



## OFFICE OF THE COMMISSIONERS AND MANAGER

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### News Release

## Union County Board of Commissioners Files Appeal to Halt \$91 Million Verdict

**October 17, 2013, Monroe, NC** – The Union County Board of Commissioners today formally filed an appeal of a recent jury verdict that would cost taxpayers an additional \$91 million dollars in fiscal year 2013-14.

“We cannot allow a verdict that would destroy our schools, bankrupt our businesses, and squeeze every single taxpayer in our county to go unchallenged,” said Union County Board of Commissioners Chairman Jerry Simpson. “This decision would devastate businesses, seniors, taxpayers and children.”

The Board of County Commissioners had appropriated \$85.2 to the Union County Board of Education for fiscal year 2013-14. There was a difference between what was budgeted and what was requested of \$9.2 million. However, a jury awarded the Board of Education not only the \$9.2 million difference but an additional \$81.9 million on top of that.

“We are not going to sit by and have 12 jurors determine the future of our county,” Simpson said. “If taxpayers want to spend that kind of money and deal with the consequences of that kind of spending, then all the voters of Union County should decide to go down that path. This decision would harm our businesses, our schools, our families to the core.”

County Manager Cindy Coto noted that the county’s available funds from the general fund balance are \$26.7 million, which is less than one-third of the judgment. Fully expending these funds would leave the county less than two months of operating capital in reserve for emergencies or economic crisis. She also noted that during the trial, the Board of Education attorneys suggested that the Board of County Commissioners use the user-fee funded Water and Sewer Utility Fund to pay the Board of Education’s request. This should not be done because these funds are assigned to fund utility projects identified in the \$426 million water and sewer master plan, and to help offset future rate increases.

“The bottom line is that if this verdict stands, it will cost taxpayers a bill of \$64.4 million for just a single year,” Simpson added. “That’s a property tax increase of 27.7 cents. To Union County families that means a home worth \$100,000 would receive an additional tax bill of \$277, and for a home worth \$400,000, the additional tax bill would be \$1,108. An unplanned tax bill of that size for any family would be catastrophic. The Board cannot let this verdict stand and devastate our residents, our families, our businesses and our most vulnerable, like the elderly and those on fixed incomes. The Board of Commissioners will fight this verdict to the end for the people of our community.”