

## **TOWN OF UNIONVILLE MINUTES OF REGULAR MEETING**

The regular meeting of the Town of Unionville Town Council was held at Town Hall, 1102 Unionville Church Road, Monroe, NC at 7:30 p.m. on Monday, December 17, 2012. Mayor Simpson and Commissioners Randy Baucom, Robert Croutch, Edd Little 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. Mayor Simpson then asked that we observe a moment of silence for the Newtown, Connecticut victims and their families, after which Commissioner Croutch led the prayer of invocation.

Mayor Simpson called the meeting to order and welcomed everyone present.

There were no comments from the public.

There being no corrections to the November 19, 2012 regular meeting minutes, Mayor Simpson declared them approved as reviewed by Council.

Mayor Simpson recognized Budget and Finance Officer Darrell Baucom, who reviewed the financial report, a copy of which is appended to these minutes. Mr. Baucom stated that a franchise tax payment of \$72,000; a sales tax payment of \$2,000 and ad valorem tax deposits of \$5,500 were not included on the Balance Sheet. The actual cash balance is \$140,000 versus \$62,000 there. A Certificate of Deposit of \$904,000 matured today. He will deposit funds to total \$1,000,000 and check on rates tomorrow. Property taxes are close to budget and franchise taxes are more than budget. On the expense side, contributions are under budget \$12,000; insurance is under budget \$2,000; maintenance and repairs reflect the work on the back door; legal fees and solid waste cost sharing are under budget. Overall, the Town is under budget \$3,000. Barbee Lawn Care is included in Activity since last meeting. In addition to Pending Bills to be Paid, please include a refund to CoreLogic Tax Services of \$28.87. Upon motion duly made by Edd Little, seconded by Robert Croutch, Council unanimously approved the financial report and approved bills to be paid.

Mayor Simpson recognized Tom Moyer with Moyer, Smith & Roller, P.A. Mr. Moyer distributed a draft of the financial statements audit and stated that it has been submitted to the Local Government Commission, but has not been returned from Raleigh yet, although he doesn't anticipate any changes. For this reason, he will collect them at the end of his presentation. Beginning on pages 16 and 17, Mr. Moyer stated that the Town is a cash-basis-government entity; but this report also presents a set of statements on an accrual basis, similar to a for-profit business. On pages 10 and 11, are the Financial Statements on general accepted accounting principles. The biggest items are assets—taxes receivable and accounts payable and capital assets. Under net assets, almost all are unrestricted as far as availability. Under state statute, they use the formula on the state website so there is no variance. Page 11 shows income and

expense on general accepted accounting principles basis. Net expenses are at the top and revenues are at the bottom. The Town shows a net profit of \$131,204. On page 12, the most important items are assets and liabilities as compared to page 10. Under fund accounting, there are no assets listed. At the bottom of the page, it shows how fund statements reconcile. Page 13 shows revenue and expenditures, cash receipts and cash disbursements. Page 25 compares budget to actual and page 26 shows expenses. Page 27 brings forward to net income—budgeted \$133,055 versus actual \$131,154, a \$1,900 variance. Page 28 shows property tax receivables and how taxes are written off after ten years. Page 29 is a summary of property tax levied, excluding farm property taxes not collected. Page 30 is the part of the audit where internal controls are look at. He read from the last paragraph “did not identify any deficiencies in internal control that we consider to be a material weakness...”. The next page shows compliance with laws and regulations; they did not find any instances of noncompliance. In the back is a two-page letter they are required to write pointing out management deficiencies discovered, and they have none to report. His firm found no difficulties in performing the audit; no corrections and misstatements, and no disagreements with management. Everything is in good order. Mr. Moyer will follow up with the Local Government Commission and will wait until they send approval to accept and enter into the record.

Upon motion duly made by Jaren Simpson, seconded by Edd Little, Council unanimously entered into Executive Session to discuss a personnel matter.

Upon motion duly made by Edd Little, seconded by Robert Croutch, Council unanimously adjourned Executive Session.

Upon motion duly made by Edd Little, seconded by Robert Croutch, Council unanimously approved Christmas bonuses for Darrell Baucom and Sonya Gaddy the same amount as was given in 2011.

In other business, Clerk Sonya Gaddy requested the Town’s participation in the 2012 Scattered Site Housing Program. This program will not cost the Town, but will allow any applicants within the Town to apply for housing grants. Upon motion duly made by Randy Baucom, seconded by Edd Little, Council unanimously approved participation in this program.

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

Respectfully submitted,

Sonya W. Gaddy  
Clerk

Approved as to form:

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R. Kenneth Helms, Jr., Town Attorney