

# The Town of Spring Lake

## **BOARD OF ALDERMEN**

Larry G. Dobbins, Mayor Pro Tem  
James Christian, Alderman  
Densie Lucas, Alderwoman  
James P. O'Garra, Alderman  
Fredricka Sutherland, Alderwoman



CHARTERED IN 1951

## **OFFICE OF THE MAYOR**

Chris V. Rey, Mayor

## **ADMINISTRATION**

Addison "Tad" Davis IV, Town Manager  
Rhonda D. Webb, Town Clerk  
Robert A. "Tony" Buzzard, Town Attorney

## **Spring Lake Audit Review Committee Releases Report**

### **Contact: The Office of the Mayor**

**January 10, 2017** (Spring Lake, NC). The Town of Spring Lake Audit Review Committee, led by Mayor Pro Tem Larry Dobbins, has completed their review of 1,448 "questionable" purchases totaling \$122,434.00 previously identified by the North Carolina State Auditors Office in their "Investigative Report, June 2016". The Town's Board of Aldermen formally accepted the report from the Committee at their Board Meeting Monday evening. A copy of the Committee's Report will be placed on the Town's website for public review.

Mayor Pro Tem Dobbins, who was elected to the Board of Aldermen some five months after the State Auditors' Report was released, said "I have nothing but high praise for the work of this Committee and equal praise for the work that the Town has already accomplished to correct the deficiencies of the past and institute effective financial management controls now in place to ensure proper accountability of our tax dollars."

During their preliminary review the Committee actually identified 1,449 "questionable" purchases totaling \$121,550.94 which is what they used as the baseline for their investigation. Of the 1,449 "questionable" purchases, the Committee identified 1,336 purchases that were in support of Town business and 112 purchases that were not. The 1,336 transactions in support of Town business translated into \$110,583.27 of the \$121,550.94 total cost while the 112 transactions not in support translated into \$10,967.67. Of the \$10,967.67 identified as not in support of Town business, the Committee found that several current and former Town employees and Board members had previously reimbursed the Town \$4,701.93 leaving an uncollected shortfall of \$6,265.74 left to be accounted for by the Town.

"I am extremely proud of the work accomplished by this Committee and every member of our community should be as well," said Mayor Chris Rey. "I believe they provided due process for our Town employees while ensuring the thorough financial accountability our citizens deserve. We are fully committed to taking the appropriate action to account for all taxpayer dollars while holding individuals accountable for their actions where warranted."

In addition to identifying the unaccounted for shortfall of funds to be collected by the Town, the Committee also offered the Board five other recommendations, to include the following: ensuring that management controls currently in place are strictly enforced, requiring refresher training on the use of Town purchasing cards for Town employees with purchases not in support of Town business, requiring training on the use of Town purchasing cards for all new Town

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employees and newly elected Board members, requiring annual refresher training on the use of Town purchasing cards for all employees, and forwarding copies of the Committee's report to the District Attorney for Cumberland County, the State Bureau of Investigation, the State Auditor, and the Attorney General.

The Town will host a Community Forum for citizens on Tuesday evening, January 17, 2017 at 7 pm at the Spring Lake Town Hall to discuss the Committee's report.

## **Background**

In June 2016 the Office of the State Auditor for North Carolina issued an Investigative Report that concluded 63 current or former Town of Spring Lake employees and 3 current or former Board members spent \$122,434.53 on 1,448 "questionable" purchases during the period July 1, 2010 through March 31, 2015. Following the release of the Report, the Board of Aldermen appointed an Audit Review Committee to review the "questionable" purchases to determine those made in support of Town business and those that were not.

Spring Lake, NC was incorporated April 9, 1951 in Cumberland County, North Carolina and has a population of 13,037. For more information on Spring Lake, please call (910) 436-0241 or visit [www.spring-lake.org](http://www.spring-lake.org).

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