

# The Town of Spring Lake

## **BOARD OF ALDERMEN**

Robyn Chadwick, Mayor Pro Tem  
Soña Cooper, Alderwoman  
Marvin Lackman, Alderman  
Raul Palacios, Alderman  
Adrian Thompson, Alderwoman



CHARTERED IN 1951

## **OFFICE OF THE MAYOR**

Kia Anthony, Mayor

## **ADMINISTRATION**

Joe Durham, Interim Town Manager  
Vacant, Town Clerk  
Michael R. Porter, Town Attorney

## **Board of Aldermen Work Session Meeting Agenda** **Monday, August 8<sup>th</sup>, 2022** **6:00 PM** **Grady Howard Conference Room**

The public may view the live Board of Aldermen Meeting on the Town's YouTube Channel:

[www.townofspringlake.com](http://www.townofspringlake.com)

- 1. CALL TO ORDER**
- 2. INVOCATION AND PLEDGE OF ALLEGIANCE**
- 3. ADDITIONS AND DELETIONS**
- 4. APPROVAL OF AGENDA**
- 5. PUBLIC COMMENT (Limit 3 minutes per speaker)**
- 6. PRESENTATION**
  - a. Public Art – Liz Whitmore, City of Sanford
  - b. Yard of the Month – Alderman Palacios
- 7. NEW BUSINESS**
  - a. Financial Update from the Local Government Commission – David Erwin, Finance Director
  - b. Mayor's Report – Mayor Kia Anthony
  - c. Board of Aldermen's Report – Spring Lake Board of Aldermen
  - d. Manager's Update – Interim Town Manager, Joe Durham
  - e. Attorney's Update – Town Attorney, Michael Porter
- 8. CLOSED SESSION**
  - a. Pursuant to N.C.G.S. § 143-318.1 l(a)(6)- Personnel
- 9. ADJOURNMENT**



# Board of Aldermen Agenda Cover Sheet

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**Meeting Date**

August 8, 2022 - Work

**Agenda Location**

New Business

**Item Title**

Financial Summary Report for the month of June 2022

**Presenter**

David Erwin.

**Summary/Description**

Reports for the year for the year-to-date fiscal activity beginning July 1, 2021 - June 30, 2022

**Requested Action**

Informational Only

**Funding Source (If Applicable):**

N/A

**Cost:** N/A Yes  No

**Additional Documents to be Included in Agenda Packet**

**Memorandum**



## MEMORANDUM

Mayor Anthony and Board of Aldermen, Interim Town Manager Joe Durham

**From:** Susan McCullen/David Erwin  
**RE:** Financial Summary Report for the month of June 2022  
**Date:** August 2, 2022

Attached are the budget to actual reports for the Town of Spring Lake for the year-to-date fiscal activity beginning July 1, 2021 through June 30, 2022. We wanted to provide you with this financial information with some comments. Although the fiscal year 2022 has concluded there will be both revenue and expenditure accruals as of June 30<sup>th</sup> that will change these preliminary June numbers, so these year-end totals will change. The largest revenue accrual will be additional sales tax income that will not be finalized until the June State distributions are known. There are also several payables to be accrued, the largest of which is sales tax payments due to other municipalities as per the Cumberland County/Spring Lake sales tax interlocal agreement.

First, the Town's General Fund as of the end of June, year to date, reported preliminary positive revenue over expenditures of \$766,854. The Town's largest revenue source, property taxes of \$3,228,037, is showing as 102.67% of the budgeted amount collected, which is excellent. The general fund appears to be in good shape going into year end, much better than in recent years. There are four functions that appear to have overspent the budgeted amount at this time: Administration, Tax Collections, Public Works Administration, and Senior Building. As the books are finalized for the fiscal year ended June 30, 2022, these budget to actual variances will be analyzed and confirm. Where over expenditures occurred, Finance staff will determine what caused the issues and revise business processes as needed so that the issues don't recur.

The water and sewer fund operating revenues are at 113.89% of budget as of June 30 and the overall net revenue over expenditure is at \$1,745,176. This net number includes a FEMA reimbursement of \$794,988 that is helping to stabilize utility fund reserves for fiscal 2022 and the future.

The Stormwater fund has net revenue over expenditure of \$183,656. The Sanitation fund net revenue under expenditure is a slight loss of (\$6,946).

### Additional notes:

- All interfund transfers and expense reimbursements have been posted for the year.
- The town continues to exercise good budget discipline and the statements reflect this fact.

- Bank account balances, in total, as of June 30, 2022, have been included as requested by the Council with an approximate percentage that is attributable to each operating fund. We cannot give exact balances for each fund due to continuing work on the July 1, 2021 beginning balances. Until the beginning balances are properly reconciled and documented, the individual fund cash balances will be approximated.
- We are concerned that the General Fund has a deficit (negative) fund balance but will not be able to confirm the exact amount of any deficit until the Town's 2022 audit is completed. We are working with the Town's auditors and the Town's contracted Finance staff to complete a timely audit for the current fiscal year ending June 30, 2022 that will report the Town's fund balances. It is imperative that Spring Lake continue to operate very conservatively as well as proactively fund the anticipated deficit fund balance in the 2023 budget. **None of the current year's positive balances should be viewed as available for new programs or expansion items in the FYE 2023 budget until the Town's financial condition can be fully assessed.**

As always, we welcome any questions the Council might have on these statements. David Erwin will be able to attend the August 8th meeting but welcomes your questions beforehand. Please send any questions to David Erwin at [david.erwin@nctreasurer.com](mailto:david.erwin@nctreasurer.com).

Thank you,

*Susan McCullen*

Susan McCullen  
Director, Fiscal Management Section  
State and Local Government Finance Division



**CITY OF SPRING LAKE  
FINANCIAL SUMMARY REPORT  
FOR THE PERIOD ENDING JUNE 30, 2022**

**GENERAL FUND**

<i>REVENUES</i>	CURRENT BUDGET	ACTUAL TO DATE	UNCOLLECTED TO DATE	Y-T-D % COLLECTED
PROPERTY TAXES	\$ 3,144,229	\$ 3,228,037	\$ (83,808)	102.67%
SALES TAXES/HOLD HARMLESS	2,997,461	2,408,338	589,123	80.36%
UTILITIES SALES TAXES	505,900	382,942	122,958	75.70%
RECREATION FEES & COUNTY TAX	67,105	58,268	8,837	86.83%
INTEREST	1,000	5,454	(4,454)	545.40%
RESTRICTED INTERGOVERNMENTAL & OTHER	511,141	478,597	32,544	93.63%
INSPECTION FEES	35,750	42,877	(7,127)	119.94%
INTERFUND TRANSFERS	-	-	-	0.00%
OTHER REVENUES	637,873	314,879	322,994	49.36%
BALANCING APPROPRIATION	(64,049)	-	(64,049)	0.00%
	<u>\$ 7,836,410</u>	<u>\$ 6,919,392</u>	<u>\$ 917,018</u>	<u>88.30%</u>

  

<i>EXPENDITURES &amp; ENCUMBRANCES</i>	CURRENT BUDGET	EXPENDITURES TO DATE	ENCUMBRANCES TO DATE	UNSPENT TO DATE	Y-T-D % SPENT/ENCUMB
NON DEPARTMENTAL	\$ 715,154	\$ 245,080	\$ -	\$ 470,074	34.27%
FUND BALANCE INCREASE	285,724	-	-	285,724	0.00%
GOVERNING BODY	99,528	82,019	900	16,609	83.31%
ADMINISTRATION	101,981	116,469	356	(14,844)	114.56%
FINANCE	341,313	261,255	241	79,817	76.61%
TAX COLLECTIONS	64,000	67,655	-	(3,655)	105.71%
LEGAL	46,474	(4,536)	-	51,010	-9.76%
HUMAN RESOURCES	27,999	2,057	132	25,810	7.82%
ELECTIONS	6,000	5,915	-	85	98.58%
IT/COMMUNICATIONS	188,619	146,991	28,198	13,430	92.88%
PUBLIC WORKS ADMIN	72,278	74,671	118	(2,511)	103.47%
PUBLIC BUILDINGS	84,865	79,592	3,132	2,141	97.48%
POLICE	2,309,241	2,250,000	9,741	49,500	97.86%
FIRE	1,546,612	1,153,483	10,481	382,648	75.26%
INSPECTIONS	225,486	162,779	10,723	51,984	76.95%
STREET - POWELL BILL	443,829	310,669	66,705	66,255	85.07%
PUBLIC TRANSPORTATION	32,185	32,184	-	1	100.00%
PLANNING	34,000	20,303	13,697	-	100.00%
RECREATION	362,477	292,807	4,338	65,332	81.98%
SENIOR BUILDING	90,465	94,880	262	(4,677)	105.17%
PUBLIC SAFETY VEHICLE LEASE	104,018	104,018	-	-	100.00%
DEBT SERVICE	423,801	423,486	-	-	100.00%
INTERFUND TRANSFERS	230,761	230,761	-	115	99.97%
	<u>\$ 7,836,410</u>	<u>\$ 6,152,538</u>	<u>\$ 149,024</u>	<u>\$ 1,534,848</u>	<u>80.41%</u>
NET REVENUE LESS EXPENDITURES (DEFICIT)	\$ -	\$ 766,854			

**WATER & SEWER FUND**

<i>REVENUES</i>	CURRENT BUDGET	ACTUAL TO DATE	UNCOLLECTED TO DATE	Y-T-D % COLLECTED
WATER CHARGES	\$ 1,807,000	\$ 1,726,441	\$ 80,559	95.54%
SEWER CHARGES	1,918,000	1,751,024	166,976	91.29%
INTEREST	1,000	2,710	(1,710)	271.00%
GRANTS & CONTRIBUTIONS	-	-	-	0.00%
OTHER REVENUES	202,500	339,075	(136,575)	167.44%
HURRICANE FLORENCE FEMA REIMB	123,000	794,988	(671,988)	646.33%
BALANCING APPROPRIATION	-	-	-	0.00%
	<u>\$ 4,051,500</u>	<u>\$ 4,614,238</u>	<u>\$ (562,738)</u>	<u>113.89%</u>

  

<i>EXPENDITURES &amp; ENCUMBRANCES</i>	CURRENT BUDGET	EXPENDITURES TO DATE	ENCUMBRANCES TO DATE	UNSPENT TO DATE	Y-T-D % SPENT/ENCUMB
FUND BALANCE INCREASE	\$ 240,607	\$ -	\$ -	\$ 240,607	0.00%
REVENUE COLLECTION	413,143	294,884	2,940	115,319	72.09%
REVENUE BILLING	186,234	163,484	11,485	11,265	93.95%
WATER PURCHASES	1,397,981	991,408	232,822	173,751	87.57%
WATER & SEWER OPERATIONS	771,613	555,602	20,430	195,581	74.65%
WW TREATMENT PLANT	562,978	377,413	79,746	105,819	81.20%
DEBT SERVICE	216,587	239,004	-	(22,417)	110.35%
INTERFUND TRANSFERS	262,357	247,267	-	15,090	94.25%
	<u>\$ 4,051,500</u>	<u>\$ 2,869,062</u>	<u>\$ 347,423</u>	<u>\$ 835,015</u>	<u>79.39%</u>
NET REVENUE LESS EXPENDITURES (DEFICIT)	\$ -	\$ 1,745,176			

## STORMWATER FUND

<b>REVENUES</b>		<b>CURRENT BUDGET</b>	<b>ACTUAL TO DATE</b>	<b>UNCOLLECTED TO DATE</b>	<b>Y-T-D % COLLECTED</b>
STORMWATER CHARGES	\$	283,307	\$ 287,207	\$ (3,900)	101.38%
INTEREST		500	263	237	52.60%
GRANTS & CONTRIBUTIONS		-	-	-	0.00%
OTHER REVENUES		-	-	-	0.00%
INTERFUND TRANSFERS		-	-	-	0.00%
BALANCING APPROPRIATION		-	-	-	0.00%
	<b>\$</b>	<b>283,807</b>	<b>\$ 287,470</b>	<b>\$ (3,663)</b>	<b>101.29%</b>

  

<b>EXPENDITURES &amp; ENCUMBRANCES</b>		<b>CURRENT BUDGET</b>	<b>EXPENDITURES TO DATE</b>	<b>ENCUMBRANCES TO DATE</b>	<b>UNSPENT TO DATE</b>	<b>Y-T-D % SPENT/ENCUMB</b>
ADMINISTRATION	\$	247,616	\$ 103,814	\$ 10,617	\$ 133,185	46.21%
INTERFUND TRANSFERS		36,191	-	-	36,191	0.00%
	<b>\$</b>	<b>283,807</b>	<b>\$ 103,814</b>	<b>\$ 10,617</b>	<b>\$ 169,376</b>	<b>40.32%</b>
<b>NET REVENUE LESS EXPENDITURES (DEFICIT)</b>	<b>\$</b>	<b>-</b>	<b>\$ 183,656</b>			

## SANITATION FUND

<b>REVENUES</b>		<b>CURRENT BUDGET</b>	<b>ACTUAL TO DATE</b>	<b>UNCOLLECTED TO DATE</b>	<b>Y-T-D % COLLECTED</b>
SOLID WASTE DISPOSAL TAX	\$	8,000	\$ 6,759	\$ 1,241	84.49%
REFUSE COLLECTION FEES	\$	644,016	\$ 614,770	29,246	95.46%
INTEREST		1,000	648	352	64.80%
GRANTS & CONTRIBUTIONS		-	-	-	0.00%
OTHER REVENUES		960	590	370	61.46%
INTERFUND TRANSFERS		-	-	-	0.00%
BALANCING APPROPRIATION		-	-	-	0.00%
	<b>\$</b>	<b>653,976</b>	<b>\$ 622,767</b>	<b>\$ 31,209</b>	<b>95.23%</b>

  

<b>EXPENDITURES &amp; ENCUMBRANCES</b>		<b>CURRENT BUDGET</b>	<b>EXPENDITURES TO DATE</b>	<b>ENCUMBRANCES TO DATE</b>	<b>UNSPENT TO DATE</b>	<b>Y-T-D % SPENT/ENCUMB</b>
RESIDENTIAL COLLECTION	\$	355,768	\$ 343,770	\$ 4,230	\$ 7,768	97.82%
SANITATION OPERATIONS		190,884	178,620	166	12,098	93.66%
INTERFUND TRANSFERS		58,260	58,260	-	-	100.00%
DEBT SERVICE		49,064	49,063	-	1	100.00%
	<b>\$</b>	<b>653,976</b>	<b>\$ 629,713</b>	<b>\$ 4,396</b>	<b>\$ 19,867</b>	<b>96.96%</b>
<b>NET REVENUE LESS EXPENDITURES (DEFICIT)</b>	<b>\$</b>	<b>-</b>	<b>\$ (6,946)</b>			

## FLEET MAINTENANCE

<b>REVENUES</b>		<b>CURRENT BUDGET</b>	<b>ACTUAL TO DATE</b>	<b>UNCOLLECTED TO DATE</b>	<b>Y-T-D % COLLECTED</b>
INTERFUND TRANSFER - GENERAL FUND	\$	135,705	\$ 135,705	\$ -	100.00%
INTERFUND TRANSFER - UTILITY FUND	\$	29,285	\$ 29,285	-	100.00%
INTERFUND TRANSFER - STORMWATER FUND		11,714	11,714	-	100.00%
INTERFUND TRANSFER - SANITATION FUND		23,428	23,428	-	100.00%
OTHER REVENUES		480	-	480	0.00%
BALANCING APPROPRIATION		-	-	-	0.00%
	<b>\$</b>	<b>200,612</b>	<b>\$ 200,132</b>	<b>\$ 480</b>	<b>99.76%</b>

  

<b>EXPENDITURES &amp; ENCUMBRANCES</b>		<b>CURRENT BUDGET</b>	<b>EXPENDITURES TO DATE</b>	<b>ENCUMBRANCES TO DATE</b>	<b>UNSPENT TO DATE</b>	<b>Y-T-D % SPENT/ENCUMB</b>
FLEET MAINTENANCE OPERATIONS	\$	177,347	\$ 158,317	\$ 11,555	\$ 7,475	95.79%
INTERFUND TRANSFERS		23,265	23,265	-	-	100.00%
	<b>\$</b>	<b>200,612</b>	<b>\$ 181,582</b>	<b>\$ 11,555</b>	<b>\$ 7,475</b>	<b>96.27%</b>
<b>NET REVENUE LESS EXPENDITURES (DEFICIT)</b>	<b>\$</b>	<b>-</b>	<b>\$ 18,550</b>			

### Bank Statement Balances as of June 30, 2022

Trust Bank Main Checking Account	\$	907,414
NCCMT Main Investment Account	\$	5,332,411
<b>Total</b>	<b>\$</b>	<b>6,239,825</b>
NCCMT American Rescue Plan Funds	\$	1,916,040

### Approximate Percentage of Cash Accruing to Each Operating Fund

	<b>General Fund</b>	<b>Water/Sewer Fund</b>	<b>Stormwater Fd</b>	<b>Sanitation Fd</b>
	25%	57%	12%	6%
	1,651,528.00	3,755,694.00	822,138.00	401,820.00
				6,631,180.00



# Board of Aldermen Agenda Cover Sheet

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**Meeting Date**

August 8, 2022 - Work

**Agenda Location**

New Business

**Item Title**

Award Yard of the Month Certificates

**Presenter**

Alderman Raul Palacios.

**Summary/Description**

Awarding the Yard of the Month Certificates for yards chosen by the Appearance Committee in July 2022.

**Requested Action**

Informational Only

**Funding Source (If Applicable):**

N/A

**Cost:** N/A Yes  No

**Additional Documents to be Included in Agenda Packet**

**Five Certificates for Yard of the Month**

# TOWN OF SPRING LAKE

## Community Appearance Commission Certificate of Achievement

Awarded to

**Rhonda LeBlanc**  
**206 Scarborough St**  
**Spring Lake**

**Yard of the Month**  
**August 2022**

*For maintaining property that is well kept, appealing to the  
eye and enhances Spring Lake's aesthetics.*

Date this 8th Day of August, 2022

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Kia Anthony, Mayor



# TOWN OF SPRING LAKE

## Community Appearance Commission Certificate of Achievement

Awarded to

**Robert and Janie Buskie**  
**300 Wapiti Drive**  
**Deerfield**

**Yard of the Month**  
**August 2022**

*For maintaining property that is well kept, appealing to the  
eye and enhances Spring Lake's aesthetics.*

Date this 8th Day of August, 2022

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Kia Anthony, Mayor

# TOWN OF SPRING LAKE

## Community Appearance Commission Certificate of Achievement

Awarded to

**Richard and Arnetta Weaver  
709 Freda Court  
Holly Hills**

**Yard of the Month  
August 2022**

*For maintaining property that is well kept, appealing to the eye  
and enhances Spring Lake's aesthetics.*

Date this 8th Day of August, 2022

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Kia Anthony, Mayor

# TOWN OF SPRING LAKE

## Community Appearance Commission Certificate of Achievement

Awarded to

**Scarlet Rucker  
1008 Karen Circle**

**Yard of the Month  
August 2022**

*For maintaining property that is well kept, appealing to the  
eye and enhances Spring Lake's aesthetics.*

Date this 8th Day of August, 2022

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Kia Anthony, Mayor

# TOWN OF SPRING LAKE

## Community Appearance Commission Certificate of Achievement

Awarded to

**Larry Dobbins  
592 Pine Tree Lane**

**Yard of the Month  
August 2022**

*For maintaining property that is well kept, appealing to the  
eye and enhances Spring Lake's aesthetics.*

Date this 8th Day of August, 2022

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Kia Anthony, Mayor