

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

May 5, 2015

**MINUTES**

6:30 p.m.

A majority of the Spring Lake Board of Aldermen was in attendance at a community forum to allow citizen input on Town policies and procedures. The majority of Board members being present constituted a special meeting of the Spring Lake Board of Aldermen.

**Board Members Present:** Mayor Chris Rey  
Alderman James Christian  
Alderwoman Fredricka Sutherland

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

Mayor Rey provided a follow up on what has happened since the last public forum. The State is still conducting their investigation and are going back to 2011. There is no timeline for the completion of their investigation. He advised the Interim Finance Director, Ms. West, who was previously put on leave was terminated. The Town has hired another Interim Finance Director and Interim Town Manager. He also stated that Cherry Bekaert is a firm the Town is looking at to come in to help us improve the internal controls and processes. He stated he believes it is important that we bring this firm in because if we don't we will most likely end up at the point again in the future. The Board has been very focused on personnel, internal controls and reviewing our policies. There are three policies (Purchasing Card Policy, Travel and Training Policy and Memorials for Town Employees Policy) that have been a bone of contention and those are the policies we will discuss tonight. He also asked if there are any policies we may not have thought of.

Mr. Wilkison advised we will appreciate any input the citizens can give regarding the policies and procedures used by the Town. He stated the Town currently has 27 financial and administrative policies and statements of procedure and staff has begun reviewing them for appropriateness, scope, compliance, clarity and applicability. He also advised that the week of April 6, 2015 the Interim Finance Director secured 69 pcards from employees. 12 employees still have possession of pcards and are allowed to use them. Monthly statements will be verified by Department Heads, the Interim Finance Director and the Interim Town Manager for reasonableness, public purpose and compliance with Town policy and compliance with policies must be adhered to. He stated the current policies are not poor quality policies but do need some updating to reflect changes in state statutes. Should the Town contract with Cherry Bekaert Firm, changes to the internal financial controls may occur. He said the aim of management and staff is to help the Board assure the proper operation of Town government by officials and employees. The status we are in did not occur overnight and was not done by one person and to work our way out of this situation will require commitment and cooperation of citizens, elected officials and employees for an extended period of time.

Mayor Rey restated that we picked up all but 12 procurement cards and a sign out policy has been put in place along with signature requirements on each purchase. Training of the policies will have to take place as well.

Following the announcement, attendees were given the opportunity to ask questions. Concerns were expressed about ensuring policies and procedures are followed by everyone and enforced across the board to include any punitive measures. Attendees asked what will happen to those who are involved in the misuse of cards and Mayor Rey stated once the investigation is complete those who, if any, grossly misused the card will be dealt with. Attendees inquired about the need to keep 69 credit cards locked up and available for sign out instead of having accounts with vendors. Mr. Wilkison clarified that the cards taken up will not be available for use. Mr. Watson stated we will be looking at e-payable accounts with vendors. Attendees inquired what we are doing to ensure compliance with current policies and Mr. Wilkison stated his first week here he impressed on the Department Heads

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to ensure compliance with all policies and Statutes and to educate their employees. Concern was expressed about getting the right people in the right places because leadership starts at the top. Concern was also expressed about Department Heads being the ones to train employees and a suggestion was made that we hold mandatory training on the policies conducted by someone other than the Department Heads. Concern was expressed with the Town's hiring policies and the Town not enforcing the minimum qualifications when hiring someone for a position. Ethics was also a concern expressed. Salary amounts were discussed. It was suggested that we have a Veteran's Advisory Panel and Veteran's Preference which is a hiring practice.

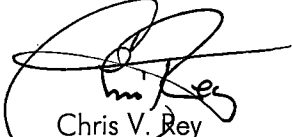
Alderwoman Sutherland expressed a desire for all employees to have integrity and abide by the policies and if they do not do so then they should lose their employment with the Town of Spring Lake. Alderman Christian echoed Alderwoman Sutherland's comments and thanked her and Mayor Rey for their leadership during this time. He also thanked Ms. Perry for her input.

There was no action taken by the Spring Lake Board of Aldermen.

Rhonda D. Webb  
Rhonda D. Webb, MMC, NCCMC  
Town Clerk



ATTEST:

  
Chris V. Rey  
Mayor