

County Meeting
August 15, 2024 6:00pm
Minutes
Union County Courthouse

The meeting was called to order by Commissioner Paris at 6:01 pm. The Commissioner welcomed everyone to the meeting. The invocation was given by Fire Chief/EMA Director David Dyer and the Pledge of Allegiance was led by Bill Walker. The minutes from the July 18, 2024 County Meeting were approved as presented, and attendees were provided copies.

Commissioner Paris asked Mr. Clay Pilgrim, from Rushton and Company, Certified Public Accountants, to come up and present the Union County Audit Report for FY2023. Attendees were provided with a copy of the Audit Presentation.

Mr. Pilgrim's comments are summarized as follows: Thank you for having me here tonight to present the Annual Financial Report for the 2023 Audit. Everyone has a copy of the presentation with some notes and numbers that we are going to talk about. During the audit process we ask a lot of questions, and we request a lot of documentation. We request a lot of staff's time during the audit process as well and we appreciate them. We are a little delayed in presenting the 2023 Audit this year, and that is my fault as I was out of town for last month's meeting. This report was submitted to the State of Georgia Department of Audits and Accounts timely, prior to June 30th. We have already gotten the results back for the Department of Audits and there were no changes in that regard. The Independent Auditors Report is found on pages 1-3 of the Annual Financial Report. The first thing it describes is the auditor's opinion. We are pleased to report that for December 31, 2023 there is an unmodified opinion, or clean opinion, on the Financial Statements. Nothing came to our attention during the audit process that prohibits us from issuing an unmodified opinion. We do follow Government Auditing Standards issued by the Comptroller General of the United States. This Annual Financial Report and those Financial Statements are the responsibility of Union County's management. Our responsibility as independent auditors is to express our opinion on the Financial Statements being not materially misstated whether due to error or fraud.

The entire Audit Report is 110 pages and has many statements and schedules throughout the document. There are only two statements in the entire report that bring all activities of the County together on a full accrual basis and that is the government wide statements which are found on pages 16-18. The Statement of Net Position which is like a balance sheet for a business. Then there is the Statement of Activities which is like an income statement. Government wide net position is the residual equity of the county. This is going to be all the assets of the county less liabilities. Net position is broken down into three categories. The largest category is Net Investment in Capital Assets. This is going to be land, buildings, equipment, and vehicles less the depreciation accumulated on those assets, less any debt utilized to acquire those assets. As of 2023 the County had no debt with the exception of leases and subscriptions, which is due to a new standard that I will talk about later. There are no bonds or notes. The total Net Investment in Capital Assets is \$56,555,189. The next category in Net Position is Restricted Net Position. SPLOST and grants are a good example of this type of funds. The County has received these funds, but they were not expended by year end. The total

restricted funds is \$13,593,054. The remaining category is Unrestricted Net Position and that amount is \$10,716,489. For the year the total of all three categories is \$80,864,732.

Next we are going to talk about the General Fund. This is where the operations of most of the county take place. This can be found in the Annual Financial Report on pages 19, 21, 23, and 24. The balance sheet is on page 19, the Statement of Revenues and Expenditures and Changes in Fund Balance is on page 21, and Budget versus Actual is on pages 23 and 24.

In the Revenues and Expenditures of the general fund, revenues increased a little over 2 million dollars. About 8.2% was property taxes in the amount of \$1,199,184, and the Local Option Sales Taxes increase \$229,688. Intergovernmental Revenues increased \$212,210 and Interest Income increased \$448,269, which can be attributed to increased interest rates. The expenditures side increased \$4,516,038 or 22.2%. The largest part of that increase is personal service expenditures which includes payroll or related expenses. Risk Management did increase \$548,960, again mostly related to payroll health insurance and claims and insurance costs. General government buildings increased \$206,551 and was mostly due to personal services and some capital projects. The Sheriff's Office increased \$1,309,375, again due to personal services and capital outlay. Jail operations increased \$393,669 due to personal and contract services. Fire and emergency management increased \$361,620 due to personal services. Highways and streets increased \$249,991 due to personal services as well. Next we will talk about the Unrestricted Fund Balance of the general fund. When I talked earlier about the net position being the equity of the county as a whole, that is on the full accrual basis of the county and all the funds. When we look specifically at the general fund, that equity is called fund balance. Fund balance is similar to net position it is just a different basis of accounting. The fund balance is the equity of the general fund which is assets less liabilities. That fund balance can be in five different categories. You can have non-spendable fund balance, which is items not in a spendable form. Then you have restricted fund balance, which is restricted from outside sources. Then you have committed fund balance, where the governing body may commit funds to a project that is going to take place in the future. Union County does not have a committed fund balance. Then you have assigned, fund balance which comes from assignments for the subsequent years budget if you are using the fund balance to balance the budget. The remaining is the unrestricted fund balance. GFOA issues the best practices for fund balance. When they talk about fund balance they are talking about the unrestricted fund balance at the end of the year. They say that you should have 2-3 months on unrestricted fund balance in what they call a reserve. As of December 31, 2023, Union County has \$9,136,153 of unrestricted fund balance. If you take that fund balance number and compare that to what the annual expenditures are in the general fund, that gives you about 36.6% of the expenditures, with is about 4.4 months. So, healthy in that regard.

The SPLOST schedules are found on pages 100 and 101 on the Annual Financial Report. Union County has two open SPLOST referendums. In the 2015 SPLOST, which is SPLOST IV, \$11, 205 was spent in 2023. The 2021 SPLOST, which is SPLOST V, is just getting going and still being collected and expended. \$6,201,349 was expended on Union County Referendum Projects in 2023. Out of SPLOST V, \$658,198 was sent to the City of Blairsville. This details the two open SPLOST that the county is expending currently.

We as a firm feel it is very important that we keep the finance team, the governing body and the citizens aware of changes that are taking place in the financial reports. We try to be proactive

with assisting with new accounting standards. The Governmental Accounting Standards Board (GASB) has been very busy over the last 8-10 years, so there have been quite a few changes. I mentioned earlier, when we were talking about debt, the county does not really have debt at all. What would be considered in the long-term debt category would be leases. GASB Statement 87 was required to be implemented last year and this pertained to leases. There is also a FASB standard which is ASC 842 was on leases as well. Pretty much every entity, commercial nonprofit or government, were all required to change how they accounted for leases. Previously if an entity paid a quarterly, monthly or yearly lease expense that would have been recorded as a lease expense. If you were leasing to someone, it would have been rent revenue. GASB 87 requires that these leases, either on the receivable side or payable side, now must be moved to the balance sheet. We had to put a liability on the books for those leases. These were not necessarily new debt. These leases might have been recurring operating leases that had been taking place for years. This year, in 2023, we have GASB Statement 96. The county implemented this in 2023. This is subscription-based information technology arrangements or SBITA. Software would be the most common. The county has a couple of types of software that meet the requirement to be recorded there. You used to go to the store and buy your software, which came on a floppy disk or a CD. You would bring it home, put it on your computer and you would have that software. Then you could purchase it online, but now you subscribe to the software. If at any given time you don't pay that subscription, you don't have that software. This standard says that you sign a multi-year contract and you owe that, so it is a liability. It is now recorded on the balance sheet as a liability. The only debt the county had at the end of 2023, was some subscriptions and some leases, both of which are accounted for identically. That was required to be implemented in 2023. The total liability for the SBITAs is \$199,249 which is not very substantial as far as debt is concerned. There is a future change that is going to apply in GASB Statement 101 on compensated absences. This is accrued vacation time that is accrued but not paid at the end of the year. This is going to change some of the disclosure requirements which will make it easier to implement.

I have a quick letter I have to go through that is required communications to the governing body. This letter is what we call our Audit Committee Letter. The county did implement GASB Statement 94 which is public private and public public partnerships and availability payment arrangements. They also implemented GASB Statement 96 which is the SBITAs we talked about at length. GASB Statement 99 which is omnibus 2022. Those were all implemented in 2023. This letter also spells out accounting estimates. I am required to disclose what I feel like are the most sensitive estimates in Financial Statements. That would be the life expectancy for capital assets for depreciation, allowances for any uncollectible property taxes or utility receivables, and then land fill closure and post closure care costs. The audit was timely and went smooth as far as the process is concerned. If I had any difficulties dealing with management or performing my audit, in other words they weren't providing information that sort of thing, I would have to disclose that in writing here. I had no difficulties at all in performing the audit. We do have from time to time during the audit process journal entries that we post or adjustments that we make. We also have from time to time, since we are testing for material items, things that we may project. We may have a small, immaterial or trivial difference in those regards. We keep those and provide those to management. We had no disagreements with management as far as accounting matters are concerned during the audit process. In my opinion, the most important part of this letter states that I have received the Management Representation

Letter that is signed by the governing body. It basically says they have not intentionally withheld information from us or not provided us with something on purpose that may materially misrepresent the financial statements.

In 2010 when the alcohol referendum was passed, Commissioner Paris made the commitment to set aside up to \$50,000 each year from alcohol license fees and tax receipts to put back into the community for the purpose of helping to combat the alcohol and drug abuse problems that already existed in Union County. There is a completely independent committee set up to review the applications and award the grants and, as in the past, they wish to remain anonymous. This makes it fair so applicants can't go to them for favoritism. The Commissioner had no input into which organizations received the grants nor how much they received. Four organizations applied for the grant this year and four were awarded funding. In this time of such a tremendous problem nationwide with the opioid crisis, it is very nice to know that Union County has these non-profit organizations spending their time and effort to work with the public to assist them in their recovery. The Commissioner awarded Substance Abuse Grants to the following local organizations:

Freedom Ministries was awarded \$7,500 and no representative was present.

New Hope Counseling was awarded \$7,500. Troy Beavers was present to accept the grant. His comments are summarized as follows: New Hope Counseling of Blairsville is the only substance use drug and alcohol treatment facility in Union, Fannin and Towns Counties that is certified by the Georgia Department of Behavioral Health, certified by the DUI Intervention Program and by the Department of Driver Services. New Hope Counseling is also approved by SAMSHA and by Piedmont Hospital to provide alcohol and drug treatment for those that need treatment in order to receive a liver transplant. We are also approved by the State Nursing Board to treat nurses who have lost their license due to drug or alcohol abuse for them to get their license reinstated. We have an employee assistant program that works with employers and employees to allow employees to maintain their employment if they have substance use issues. In addition, we work very closely with probation and parole. New Hope Counseling has a court mandated program where people that are on probation after getting out of jail, as part of their probation, are mandated into treatment. We have had some success in disrupting the cycle of drug and alcohol abuse with this program. New Hope Counseling does not refuse services to anyone based on their ability to pay for services and consultations are. We do not bill insurance either since 95% of our clients do not have insurance. Our existence is solely dependent on client fees and the money we receive from grants like this. 100% of this grant received will go for direct client services and it will be money well spent.

Positive Pathways, Inc. was awarded \$5,000 and no representative was present.

Union County Family Connection was awarded \$5,000 and no representative was present.

Commissioner Paris accepted an agreement between CivicPlus and Union County for the implementation, hosting fee, and content development of the Union County website with an effective date of July 29, 2024. The initial cost of this agreement is \$24,273.25 for the first year, with an annual recurring cost of \$9,970.

Attendees were provided a copy of the list of Business Licenses issued in Union County from July 15, 2024 to August 11, 2024 for the purpose of operating a Short-term Rental in Union County. The Commissioner approved all Business Licenses contained on the list provided and the list will be made a part of the minutes.

Commissioner Paris accepted a Lease Agreement between the 9th District Opportunity and Union County for the use of office space located at 185 Welborn Street, Suite 8, in the Pat Haralson Memorial Civic Center in the amount of \$230.00 per month totaling \$2,760.00 for the year. The duration of this lease is from October 1, 2024 through September 30, 2025.

Items seven and eight on the agenda were presented by County Attorney, William Mercer. Both items were Quitclaim Deeds for Old Lows Mill Road. At the County Meeting on June 20, 2024 the abandonment of Old Lows Mill Road was announced. The required notices were published in the North Georgia News as required by State Law and a Public Hearing regarding this abandonment was held on July 18, 2024. There was an additional proposed road abandonment at this public hearing that had one concerned citizen show up, but no one showed up or spoke related to the Old Lows Mill Road Abandonment. All statutory requirements have been met to abandon this road that no longer serves a public purpose and has not for many years. The road was abandoned to two adjoining property owners. The first Quitclaim Deed is abandoning 0.12 acres to Melanie Plott. This includes all that tract or parcel of land lying and being in Land Lot 297 and 316, 9th District, 1st Section, Union County, Georgia, and being shown as "Tract-1", containing 0.12 acres, more or less, as shown on a plat of survey by Cleveland & Cox Land Surveying, LLC, Roger L. Owenby, G.R.L.S. #2763, dated May 31, 2024 and filed of record on June 18, 2024 in Plat Book 74, Page 383 in the Office of the Clerk of Superior Court, Union County, Georgia. Said plat is incorporated herein by reference hereto, for a full and complete description of the above-described property. The remaining portion of the abandoned road, which is 0.15 acres, is being deeded to Wade Plott, Travis Plott, and Tyler Plott. The legal description is the same in both Quitclaim Deeds. Mr. Mercer asked for questions and there were none.

Commissioner Paris stated that these portions of road are hereby abandoned.

Mr. Vincent Peterson requested to be placed on the agenda to speak regarding the 2024 Union County submitted budget. Mr. Peterson's comments are summarized as follows: I started reviewing the 2024 budget before the November meetings. I was unable to be here the night of the public meeting. I continued doing some detailed review. There is an item in the budget of 5 ¼ million dollars entitled Transfer to Other Funds. What does that mean? If I transfer \$5,000 out of my savings account and into my checking account, I see \$5,000 out and \$5,000 in. It balances. So, I decided I would take a look at these other funds, which happen to be the Special Revenue Fund, the Capital Project Fund, and the Enterprise Fund. Which show on the one-page budget. I looked into the details of these, and you do see some things like in the E-911 fund there is a transfer in of \$213,500 from the General Fund. That is part of that 5 ¼ million dollars. When you look at all of the funds and all the transfers in, I can only find 2 million dollars transferred in. That is an imbalance of 3 ¾ million dollars. Where is our 3 ¾ million dollars? Something is not right with the budget as it was presented and approved in November. I think we need to look into this. Something is not correct. We got a 3 ¾ million-dollar imbalance

which by law is supposed to be a balanced budget. I have also seen several other items in this budget that I need to be talking about, but I don't have enough time to do that tonight. We are looking at having a Town Hall Meeting on September 26th at 6:00 pm in the Civic Center to look at a number of these items that I am raising as potential issues with the Budget. I am inviting you, Commissioner Paris, to come to that and to be able to talk about these items in the budget. And I can maybe meet with you before that so you can load your gun, so to speak, before that meeting. We can maybe talk about that later. Thank you.

Commissioner Paris stated that this is August of the 2024 Budget year. The accounting staff is always interested in people that have a question like this, but people that have a question like this always want to do it at the County Meeting, which is fine. Citizens could simply come to the office and meet with the Accounting Director where she could go over everything on there that is needed and provide answers to questions. This could be done without the process that we are seeing tonight. If that is the way citizens want to do it, that is fine. Commissioner Paris followed up by stating the County never has anything hidden. The audit report was just presented. Nothing is ever done out of line or illegal and he is proud that the County always has a balanced budget. Union County has no debt and the 3rd lowest millage rate out of 159 counties. The only way that can be accomplished and have what Union County has is to work yourself to death, not hide money and not pull shenanigans with money. The Commissioner closed his comments on this topic by stating he just doesn't know where these thought processes come from. If anybody can figure that out maybe let him know later on.

Right before last month's meeting Commissioner Paris was notified about funding coming from GDOT. In explaining this to the attendees it was inferred that this money would be coming to the county for the purchase of right-of-way on the Murphy Highway. That was inaccurate. GDOT let the county know they were going to provide 30 million dollars to start the Highway 515 Expansion. Jennifer Mahan interjected this was regarding 19/129 and not Highway 515. This money did not come to Union County and would not come to Union County. GDOT handles their own money and their own right-of-way purchases. The properties GDOT purchases will be an agreement between them and the property owners.

Commissioner Paris provided a few updates regarding county projects. He said there is a lot of paving going on around the county. Some are being done by contractors through LMIG funding and some by local funding. He will try and have a list of all the paving and striping that has been done so far this year at next month's meeting. On Fisher Field Road, where the bridge was rebuilt, this road has now been paved. Weaver Road behind the hospital has been widened and paved. Union General Hospital asked if this road could be widened to accommodate ambulances. Union County was able to do this and Colditz did this paving. Union County has had difficulty getting inmate crews from the Detention Center for three weeks because they have had some type of skin infection which kept them from leaving the facility. The Mayor called and said the crews should be released back to work within the next week. The Jail Work Crew painted the Meeks Park rocks that spell out Meeks Park along Highway 515. This area also has new mulch and some new plants, which made it look really good. Some improvements have been made to the water wheel in Meeks Park. The water pump needed to be re-worked and some painting needed to be done. That is all complete now and this area looks really great now also Union County is in the process of replacing the bridge on Old Bald Mountain Road over Stink

Creek. They are doing the concrete work now, but Commissioner Paris was not aware of the scheduled completion date. In regard to the Pat Haralson Intersection, all right-of-way has now been signed off on by property owners and the Commissioner is hopeful that in the next 30 to 45 days this can go out to bid.

There being no further business, the meeting was adjourned at 6:54 pm.

Respectfully submitted by:

Jennifer Mahan
Jennifer Mahan, County Clerk

Approved this 19th day of September, 2024

Lamar Paris
Lamar Paris, Commissioner



New Union County Short-term Rental Licensees
July 15, 2024 – August 11, 2024

BRANDS, ALEX AND NICOLE

274 Henson Road
Blairsville, GA 30512

CARR STEVEN P & CINDY P

243 McIntosh Rd
Blairsville, GA 30512

CAYER, SARAH

232 Cook Lane
Blairsville, GA 30512

CHOESTOE TROUT LODGE, LLC

91 Morris Ford Extension
Blairsville, GA 30512

CUTLER, CHRISTOPHER AND RACHAEL

318 Turner Dr
Blairsville, GA 30512

RAMSEY, CHARLES

572 Copperhead Pkwy
Blairsville, GA 30512
