

TOWN OF UNIONVILLE MINUTES OF REGULAR MEETING

The Town of Unionville Town Council held its regular meeting on Monday, December 16, 2019 at 7:30 p.m. in Town Hall, 1102 Unionville Church Road, Monroe, NC. Mayor Baucom and Commissioners Andrew Benton, Jeff Broadaway, Edd Little, Gene Price and Jaren Simpson were present. Commissioner Ken Brown was absent. Town Attorney Ken Helms was also present.

Everyone stood and recited the Pledge of Allegiance to the United States flag, after which Commissioner Price led the prayer of invocation.

Mayor Baucom welcomed everyone and called the meeting to order.

Mayor Baucom then recognized Commissioner Edd Little and honored him. He remembers as a five-year-old going to the bank and getting a roll of life savers candy from Mr. Little. He was a banker you could trust. There are givers and takers in this world, and Edd has always been a giver; not a taker. He volunteered as a baseball coach to youth and was a positive influence on many people. He served as a Town Commissioner for 16 years, and he and his family always made a difference; he is honest and has integrity and deserves the utmost respect. Commissioner Simpson stated that Commissioner Little has always been there for him, and Commissioner Simpson was always listening when he was speaking, as he has great wisdom and knowledge. Commissioner Price thanked Commissioner Little for his service, and said he is one of the few in the community he looked to for guidance. Commissioner Benton thanked Commissioner Little for everything, especially his good advice. Commissioner Little responded that he would like to see the community stay close, and it is a giving community and he hopes it will stay that way. He stated that he has enjoyed working with the Mayor, Commissioners and staff. Mayor Baucom then presented Commissioner Little with the Unionville Person of the Month honor, a plaque of appreciation, and framed photographs of the Council, himself and his wife. Mayor Baucom shared that Commissioner Brown sent his regrets for not being able to attend tonight's recognition.

Mayor Baucom then recessed the regular meeting to hold a short reception in honor of Commissioner Edd Little.

Clerk Gaddy administered the Oaths of Office to Commissioners Jeff Broadaway, Gene Price and Jaren Simpson. Mayor Baucom welcomed Commissioner Broadway to the Council.

In public comments, Commissioner Gene Price expressed his appreciation to the Unionville Volunteer Fire Department for visiting the neighborhoods with Santa Claus on the lighted fire truck before Christmas. He specifically thanked Commissioner Brown for organizing these events. Resident Beth Walker echoed Commissioner Price's thanks. She stated it was a joy to see her son so excited to see Santa on a fire truck. Resident Kathy Price shared the same sentiments.

Upon motion duly made by Gene Price, seconded by Andrew Benton, Council unanimously approved the minutes of the November 18, 2019 public hearing and regular meeting.

Mayor Baucom recognized Budget and Finance Officer Darrell Baucom, who reviewed the Financial Report. He stated that the Balance Sheet shows a cash balance of almost \$3,000,000. In Budget vs Actual, the Town is under on Income due to timing issues. In Expenses, Contributions are ahead of budget; insurance and Professional Fees are under budget overall \$27,000. Overall, the Town is ahead of budget \$12,000. In Transactions by Account, there is nothing big. On December 11, the Town received franchise taxes of \$64,000. In Pending Bills, he included a computer upgrade from Windows 7 to Windows 10 for Quick Books, and is sharing that cost with the Town, as he has done in the past. He also has a bill from Board of Elections for \$5,554. Upon motion duly made by Andrew Benton, seconded by Gene Price, Council unanimously approved payment of pending bills, including the Board of Elections bill.

Mayor Baucom recognized Mr. Jimmy Hanna with J. B. Watson & Co. regarding the audit report. Mr. Hanna thanked the Town for allowing them to perform the annual audit. He distributed copies of the audit report to the Council and Clerk. On Page 23, the Income and Expense Statement compares budget versus actual for fiscal year ending June 30, 2019. Revenues exceeded expenses \$33,971, which is \$46,800 less than last year's profit, based on large contributions to American Legion and Volunteer Fire Department, which reduced net income. Page 2 shows a fund balance of \$2,950,000, an increase of \$133,979. Page 3 shows the Balance Sheet showing assets and liabilities of the Town as of June 30, 2019. Spendable cash is \$2,885,984. The Town is very strong financially; there is no debt. The Town must report on the Balance Sheet your share of the state's pension liability. The Town had a very strong audit; there were no problems. His only comment is the segregation of duties since it is such a small organization, so no one person has access to records and the accounts. There are no negative comments. Page 27 is a new schedule which shows Expenditures of Federal and State Awards due to the \$50,000 grant given through the Town to the Volunteer Fire Department. On the Financial Statement Comparison page, he took key numbers on this year's audit comparing to June 30, 2018 and June 30, 2017. The fund balance state average is 81.6%; Town of Unionville's is 728%. The Town has a very strong financial position. The tax collection rated compared to other towns your size in North Carolina is very good. There is also a report of all towns in our category comparing them to Unionville. The Town has a strong financial position and there was no trouble with the audit. There were no questions for Mr. Hanna. Upon motion duly made by Jaren Simpson, seconded by Andrew Benton, Council unanimously approved the 2019 audit as submitted by J. B. Watson & Company.

Mayor Baucom recognized Mr. Patrick Niland, Union County Assistant Manager. Mr. Niland stated that he has served as Assistant County Manager since April 2019 and previously was Town of Wingate's Manager. He has been on both sides of the discussion. Union is one of two counties in the state that assesses a fire fee. Every district using the fee had maxed out their

fee three years ago. So, they took money from the county's general fund and subsidized. Union County has been looking at this for 10-15 years, and there is no easy solution. The Board of Commissioners settled on split fire funding—urban funding of 80/20 and rural funding of 60/40. They looked at the tax base, and Unionville falls in the rural rate. For rural, 60 percent of funding would come from the district and 40 percent from the general fire subsidy. This keeps rates lower. Urban areas would use the 80/20 ratio. To change from a fire fee to a fire tax, the county must have approval from the municipalities. He distributed maps and a resolution. Unionville and Bakers fire service areas are in the Town of Unionville municipal limits. The majority of the Town is located in the Unionville VFD fire service area. This resolution will allow the county to collect taxes in both districts. Bakers would be at an 80/20 ratio and Unionville would be at a 60/40 ratio. Union County is asking that Town of Unionville approve this resolution. Fairview and Wingate have already approved the resolution. Mayor Baucom made inquiry as to whether the new tax rate on a \$240,000 home would equate to what is being paid now with the fire fee. Mr. Niland stated that currently, they are charging \$100 for a home valued from \$100,000 - \$1,000,000. The new rate will be based upon valuation of a home. This is not a new tax; it will simply replace the old fee and gets us more in line with other districts. Mayor Baucom made inquiry as to how the Unionville rate compares to other areas of the county. Mr. Niland stated that this has a good deal of value and Unionville Volunteer Fire Department does a great job. We will have one of the most comparative rates in the county. Mayor Baucom made inquiry as to the next step. The County Board of Commissioners have approved this fee and directed staff to visit the municipalities for municipal consent. They will advertise and conduct a public hearing, which will take approximately four months. Mayor Baucom stated that he has discussed it with Fire Chief Ken Brown, and he feels it is a fair deal for the fire department. Tax Collector Gaddy made inquiry as to who collects the tax. Mr. Niland stated that Union County will collect and distribute the tax. Commissioner Simpson made inquiry as to whether the County Commissioners have authority over this. Mr. Niland stated that the fire chief will submit a budget and the commissioners will submit a budget, and the Commissioners set the rate annually. The goal is to stabilize the tax rate for a 10-year period. Commissioner Simpson made inquiry as to whether there would never be another fire fee in the county. Mr. Niland said that is the intent. Upon motion duly made by Andrew Benton, seconded by Jeff Broadaway, Council unanimously approved the resolution, a copy of which is appended to these minutes. Mr. Niland thanked the Council for hearing him tonight.

Mayor Baucom recognized Mr. Reid Helms with Crime Stoppers. He has been with Crime Stoppers since 1981 and has organized the barbecue for 28 years. It's the only fundraiser they have. Dr. Paul Helms began Crime Stoppers on July 9, 1981. Of the 100 counties in the state, Union and Mecklenburg are the only two that pay \$5,000 for tips about violent crimes. All informants remain anonymous. Several convictions have been made as a result of this opportunity. Mayor Baucom made inquiry as to what other municipalities are giving. Mr. Helms stated they give \$300-\$1,000. Commissioner Simpson made inquiry as to whether Mr. Helms is visiting all county municipalities. Mr. Helms stated he has just begun to visit them and will go to the western part of the county next year. Upon motion duly made by Jeff

Broadaway, seconded by Andrew Benton, Council unanimously approved a donation of \$500.00 to Crime Stoppers.

The consensus of the Council was to review the Public Nuisance Ordinance and discuss it further at the January 20, 2020 regular meeting.

The consensus of the Council was to hold 2020 regular meetings on the third Monday of the month at 7:30 p.m.

Upon motion duly made by Gene Price, seconded by Jaren Simpson, Council unanimously appointed the following for 2020:

Mayor Pro-Tem – Ken Brown
Town Attorney – Ken Helms
Budget & Financer Officer – Darrell Baucom
Clerk/Tax Collector/Land Use Administrator – Sonya Gaddy
Deputy Clerk – Melody Braswell

The consensus of the Council was to table the appointment of the vacant Board of Adjustment Alternate until the January 20, 2020 regular meeting.

In other business and upon motion duly made by Andrew Benton, seconded by Gene Price, Council unanimously entered into Executive Session to discuss personnel matters.

Upon motion duly made by Jaren Simpson, seconded by Jeff Broadaway, Council unanimously closed Executive Session.

Upon motion duly made by Andrew Benton, seconded by Gene Price, Council unanimously approved Christmas Bonuses to staff--\$750 to Clerk Gaddy and \$500 each to Deputy Clerk Braswell and Finance Officer Baucom. Staff thanked the Council for their generosity.

There being no other business, Mayor Baucom declared the meeting adjourned.

Respectfully submitted,

Approved as to form:

Sonya W. Gaddy
Clerk

R. Kenneth Helms, Jr., Town Attorney

