 2 C.F.R § 200.326 and as provided for under 2 C.F.R. Part 200, Appendix II.

- F. **Contractors' Conflict of Interest.** Designers, suppliers, and contractors that assist in the development or drafting of specifications, requirements, statements of work, invitation for bids or requests for proposals shall be excluded from competing for such requirements.
- G. **Approval and Modification.** The administrative procedures contained in this Policy are administrative and may be changed as necessary at the staff level to comply with state and federal law.

III. General Procurement Standards and Procedures:

Either the Purchasing Department or the Requesting Department shall procure all contracts in accordance with the requirements of this Section of the Policy.

- A. **Necessity.** Purchases must be necessary to perform the scope of work and must avoid acquisition of unnecessary or duplicative items. The Purchasing Department and/or the Requesting Department should check with the federal surplus property agency prior to buying new items when feasible and less expensive. Strategic sourcing should be considered with other departments and/or agencies who have similar needs to consolidate procurements and services to obtain better pricing.
- B. **Clear Specifications.** All solicitations must incorporate a clear and accurate description of the technical requirements for the materials, products, or services to be procured, and shall include all other requirements which bidders must fulfill and all other factors to be used in evaluating bids or proposals. Technical requirements must not contain features that restrict competition.
- C. **Notice of Federal Funding.** All bid solicitations must acknowledge the use of federal funding for the contract. In addition, all prospective bidders or offerors must acknowledge that funding is contingent upon compliance with all terms and conditions of the funding award.
- D. **Compliance by Contractors.** All solicitations shall inform prospective contractors that they must comply with all applicable federal laws, regulations, executive orders, and terms and conditions of the funding award.
- E. **Fixed Price.** Solicitations must state that bidders shall submit bids on a fixed price basis and that the contract shall be awarded on this basis unless otherwise provided for in this Policy. Cost plus percentage of cost contracts are prohibited. Time and materials contracts are prohibited in most circumstances. Time and materials contracts will not be used unless no other form of contract is suitable and the contract includes a "Not to Exceed" amount. A time and materials contract shall not be awarded without express

written permission of the federal agency or state pass-through agency that awarded the funds.

- F. Use of Brand Names.** When possible, performance or functional specifications are preferred to allow for more competition leaving the determination of how to reach the required result to the contractor. Brand names may be used only when it is impractical or uneconomical to write a clear and accurate description of the requirement(s). When a brand name is listed, it is used as reference only and “or equal” must be included in the description.
- G. Lease versus Purchase.** Under certain circumstances, it may be necessary to perform an analysis of lease versus purchase alternatives to determine the most economical approach.
- H. Dividing Contract for M/WBE Participation.** If economically feasible, procurements may be divided into smaller components to allow maximum participation of small and minority businesses and women business enterprises. The procurement cannot be divided to bring the cost under bid thresholds or to evade any requirements under this Policy.
- I. Documentation.** Documentation must be maintained by the Purchasing Department and/or the Requesting Department detailing the history of all procurements. The documentation should include the procurement method used, contract type, basis for contractor selection, price, sources solicited, public notices, cost analysis, bid documents, addenda, amendments, contractor’s responsiveness, notice of award, copies of notices to unsuccessful bidders or offerors, record of protests or disputes, bond documents, notice to proceed, purchase order, and contract. All documentation relating to the award of any contract must be made available to the granting agency upon request.
- J. Cost Estimate.** For all procurements costing \$250,000 or more, the Purchasing Department and/or Requesting Department shall develop an estimate of the cost of the procurement prior to soliciting bids. Cost estimates may be developed by reviewing prior contract costs, online review of similar products or services, or other means by which a good faith cost estimate may be obtained. Cost estimates for construction and repair contracts may be developed by the project designer.
- K. Contract Requirements.** The Requesting Department must prepare a written contract incorporating the provisions referenced in Section II.C of this Policy.
- L. Debarment.** No contract shall be awarded to a contractor included on the federally debarred bidder’s list.
- M. Contractor Oversight.** The Requesting Department receiving the federal funding must maintain oversight of the contract to ensure that contractor is performing in accordance with the contract terms, conditions, and specifications.
- N. Open Competition.** Solicitations shall be prepared in a way to be fair and provide open competition. The procurement process shall not restrict competition by imposing unreasonable requirements on bidders, including but not limited to unnecessary supplier

experience, excessive or unnecessary bonding, specifying a brand name without allowing for “or equal” products, or other unnecessary requirements that have the effect of restricting competition.

- O. Geographic Preference.** No contract shall be awarded on the basis of a geographic preference.

IV. Specific Procurement Procedures

Either the Purchasing Department or the Requesting Department shall solicit bids in accordance with the requirements under this Section of the Policy based on the type and cost of the contract.

- A. Service Contracts** (except for A/E professional services) and **Purchase Contracts costing less than \$10,000** shall be procured using the Uniform Guidance “micro-purchase” procedure (2 C.F.R. § 200.320(a)) as follows:
1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.
 2. To the extent practicable, purchases must be distributed among qualified suppliers.
- B. Service Contracts** (except for A/E professional services) and **Purchase Contracts costing \$10,000 up to \$90,000** shall be procured using the Uniform Guidance “small purchase” procedure (2 C.F.R. § 200.320(b)) as follows:
1. Obtain price or rate quotes from an “adequate number” of qualified sources (a federal grantor agency might issue guidance interpreting “adequate number,” so the Requesting Department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
 2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
 3. Cost or price analysis is not required prior to soliciting bids.
 4. Award the contract on a fixed-price basis (a not-to-exceed basis is permissible for service contracts where obtaining a fixed price is not feasible).
 5. Award the contract to the lowest responsive, responsible bidder.
- C. Service Contracts** (except for A/E professional services) and **Purchase Contracts costing \$90,000 and above** shall be procured using a combination of the most restrictive requirements of the Uniform Guidance “sealed bid” procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:
1. Cost or price analysis is required prior to soliciting bids.
 2. Complete specifications or purchase description must be made available to all bidders.
 3. The bid must be formally advertised in a newspaper of general circulation for at least seven full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of

the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for “sound documented reasons.”

4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
5. Open bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. Award the contract to the lowest responsive, responsible bidder on a fixed-price basis. Governing board approval is required for purchase contracts unless the governing board has delegated award authority to an individual official or employee. Any and all bids may be rejected only for “sound documented reasons.”

Note Regarding Service Contracts Costing \$90,000 up to \$250,000: Local government service contracts are not subject to state competitive bidding requirements. If a local government does not require competitive proposals (RFPs) for service contracts under its local policy, it may choose to follow the UG small purchase procedure for service contracts costing \$10,000 up to \$250,000, and then follow the UG sealed bid or competitive proposal method for service contracts costing \$250,000 or more. If the local policy regarding service contracts is more restrictive, the local policy should be followed.

D. Service Contracts (except for A/E professional services) **costing \$250,000 and above** may be procured using the Uniform Guidance “competitive proposal” procedure (2 C.F.R. § 200.320(d)) when the “sealed bid” procedure is not appropriate for the particular type of service being sought. The procedures are as follows:

1. A Request for Proposals (RFP) must be publicly advertised. Formal advertisement in a newspaper is not required so long as the method of advertisement will solicit proposals from an “adequate number” of qualified firms.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
3. Identify evaluation criteria and relative importance of each criteria (criteria weight) in the RFP.
4. Consider all responses to the publicized RFP to the maximum extent practical.
5. Must have a written method for conducting technical evaluations of proposals and selecting the winning firm.
6. Award the contract to the responsible firm with most advantageous proposal taking into account price and other factors identified in the RFP. Governing board approval is not required.
7. Award the contract on a fixed-price or cost-reimbursement basis.

E. Construction and repair contracts costing less than \$10,000 shall be procured using the Uniform Guidance “micro-purchase” procedure (2 C.F.R. § 200.320(a)) as follows:

1. The contract may be awarded without soliciting pricing or bids if the price of the goods or services is considered to be fair and reasonable.

2. To the extent practicable, contracts must be distributed among qualified suppliers.

F. Construction and repair contracts costing \$10,000 up to \$250,000 shall be procured using the Uniform Guidance “small purchase” procedure (2 C.F.R. § 200.320(b)) as follows:

1. Obtain price or rate quotes from an “adequate number” of qualified sources (a federal grantor agency might issue guidance interpreting “adequate number,” so the requesting department should review the terms and conditions of the grant award documents to confirm whether specific guidance has been issued).
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as required under 2 C.F.R. § 200.321.
3. Cost or price analysis is not required prior to soliciting bids, although price estimates may be provided by the project designer.
4. Award the contract on a fixed-price or not-to-exceed basis.
5. Award the contract to the lowest responsive, responsible bidder. Governing board approval is not required.

G. Construction and repair contracts costing \$250,000 up to \$500,000 shall be procured using the Uniform Guidance “sealed bid” procedure (2 C.F.R. § 200.320(c)) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate may be provided by the project designer).
2. Complete specifications must be made available to all bidders.
3. Publically advertise the bid solicitation for a period of time sufficient to give bidders notice of opportunity to submit bids (formal advertisement in a newspaper is not required so long as other means of advertising will provide sufficient notice of the opportunity to bid). The advertisement must state the date, time, and location of the public bid opening, and indicate where specifications may be obtained.
4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed. A minimum of 2 bids must be received in order to open all bids.
6. A 5% bid bond is required of all bidders. Performance and payment bonds of 100% of the contract price is required of the winning bidder.
7. Award the contract on a firm fixed-price basis.
8. Award the contract to the lowest responsive, responsible bidder. Governing board approval is not required. Any and all bids may be rejected only for “sound documented reasons.”

H. Construction and repair contracts costing \$500,000 and above shall be procured using a combination of the most restrictive requirements of the Uniform Guidance “sealed bid” procedure (2 C.F.R. § 200.320(c)) and state formal bidding procedures (G.S. 143-129) as follows:

1. Cost or price analysis is required prior to soliciting bids (this cost estimate should be provided by the project designer).

2. Complete specifications must be made available to all bidders.
 3. Formally advertise the bid in a newspaper of general circulation for at least seven full days between the date of the advertisement and the date of the public bid opening. Electronic-only advertising must be authorized by the governing board. The advertisement must state the date, time, and location of the public bid opening, indicate where specifications may be obtained, and reserve to the governing board the right to reject any or all bids only for “sound documented reasons.”
 4. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
 5. Open the bids at the public bid opening on the date, time, and at the location noticed in the public advertisement. All bids must be submitted sealed and in paper form. A minimum of 3 bids must be received in order to open all bids.
 6. A 5% bid bond is required of all bidders (a bid that does not include a bid bond cannot be counted toward the 3-bid minimum requirement). Performance and payment bonds of 100% of the contract price is required of the winning bidder.
 7. Award the contract on a firm fixed-price basis.
 8. Award the contract to the lowest responsive, responsible bidder. Governing board approval is required and cannot be delegated. The governing board may reject and all bids only for “sound documented reasons.”
- I. Construction or repair contracts involving a building costing \$300,000 and above must comply with the following additional requirements under state law:**
1. Formal HUB (historically underutilized business) participation required under G.S. 143-128.2, including local government outreach efforts and bidder good faith efforts, shall apply.
 2. Separate specifications shall be drawn for the HVAC, electrical, plumbing, and general construction work as required under G.S. 143-128(a).
 3. The project shall be bid using a statutorily authorized bidding method (separate-prime, single-prime, or dual bidding) as required under G.S. 143-129(a1).
- J. Contracts for Architectural and Engineering Services costing under \$250,000 shall be procured using the state “Mini-Brooks Act” requirements (G.S. 143-64.31) as follows:**
1. Issue a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
 2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided for under 2 C.F.R. § 200.321.
 3. Evaluate the qualifications of respondents based on the evaluation criteria developed by the Purchasing Department and/or Requesting Department.
 4. Rank respondents based on qualifications and select the best qualified firm. Price cannot be a factor in the evaluation. Preference may be given to in-state (but not local) firms.
 5. Negotiate fair and reasonable compensation with the best qualified firm. If negotiations are not successfully, repeat negotiations with the second-best qualified firm.

6. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated. Governing board approval is not required.

K. Contracts for Architectural and Engineering Services costing \$250,000 or more shall be procured using the Uniform Guidance “competitive proposal” procedure (2 C.F.R. § 200.320(d)(5)) as follows:

1. Publicly advertise a Request for Qualifications (RFQ) to solicit qualifications from qualified firms (formal advertisement in a newspaper is not required). Price (other than unit cost) shall not be solicited in the RFQ.
2. Take affirmative steps to solicit price quotes from M/WBE vendors and suppliers as provided under 2 C.F.R. § 200.321.
3. Identify the evaluation criteria and relative importance of each criteria (the criteria weight) in the RFQ.
4. Proposals must be solicited from an “adequate number of qualified sources” (an individual federal grantor agency may issue guidance interpreting “adequate number”).
5. Must have a written method for conducting technical evaluations of proposals and selecting the best qualified firm.
6. Consider all responses to the publicized RFQ to the maximum extent practical.
7. Evaluate qualifications of respondents to rank respondents and select the most qualified firm. Preference may be given to in-state (but not local) firms provided that granting the preference leaves an appropriate number of qualified firms to compete for the contract given the nature and size of the project.
8. Price cannot be a factor in the initial selection of the most qualified firm.
9. Once the most qualified firm is selected, negotiate fair and reasonable compensation. If negotiations are not successfully, repeat negotiations with the second-best qualified firm.
10. Award the contract to best qualified firm with whom fair and reasonable compensation has been successfully negotiated. Governing board approval is not required.

V. Exceptions

Non-competitive contracts are allowed **only** under the following conditions and with the written approval of the federal agency or state pass-through agency that awarded the federal funds:

- A. Sole Source.** A contract may be awarded without competitive bidding when the item is available from only one source. The Purchasing Department and/or Requesting Department shall document the justification for and lack of available competition for the item. A sole source contract must be approved by the governing board.

- B. Public Exigency.** A contract may be awarded without competitive bidding when there is a public exigency. A public exigency exists when there is an imminent or actual threat to public health, safety, and welfare, and the need for the item will not permit the delay resulting from a competitive bidding.
- C. Inadequate Competition.** A contract may be awarded without competitive bidding when competition is determined to be inadequate after attempts to solicit bids from a number of sources as required under this Policy does not result in a qualified winning bidder.
- D. Federal Contract.** A contract may be awarded without competitive bidding when the purchase is made from a federal contract available on the U.S. General Services Administration schedules of contracts.
- E. Awarding Agency Approval.** A contract may be awarded without competitive bidding with the express written authorization of the federal agency or state pass-through agency that awarded the federal funds so long as awarding the contract without competition is consistent with state law.

**TOWN OF MICRO
RECORD RETENTION POLICY AS RELATED TO ARPA
FUNDING**

WHEREAS, it is required that municipalities receiving ARPA Funding have a Record Retention Policy in place that is compliant with 2CFR 200.334, and;

WHEREAS, the Town of Micro has received ARPA Funding and will adopt the Record Retention Policy as drafted by the UNC School of Governments as related to ARPA Funds.

NOW THEREFORE, the Town of Micro adopts the attached (Attachment A) Record Retention Policy.

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk

ATTACHMENT "A"

RESOLUTION #2026-03

Record Retention Policy: Documents Created or Maintained Pursuant to the ARP/CSLFRF Award

Retention of Records: The Coronavirus Local Fiscal Recovery Funds ("CSLFRF") [Award Terms and Conditions](#) and the [Compliance and Reporting Guidance](#) set forth the U.S. Department of Treasury's ("Treasury") record retention requirements for the ARP/CSLFRF award.

It is the policy of the Town of Micro to follow Treasury's record retention requirements as it expends CSLFRF pursuant to the APR/CSLFRF award. Accordingly, the Town of Micro agrees to the following:

- Retain all financial and programmatic records related to the use and expenditure of CSLFRF pursuant to the ARP/CSLFRF award for a period of five (5) years after all CLFRF funds have been expended or returned to Treasury, whichever is later.
- Retain records for real property and equipment acquired with CSLFRF for five years after final disposition.
- Ensure that the financial and programmatic records retained sufficiently evidence compliance with section 603(c) of the Social Security Act "ARPA," Treasury's regulations implementing that section, and guidance issued by Treasury regarding the foregoing.
- Allow the Treasury Office of Inspector General and the Government Accountability Office, or their authorized representatives, the right of right of timely and unrestricted access to any records for the purpose of audits or other investigations.
- If any litigation, claim, or audit is started before the expiration of the 5-year period, the records will be retained until all litigation, claims, or audit findings involving the records have been resolved.

Covered Records: For purposes of this policy, records are information, regardless of physical form or characteristics, that are created, received, or retained that evidence the Town of Micro's expenditure of CSLFRF funds on eligible projects, programs, or activities pursuant to the ARP/CSLFRF award.

Records that shall be retained pursuant to this policy include, but are not limited to, the following:

- Financial statements and accounting records evidencing expenditures of CSLFRF for eligible projects, programs, or activities.
- Documentation of rationale to support a particular expenditure of CSLFRF (e.g., expenditure constitutes a general government service);
- Documentation of administrative costs charged to the ARP/CSLFRF award;
- Procurement documents evidencing the significant history of a procurement, including, at a minimum, the rationale for the method of procurement, selection of contract type, contractor selection or rejection, and the basis for contract cost or price;
- Subaward agreements and documentation of subrecipient monitoring;
- Documentation evidencing compliance with the Uniform Guidance property management standards set forth in 2 C.F.R. §§ 200.310-316 and 200.329;
- Personnel and payroll records for full-time and part-time employees compensated with CSLFRF, including time and effort reports; and
- Indirect cost rate proposals

Storage: The Town of Micro's records must be stored in a safe, secure, and accessible manner. Wherever practicable, such records should be collected, transmitted, and stored in open and machine-readable formats.

Departmental Responsibilities: Any department or unit of the Town of Micro and its employees, who are responsible for creating or maintaining the covered documents in this policy shall comply with the terms of this policy. Failure to do so may subject the Town of Micro to civil and/or criminal liability. Any employee who fails to comply with the record retention requirements set forth herein may be subject to disciplinary sanctions, including suspension or termination.

The Finance Officer is responsible for identifying the documents that the Town of Micro must or should retain and arrange for the proper storage and retrieval of records. Finance Officer shall also ensure that all personnel subject to the terms of this policy are aware of the record retention requirements set forth herein.

Reporting Policy Violations: The Town of Micro is committed to enforcing this policy as it applies to all forms of records. Any employee that suspects the terms of this policy have been violated shall report the incident immediately to that employee's supervisor. If an employee is not comfortable bringing the matter up with the supervisor, the employee may bring the matter to the attention of the Finance Officer. The Town of Micro prohibits, any form of discipline, reprisal, intimidation, or retaliation for reporting incidents of inappropriate conduct of any kind, pursuing any record destruction claim, or cooperating in related investigations.

Questions About the Policy: Any questions about this policy should be referred to Mayor Marty Parnell, 919-284-2572, martyparnell@gmail.com, who is in charge of administering, enforcing, and updating this policy.

**TOWN OF MICRO
INTERNAL CONTROL POLICY AS RELATED TO ARPA FUNDING**

WHEREAS, it is required that municipalities receiving ARPA Funding have an Internal Control Policy in place that is compliant with 2CFR 200.303, and;

WHEREAS, the Town of Micro has received ARPA Funding and will adopt the Internal Control Policy drafted by the UNC School of Governments as related to ARPA Funds.

NOW THEREFORE, the Town of Micro adopts the attached (Attachment A) Internal Control Policy.

Duly adopted this the 10th day of March, 2026 while in regular session.

Marty Parnell
Mayor

ATTEST:

Kimberly A. Moffett, CMC, NCCMC
Town Clerk

Model Internal Control Policy: Coronavirus State and Local Fiscal Recovery Funds (“ARP/CSLFRF Award”)

DISCLAIMER and Policy Overview

This sample policy identifies internal control activities and compliance requirements for the expenditure of Coronavirus State and Local Fiscal Recovery Funds under the American Rescue Plan Act¹ (“ARP/CSLFRF award”). Other federal programs may require additional controls to address the specific compliance requirements of those federal programs.

Prior to adoption, this policy **MUST** be reviewed/revise/d and tailored to incorporate the specific internal control processes implemented by each unit of government. The examples of internal control activities herein are *not* intended to be all-inclusive or act as a checklist of required internal control activities. A local government may have adequate internal controls even though some of the illustrative controls in this policy are not present. Because each local government’s operations differ, the suggested control activities do not specify which employee/position/role within the unit is responsible for overseeing compliance. Each unit should identify the positions/persons responsible for performing the identified control activities.

The [Final Rule FAQ 13.15](#) describes the UG compliance requirements for each ARP/CSLFRF project expenditure category. Notably, local governments expending revenue replacement ARP/CSLFRF funds under the revenue loss category are subject to fewer UG compliance requirements than projects within the COVID-19 Public Health/Negative Economic Impacts and the Necessary Broadband and Water/Sewer Infrastructure categories. Units are advised to read the Final Rule FAQs, Award Terms and Conditions, and Treasury's Compliance Guide for full compliance requirements.

[Rebecca Badgett](#) serves as a Teaching Assistant Professor with a focus on grants management. She provides legal guidance, training, and other resources to help local governments comply with federal and state laws related to grant funding. For specific questions regarding this policy, email RBadgett@sog.unc.edu.

1. The [U.S. Treasury’s ARP/CSLFRF web page](#) contains links to the Final Rule and additional ARP/CSLFRF’s compliance documents.

Model Internal Control Policy: ARP/CSLFRF Award

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Definitions

- **Management** refers to employees who have direct responsibility for the day-to-day operations of the entity, including the implementation of internal controls. For the purposes of this policy, “management” includes: Mayor, Council Members, Financial Officer.
- **Oversight Body**, as referenced in the Government Accountability Office’s Standards for Internal Control in the Federal Government, refers to an appointed body designated to perform oversight at the direction of the governing board. The oversight body of a local government is, by default, the governing board, Town of Micro Board of Commissioners

Policy Overview and Purpose

Internal control is a process effected by an entity's oversight body, management, and other personnel that provides reasonable assurance that the objectives of an entity will be achieved. This policy outlines the internal control process established by the [TOWN OF MICRO] to provide reasonable assurances that the unit will expend ARP/CSLFRF award funds in compliance with governing laws and regulations. This document is adopted in accordance with the following directive

from U.S. Treasury's Compliance and Reporting Guidance: "Per 2 CFR Part 200.303, your organization must develop and implement effective internal controls to ensure that funding decisions under the ARP/CSLFRF award constitute eligible uses of funds, and document determinations."²

Internal Control Framework:

The [TOWN OF MICRO'S] internal controls are modeled after the internal control framework set forth in the Government Accountability Office's Standards for Internal Control in the Federal Government (the "Green Book"). As described in the Green Book, Management is responsible for establishing and maintaining the internal control system in compliance with the duties outlined in this policy. The Oversight Body's primary role is to ensure management performs its internal control responsibilities. However, every employee bears some responsibility for the internal control process.

The Green Book Recognizes Five Components of Internal Control: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring

The [TOWN OF MICRO] understands that each component must be present and functioning for the internal control process to operate at the optimal level. The responsibilities tied to each of the components are discussed below.

1. Control Environment

The control environment is the foundation for all other components of internal control, providing discipline and structure. Management values integrity, ethics, and competence in all operations, including the administration of federal awards. Management communicates and reinforces its expectations throughout the organization. Examples of management's commitment to internal controls over expenditures of ARP/CSLFRF funds include, but are not limited to, the following:

- Management demonstrates a commitment to integrity and ethical values through its leadership, communications, personnel practices, and daily actions.
- Management conducts ongoing risk assessments to identify internal control weaknesses that may negatively impact the proper administration of the ARP/CSLFRF award.
- Management is committed to educating itself and staff on the compliance requirements tied to the administration of the ARP/CSLFRF award.
- Management adopts policies necessary to ensure compliance with the Uniform Guidance and the ARP/CSLFRF award terms and conditions.

2. U.S. Department of the Treasury, *Compliance and Reporting Guidance*, p. 8 (updated Sept. 20, 2022).

2. Risk Assessment

Management is committed to identifying and managing the risks that may arise during the administration of the ARP/CSLFRF award. The risk assessment component of internal control involves management evaluating the risks the entity faces that could negatively impact its ability to achieve its objectives. These objectives include:

- **Operational Objectives:** All assets are appropriately safeguarded against risks of fraud, theft, loss, or abuse.
- **Reporting Objectives:** Finance systems and processes produce accurate and reliable financial reporting for federal award expenditures. The [TOWN OF MICRO'S] Schedule of Expenditures of Federal Awards (SEFA) is complete and accurate.
- **Compliance Objectives:** Ensure ARP/CSLFRF awards funds are expended in compliance with the award terms and conditions, federal and state law, and U.S. Treasury guidance.

Risk Identification

Management shall identify risks that may impair the [TOWN OF MICRO'S] ability to achieve its objectives. Management shall focus its risk assessment on areas of opportunity for employees to commit fraud. Specific areas and types of risk include:

- rapid growth in operations,
- changes in personnel,
- organizational restructuring, such as centralizing or decentralizing,
- new activities or service areas,
- new or revised information systems,
- new technologies in service delivery or information systems,
- changes in the operating or regulatory environment, and
- new or updated accounting and/or financial reporting practices.

Uniform Guidance Compliance & Risk Identification

There are specific risks that arise in the administration of a grant award. Management will identify areas of risk that may impair the [TOWN OF MICRO'S] ability to comply with the ARP/CSLFRF award's terms and conditions and/or applicable state and federal law and regulations.

Specifically, the [TOWN OF MICRO] will evaluate risks of non-compliance in the following compliance areas:

- Eligibility,
- Allowable Costs/Cost Principles,
- Period of Performance,
- Financial Management,
- Property Management,
- Procurement,
- Subrecipient Monitoring, and
- Program Income.

Risk Analysis

Management shall determine the potential severity of liabilities associated with the risks identified by weighing the likelihood of occurrence against the degree of impact.

Likelihood × Impact = Risk Priority						
After rating each risk for likelihood & impact, multiply to identify which risks are highest priority to control for.						
Risk Priority						
	5	4	3	2	1	
Likelihood	5	5	10	15	20	25
	4	4	8	12	16	20
	3	3	6	9	12	15
	2	2	4	6	8	10
	1	1	2	3	4	5
	1	2	3	4	5	
	Impact					

Priority Rank Scale	
Low	1 to 4
Moderate	5 to 9
High	10 to 19
Very High	20+

Risk Response

Management shall review the results of the risk analysis and determine whether to implement control activities to mitigate risks. Management will respond to identified risks in one of three ways:

- accept the risk,
- reduce the risk by implementing control activities to help prevent or detect issues, or
- avoid the risk by not pursuing certain activities.

Management shall consider the relative cost of implementing controls versus the benefit(s) offered in deciding whether to mitigate risk(s) through the implementation of control activities. When possible, control activities will be implemented to mitigate risks that rate “High” or “Very High” on the Likelihood/Impact scale.

3. Control Activities

Control activities are the actions taken by management to respond to risks that may prevent the entity from achieving its objectives. The internal control activities are either preventative or detective. The town uses a variety of control activities that support strong internal controls, including, but not limited to the following:

- written policies and procedures,
- segregation of duties: separating authorization, custody, record-keeping, and reconciliation functions,
- authorizations to undertake projects/programs/expenditure,
- reconciliation of accounts and records,
- documentation and record-keeping,
- physical controls, including locks, physical barriers, and security systems to protect physical assets,
- IT controls, including passwords, access logs, and firewalls to protect sensitive data and restrict access to electronic data and files,
- staff training, or
- a combination of the above.

4. Information and Communication

The town communicates accurate and quality information to internal staff and personnel and to external stakeholders and community members. Communication plays an integral role in the internal control system by helping to promote transparency regarding the use of public funds. Management shall be responsible for communicating internal control processes to those employees directly involved in finance and/or grant administration. Management will communicate its policies, procedures, and internal controls through various handbooks, programs, training, and electronic communication.

Information regarding pertinent policies, processes, and control activities will flow down, across, and up the organizational structure. Internal control deficiencies should be reported upstream, with serious matters reported immediately to top-level management and/or to the governing board. Employees are required to report any critical issues within the internal control system to management as soon as possible after the discovery.

To ensure transparency regarding the use of ARP/CSLFRF funds, the town shall communicate quality information to community members and external stakeholders. The communication channels may include:

- Governing board members are willing to engage directly with community members and answer questions via email and/or provide updates during regularly scheduled meetings.

5. Monitoring

The town shall conduct ongoing monitoring of the internal control system to identify its strengths and weaknesses. Internal and external audits will be conducted pursuant to federal and state law. These audit processes will test the effectiveness of internal controls over federal and state awards.

Internal Controls & Uniform Guidance Compliance

Financial Management, 2 CFR § 200.302

Overview:

Each unit must have a financial management system in place to satisfy the requirements set forth in 2 CFR 200.302. A unit may rely on existing accounting processes and procedures, provided such processes adequately track the obligations and expenditures of ARP/CSLFRF funds.

Objectives:

Ensure compliance with the following requirements set forth in 2 CFR 200.302, as follows:

1. Track all federal awards received and related expenditures separately for each federal program.
2. Provide accurate, current, and complete financial data to enable the disclosure of the results of each federal award.
3. Identify the source and application of funds (i.e., the system must be able to track authorizations, obligations, and disbursements, and tie any expenditures to eligible uses of ARP/CSLFRF funds.
4. Maintain control over, and accountability for, all funds, property, and other assets.
5. Compare budgeted amounts with actual expenditures.
6. Expenditures must be supported by the town's written procedures for determining the allowability, reasonableness, and allocability of costs. (A written Allowable Cost/Cost Principles Policy is required.)

Control Activities:

- A recommended practice is to set up a grant project ordinance to separately account for and track expenditures of ARP/CSLFRF funds.
- Utilize a financial management system that meets the standards outlined in 2 CFR 200.302.

Segregation of Duties:

Duties and functions related to financial reporting are segregated to ensure no one person has control over all parts of a financial transaction.

Documentation:

Documentation of financial transactions is complete and accurate and facilitates tracing the transaction from authorization and initiation through disbursement.

- Financial Officer shall ensure that, at a minimum, accounting records evidencing authorizations, obligations, and expenditures of ARP/CSLFRF funds are created and retained according to record retention requirements.
- Source documentation is retained, including paid invoices, payrolls, time and attendance records, contracts, and subaward documents.

Reporting:

Financial Officer shall prepare monthly reports for the governing board that includes updates for grant project expenditures and a comparison of budget to actuals.

Reconciliation:

General ledger and subsidiary ledgers used to account for the receipt and disbursements of ARP/CSLFRF funds are reconciled monthly against account balances by someone who does not have record-keeping/bookkeeping functions.

Communication & Monitoring:

The Financial Officer is responsible for communicating the financial management requirements and associated control activities to the appropriate personnel. All employees within the finance and accounting office have responsibility for internal controls, including the ongoing assessment of the effectiveness of internal control activities over the financial management system.

Eligibility (See Award Terms & Conditions for ARP/CSLFRF Eligibility Requirements)**Overview:**

The unit is responsible for ensuring ARP/CSLFRF funds are expended on eligible projects and programs. The process for making eligibility determinations is described in the town's Eligible Use Policy. (The control activities for Eligibility and Allowable Cost review are often combined.)

Objectives:

1. Ensure that supported projects and programs under the ARP/CSLFRF are eligible under one of the expenditure categories. (Eligible uses include projects identified in the Final Rule that fit within one of the four eligible use categories: COVID-19/Negative Economic Impacts, Revenue Replacement, Premium Pay, Investment in Necessary Broadband and Water/Sewer Infrastructure.)
2. Document eligibility review and project determinations.
3. Establish processes to ensure funds are not expended on ineligible uses. (Prohibited uses include bulk deposits into pension funds, debt services, replenishing financial reserves, the satisfaction of settlements and judgments, support for programs that undermine the effort to stop the spread of COVID-19, and any use that would violate state or local law.)

Control Activities:

- **Eligible Use Policy:** The town has adopted an ARP/CSLFRF Eligible Use Policy that explains the eligible uses of ARP/CSLFRF award funds and includes the [TOWN OF MICRO's] process for reviewing and documenting eligibility determinations.
- **Authorization:** The Financial Officer has reviewed applicable Treasury guidance, including the Final Rule, and has trained staff to conduct initial eligibility reviews for all project or program requests.

- **Documentation:** Each department is encouraged to use the SOG's Sample Eligibility Worksheet to document the review process. This documentation is retained for the five-year record retention period. Financial Officer and/or Town Clerk is responsible for overseeing compliance with documentation and record retention requirements.

Communication & Monitoring:

Management will communicate eligibility requirements and project determinations internally to staff and externally to community members and stakeholders. Management will periodically review a sample of eligibility determinations to ensure that documentation is being maintained and that the supported projects are eligible.

Allowable Costs/Cost Principles, 2 CFR §§ 200.400 to 200.476**Overview:**

The Uniform Guidance Cost Principles provide guidance on how to charge specific items of cost to a federal award. A written Allowable Cost/Cost Principles policy is required for compliance with 2 CFR 200 § 202.

Cost items charged using Revenue Replacement ARP/CSLFRF funds are subject to an allowable cost review. Cost items charged under the COVID-19/Negative Economic Impacts and Infrastructure Investment categories are subject to additional compliance requirements, including the Selected Item of Cost review. See Final Rule FAQ 13.15.

Objectives:

1. Ensure all costs charged to the federal award are allowable as defined in the Uniform Guidance, Subpart E—Cost Principles.
2. Consistently apply local policies to both federally financed and non-federally financed activities.
3. Treat costs consistently as direct or indirect costs.
4. Adequately document evidence of allowable cost review and other compliance requirements as necessary.
5. When applicable, appropriately charge indirect costs using either the Negotiated Independent Cost Rate Agreement (NICRA) or the de minimis rate of 10 percent.

Control Activities:

- **Segregation of duties:** When possible, duties are segregated between those who initiate, approve, and record financial transactions.

- **Documentation:** The Financial Officer shall ensure that documentation evidencing compliance with the Cost Principles is created and maintained through December 31, 2031. At a minimum, cost items will be reviewed for allowability prior to being charged to the federal award.

Communication & Monitoring:

Management shall ensure that staff is adequately trained to recognize allowable costs and associated compliance requirements for each eligibility category. Management shall periodically test the control activities by reviewing a sample of cost items charged to the ARP/CSLFRF award for allowability. Management will also test whether costs are charged to the proper project codes within the grant project ordinance.

Period of Performance (See Award Terms and Conditions)**Overview:**

The Period of Performance covers the period of time the town may obligate and expend ARP/CSLFRF funds. ARP/CSLFRF funds must be used for costs incurred between March 3, 2021, and December 31, 2024. For a cost to be incurred, the funds must be obligated (e.g., contract executed/pre-audit stage). All obligated funds must be expended by December 31, 2026. Any unspent award funds must be returned to the Treasury.

Objective:

Ensure that all obligations and expenditures are incurred during the ARP/CSLFRF award's period of performance.

Control Activities:

- Management reviews obligation dates to ensure that all obligations are made for costs incurred between March 3, 2021, and December 31, 2024.
- Management trains staff to review obligation and expenditure dates on contracts, or when performing eligibility and allowable cost reviews.

Communication & Monitoring:

Management shall communicate pertinent dates, including the period of performance, to any staff responsible for obligating or expending federal award funds. Periodic testing by management will ensure that all obligations are incurred between March 3, 2021, and December 31, 2024.

Procurement, Suspension & Debarment, 2 CFR §§ 200.317 to 200.327

Overview:

Expenditures of ARP/CSLFRF funds under the revenue replacement category are exempt from federal procurement. When expending ARP/CSLFRF funds in other expenditure categories, the unit is required to adopt *written* procurement procedures and follow all federal procurement rules outlined in the Uniform Guidance (2 CFR §§ 200.318–200.327) as well as its own internal policies. Where established local or state rules are more strict than federal rules, the recipient must follow the most restrictive rule.

[Note: Any unit that triggers a federal Single Audit, even if only expending funds under revenue replacement, must adopt a written procurement policy and procure single audit services in accordance with 2 CFR §§ 200.320 and 200.509.]

Objectives:

The Financial Officer recognizes it must satisfy the minimum federal procurement requirements, as follows:

1. Adopt a written procurement policy that considers the procurement standards in § 200.318, which includes bidding contracts in compliance with federal bidding thresholds, oversight of contractors' performance, and maintaining records to document the history of procurements.
2. Provide full and open competition in conducting procurements, consistent with the standards outlined in § 200.319 and § 200.320, which allow for non-competitive procurements only in limited circumstances.
3. Comply with the requirements of § 200.320(a) when using the micro-purchase and small purchase methods of procurement.
4. Use the sealed bids method for procurement contracts exceeding the simplified threshold. Utilize the competitive proposals method when sealed bidding is not possible.
5. Ensure noncompetitive procurement methods meet the conditions set forth under § 200.320(c).
6. Perform a cost or price analysis for every procurement action in excess of the simplified acquisition threshold, including contract modifications.
7. Pursuant to 2 CFR 200.319(b), if a firm assists in the development or drafting of specifications, statements of work, or bids or RFPs, the firm must be excluded from competing for the procurement.
8. Ensure that all contracts include the applicable contract provisions required by § 200.327 and described in Appendix II of 2 CFR 200.
9. Verify that a contractor is eligible by reviewing the suspended and debarred list on SAM.gov.
10. Restrict access to sensitive contractor information, such as Social Security numbers or federal tax ID numbers.

[Note: The control activities identified in this section are for illustrative purposes. Each unit should incorporate specific control activities to ensure that all contracts are executed in compliance with federal and state law. The procurement policy should detail the procurement processes. The unit may want to highlight specific control activities within this internal control policy, or it may simply reference its procurement policy.]

General Procurement Control Activities:

- Procurement Policy: The town maintains documented procurement procedures that are consistent with the standards outlined in §§ 200.317 through 200.327. This policy contains detailed processes and control activities for procurements made with federal funds.
- The Council must approve all types of contracts.
- Council is responsible for monitoring and documenting the performance of a contract for compliance with contract terms, conditions, and other specifications.
- Prenumbered purchase orders are used.
- A pre-audit certificate that is signed by the finance officer is attached to all purchase orders, invoices, or other contract obligations.
- Ensure purchasing forms have multiple copies so other departments, such as receiving and accounts payable, can be notified of the authorization.
- Micro-purchases may be awarded without soliciting competitive quotes if a determination is made that the price is reasonable.
- Cost items shall be reviewed for allowability pursuant to the review process set forth in the Allowable Cost Policy.
- The Financial Officer is responsible for identifying qualified vendors and rotating purchases made under the micro-purchase threshold among different suppliers. Management shall periodically check compliance with this control activity.
- The Financial Officer shall verify that contractors are not on the suspended or debarred list. A screenshot of the record check shall be maintained.
- Access to sensitive contractor information, such as Social Security numbers or federal tax ID numbers, is restricted.

Segregation of Duties:

- Duties are segregated between authorization, custody, record-keeping, and reconciliation.
- The person who sets up new contractors in the accounting system or edits information on existing vendors (record-keeping) is not the same as the person writing the checks (authorization).
- Reconciliations are performed by an employee who does not have record-keeping duties.
- Invoices and other supporting documentation are thoroughly reviewed prior to the invoice being approved (e.g., compare the receiving or packaging slip against the authorization).

Documentation:

Documenting the history of procurements is a top internal control priority for the town. All request personnel shall be trained on documentation and record retention policies. [Ideally, management will require the use of standard forms and templates for purchase orders, contracts, requests for proposals/bids, cost/price analyses, bid evaluation, etc.]

- Bid documents shall reflect all steps in the procurement process, including:
 - bid specifications and proof of advertisement (if required),
 - rationale for the selected method of procurement,
 - bid submissions,

- evaluation criteria,
 - basis for contractor selection or rejection,
 - justification for lack of competition, when applicable,
 - basis for award cost or price, and
 - contract agreement, including required UG contract clauses.
- Source documentation relating to procurements must be retained and should include sufficient details to support the transaction, including:
 - cost and quantity of items purchased,
 - model numbers,
 - purchase orders with and pre-audit certificates, and
 - personnel who authorized the sale, if applicable.
 - All records shall be maintained for a period of five (5) years after the ARP/CSLFRF period of performance (through December 31, 2031).

Communication & Monitoring:

Management shall ensure purchasing and finance staff understand federal procurement laws. Additional training shall be provided as necessary. Management will periodically review purchase orders and contracts to ensure that all charges are accounted for in the period in which the cost occurred and fall within the period of performance.

Property Management, 2 CFR §§ 200.310 to 200.316

Overview:

Except for property, supplies, or equipment acquired using revenue loss funds, the unit must follow the applicable provisions of the Uniform Guidance regarding property standards (2 CFR 200.310–316), subject to the requirements set out in FAQ 13.16.

Per FAQ 13.16, during the period of performance, the [TOWN OF MICRO] may use property, supplies, or equipment purchased with ARP/CSLFRF funds for a purpose other than the purpose for which the initial purchase was made, provided the new use is consistent with another eligible use. After the period of performance, the [TOWN OF MICRO] is more limited in how it may use the property purchased with ARP/CSLFRF funds. *[Note: Each unit must establish property management processes to ensure compliance with the ARP/CSLFRF award terms and conditions.*

Final Rule FAQ 13.16 provides additional instructions for property disposition requirements. Below are some suggested control activities based on the UG property management standards, but each unit should

adopt a property management policy and incorporate specific internal controls over the use and disposition of real property and equipment purchased with ARP/CSLFRF funds.]

Objectives:

1. Ensure real property, personal property, supplies, and equipment are used in compliance with the UG property standards (2 CFR 200.310–316), and subject to the requirements set out in FAQ 13.16.

2. Ensure documentation is maintained to substantiate any determination on whether the use of an asset is authorized for a particular purpose during and after the award period of performance.
3. Establish adequate safeguards to prevent loss, damage, or theft of property.
4. Follow adequate maintenance procedures to keep equipment in good condition.
5. Ensure proper disposition of real property and equipment in accordance with § 200.311(c) and § 200.313 (e).

Control Activities:

- **Insurance Coverage:** Purchase equivalent insurance coverage for real property and equipment as is provided to other property owned by the town. 2 CFR § 200.310.

Communication & Monitoring:

Management will train employees to understand the various compliance requirements set forth in the Uniform Guidance property management standards. Periodic testing of established controls shall be performed to ensure that all reporting and property management requirements are satisfied for both real property and equipment.

Subrecipient Risk Assessment & Monitoring, 2 CFR §§ 200.331 to 200.333

Overview:

Expenditures of revenue loss funds are exempt from compliance with this section. See [Final Rule FAQ 13.15](#). Each unit must design its own system of internal controls over subrecipient selection and monitoring that meet the requirements set forth in 2 CFR 200.331-.333.

Objective:

- Ensure compliance with requirements set forth in the Subaward Policy, which sets forth the UG compliance requirements in 2 CFR 200.331-.333.

Control Activities:

- The town has adopted a Subaward Policy. The policy outlines processes and control activities for the selection and oversight of subrecipients.
- Subrecipient agreements are reviewed and approved by knowledgeable staff to ensure all compliance requirements are captured and that all required elements set forth in 2 CFR § 200.332 are included.
- Management tracks subaward notifications and maintains copies of executed subaward agreements.
- Management conducts subrecipient risk assessments and approves individual subrecipient monitoring plans.
- Management requires a standard template to document all subrecipient agreements that includes the required elements outlined in the UG.
- Supervisors periodically reconcile subrecipient monitoring plans with actual monitoring activities that have been undertaken to ensure monitoring occurs as scheduled.
- Segregation of duties exists between those monitoring a subrecipient and those approving the conclusions regarding the subrecipient's compliance.

Communication & Monitoring:

Management shall be responsible for communicating the compliance requirements and specific award terms and conditions to subrecipients. Management will ensure that external stakeholders are apprised of any subaward agreements executed using ARP/CSLFRF funds and the intended purpose of the supported program. Management shall conduct ongoing monitoring to ensure staff is selecting eligible subrecipients and is adequately monitoring each subrecipient's compliance with the terms set forth in the subaward agreement.

Program Income, 2 CFR § 200.307

Overview:

Program income relates to gross income earned from expenditures of federal awards, such as income from fees for services performed, the use or rental of property acquired with program funds, and for the sale of items fabricated under the program. Program income is only triggered when income will be earned under the COVID-19/Economic Impacts Category or for income earned on a water/wastewater infrastructure project. When program income is earned, it is added back to the total ARP/CSLFRF award allocation.

Objectives:

1. Separately track and account for program income during the ARP/CSLFRF award's period of performance.
2. Expend program income on eligible projects and programs during the period of performance (program income is added to the total ARP/CSLFRF award).

Control Activities:

- On a monthly basis, recorded program income is reconciled with supporting documentation, such as loan ledgers and other accounting records.
- Program income is separately tracked and accounted for within the grant project ordinance.
- Management ensures program income is added to the total ARP/CSLFRF award and used to support eligible projects and programs.
- Individuals who collect cash or other receipts are different from those who deposit receipts, generate invoices, record general ledger activity, and reconcile bank statements.

Communication & Monitoring:

Management shall identify program income requirements and communicate compliance requirements to staff. Management shall periodically review accounting records to ensure program income is separately accounted for during the award period of performance.

Policy Checklist

Required UG Policies:

The following policies are required to ensure compliance with the Uniform Guidance:

- Eligible Use Policy (details the allowable activities under the ARP/CSLFRF award),
- Cost Principles/Allowable Cost Policy, and
- Conflict-of-Interest Policy.

Optional UG Policies:

These policies should be adopted if the programs or activities undertaken by the unit trigger compliance with any of the following UG compliance requirements:

- Subaward Policy,
- Property Management Policy, and
- Program Income Policy.

Required Policies Under the ARP/CSLFRF Award Terms & Conditions:

- Procurement Policy,³
- Records Retention Policy (ARP/CSLFRF records shall be maintained for five years after the period of performance),
- Civil Rights Compliance Policy, and
- Nondiscrimination Policy.

3. Expenditures of revenue replacement ARP/CSLFRF funds are exempt from UG procurement. State and local procurement requirements apply. Any unit that triggers a federal Single Audit, even if only expending funds under revenue replacement, must adopt written procurement procedures and procure single audit services in accordance with 2 CFR §§ 200.320 and 200.509.

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