

Town of Spring Lake  
Board of Aldermen Special Meeting  
Municipal Building  
300 Ruth Street  
Spring Lake, NC 28390

September 22, 2014

**MINUTES**

6 p.m.

The Spring Lake Board of Aldermen held a special meeting in the Grady Howard Conference Room of the Municipal Complex with Mayor Chris V. Rey presiding.

**Board Members Present:** Mayor Pro Tem James O'Garra  
Alderman James Christian  
Alderman Richard Higgins  
Alderwoman Densie Lucas  
Alderwoman Fredricka Sutherland

**Others Present:**

Ken Metcalf, Town Manager	Byron Blumenfeld, Water Resource Manager
Rosa Henegan, Human Resource Officer	John Kleinert, Maintenance Director
Troy McDuffie, Police Chief	T.J. McLamb, Fire Chief
Tina West, Interim Finance Director	Gail Elder White, Recreation Director
Rhonda Webb, Town Clerk	

**1. Call Meeting to Order**

Mayor Rey called the meeting to order.

**2. Approval of Agenda**

The Board approved the agenda.

**Action:** The Board approved a motion to approve the agenda.

**Motion by:** Alderman Higgins

**Second by:** Mayor Pro Tem O'Garra

**Vote:** Unanimous

(A copy of the agenda is hereby incorporated by reference and made a part of these minutes – see attachment one.)

**3. Revenue Update**

**4. Monthly Spending Audits of Each Department**

Mr. Metcalf advised he wants to give the Board as much information as we have right now early in the year and find out from the Board what we need to do better and what information the Board wants going forward into the budget process. Ms. West provided the Board with a review of the FY 2013-2014 budget. She stated the data she is reporting is preliminary and pre-audit. She anticipates returning to Fund Balance approximately \$190,000 to \$200,000. She reviewed what changed in the upcoming FY 2014-2015 budget that would cause an increase in expenditures and a need for additional revenues and they include \$186,152 for street paving debt service, \$156,000 in Fire Department personnel, \$44,000 for health insurance increases and additional public safety personnel. Looking toward the future for the FY 2015-2016 budget she expects to set strong

financial strategies, aggressively evaluate the Town's CIP by prioritizing the needs and seeking alternative funding sources, this year we are closely monitoring the annual budget and will begin the budget process earlier. Mr. Metcalf advised that we are scrutinizing purchases like never before and will be looking at budgets very closely on a monthly basis. He and Ms. West will be looking at the departments "green sheets" to see how closely they match up to the actual spending, i.e. how many pens or reams of paper did you ask for and how many did you purchase.

He advised he lowered the PO amount from \$500 to \$300. Mayor Rey inquired how this impacts the efficiency of this process. Mr. Metcalf stated we will monitor all the processes to see how efficient we are. Mayor Pro Tem O'Garra asked about emergency purchases and Mr. Metcalf clarified the process. Alderwoman Sutherland asked when the general store will be implemented and how we will handle specialty items. Mr. Metcalf advised the store is strictly for office supplies and Department Heads will still order specialty items. She asked how much we expect to save and Mr. Metcalf advised we are unable to report a firm number in total savings but Quill will give us a 20% - 22% savings. Ms. West clarified that Finance will charge each department what it costs to buy the items, there is no up cost. She further clarified that Finance took 80% of each departments approved budget in the office supplies line item; however, Department Heads may ask for some of that money back if they can show that they need it to purchase something that is not stocked in the store. Mr. Metcalf also advised that Department Heads were asked to diligently work toward saving 4% of their total approved budget. He clarified the money that is returned goes back into General Fund. Alderwoman Sutherland inquired about the positions in the Police Department that were frozen until January and the new position that Mr. Metcalf stated would be funded in January. Mr. Metcalf clarified that one new position will be added and the two frozen positions will be filled by July 2015. He also stated through lapsed salaries and frozen positions everything will balance out. Mayor Rey clarified that when all is said and done, the Police Department will gain one new position.

#### **5. Capital Improvement Plan Review**

Mr. Metcalf stated he emailed the most recent CIP and asked the Board to familiarize themselves with it because it will be discussed more in depth during upcoming budget meetings.

#### **6. Audit Information**

Mr. Metcalf advised the audit information was discussed earlier in the evening during Ms. West presentation.

#### **7. Budget Calendar**

Mr. Metcalf advised in mid-October the green sheets will go out to Department Heads. He hopes to have a winter retreat at which time the Board will be told what the Department Heads are requesting.

#### **8. Board Concerns and Priorities Moving Forward**

Mr. Metcalf gave the Board an opportunity to give input and ask questions. He stated he looks forward to the Board's budget workshop. He also advised that everything is conditional on the audit.

(A copy of the PowerPoint is hereby incorporated by reference and made a part of these minutes – see attachment two.)

**9. Adjournment**

**Action:** There being no further business to come before the Board, the meeting was adjourned at 6:33 p.m.

**Motion:** Alderman Christian

**Second by:** Mayor Pro Tem O'Garra

**Vote:** Unanimous



*Rhonda D. Webb*

Rhonda D. Webb, MMC  
Town Clerk

ATTEST:

  
Chris V. Rey  
Mayor