

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

May 19, 2025

MINUTES

6:00 pm

The Spring Lake Board of Commissioners held a Special Meeting in the Grady Howard Conference Room of the Spring Lake Municipal Building with Mayor Kia Anthony presiding.

Board Members Present:

Mayor Pro Tem Soña L. Cooper
Commissioner Marvin Lackman via telephone
Commissioner Raul Palacios

Others Present:

Carly Autry, Town Clerk
Elizabeth Gray, HR Manager
Lakeshia Hardy, Revenue Collection Specialist
Patricia Hickmon, Inspections Supervisor/Zoning Administrator Officer
Stephanie Hutchins, Building Inspector
Police Chief Errol Jarman, Spring Lake Police Department
James Overton, Finance Director
Fire Inspector Timothy Patterson, Spring Lake Fire Department
Jon Rorie, Town Manager
Evelyn Robinson, Accounts Payable Manager
Renee Robinson, Revenue Supervisor
Deanna Rosario, Water Resources Manager
Sargeant Maynard Smith, Spring Police Department
Lieutenant Gregory Wilkerson, Spring Lake Police Department
Fire Chief Jason Williams, Spring Lake Fire Department
Steve Wing, Building Grounds Director

1. Call to order

Mayor Anthony declared a quorum and called the meeting to order.

2. Open Session – Budget Review

Discussion about the budget was initiated, focusing on various line items and expenditures. Members engaged in a detailed review of the budget, addressing several key points:

- Travel and Training for the Governing Body: It was originally cut by 50% but after a thorough discussion, it was put back to the original amount of \$9,750.

- **Street Signs and Maintenance:** Brief discussion about the budget for street signs and maintenance. It was noted that the current allocation for maintenance might be insufficient, as they typically use more than that amount.
- **Committee Funds:** Commissioner Palacios mentioned that committee members appreciate having funds available for their activities. It was noted that while these are not high-cost items, they consist of many small expenses that add up.
- **Community Events:** Brief discussion about the budget allocations for events such as the Christmas Tree lighting and First Friday.
- **Deficit Reduction:** Discussed efforts to reduce the budget deficit or overage, mentioning a figure of \$3 million.
- **Regional Rescue Services:** There was a brief mention of a \$50,000 payment related to regional rescue services, though the details were not fully elaborated.
- **Vehicle Purchase:** It was noted that they were previously planning to purchase a truck for \$1.4 million, but no further details or decisions were provided about this purchase.

Throughout the budget review, there were some technical difficulties with audio feedback, which the participants attempted to resolve. The discussion was somewhat fragmented, with multiple topics being touched upon briefly.

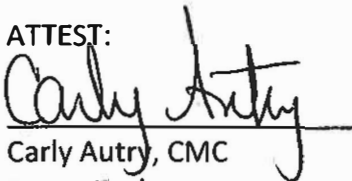
Mr. Rorie ended with a few slides from a PowerPoint.

(A copy of Mr. Rorie’s Presentation is hereby incorporated by reference and made a part of these minutes – see Attachment One.)

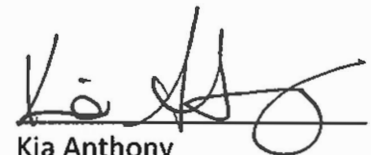
3. Adjournment

Action: There being no further business to come before the Board, Mayor Anthony adjourned the meeting at 8:18 pm.

ATTEST:


 Carly Autry, CMC
 Town Clerk




 Kia Anthony
 Mayor

ATTACHMENT ONE

Town of Spring Lake Proposed Budget Ordinance

Fiscal Year Ending June 30, 2026

Budget Policy

The town's top program priority is to maintain existing service levels in all divisions and departments. To reflect this, the budget process should include the calculation of baseline funding levels for all departments, reflecting current staffing, and inflationary increases in supplies and service budgets.

This baseline should serve as an agreed upon point of departure for subsequent budget discussions such as the impact of adding additional personnel or a new facility or service.

Any additional services above the baseline shall be fully funded at the time of the adoption of the annual budget and ongoing funding sources shall be clearly identified.

Such ongoing funding sources must be either new or increased revenues or clearly identified expense reductions.

Baseline funding sources must be either new or increased revenues or clearly identified expense reductions

Revenue Increase

- Growth in Tax Digest
 - New Growth
 - Appraised Value
- Fee for service(User Fees)
- Impact Fees
- Grants/Gifts(Terms)
- Tax Increase

Expense Reductions

- Program/Service reductions/Load Shedding
- Economies of Scale
 - Public Private Partnerships(P3)
 - Consolidations
 - Non-profits
- Reduction in Force

Budget Draft FY 2026

Fund	Amount
General Fund	\$10,186,124
Water and Sewer Fund	5,668,768
Storm Water Fund – Storm Water Rate \$5 per ERU per month	543,000
Sanitation Fund – Sanitation Fee \$396 per year (\$33 per month)	931,940
OPEB – Retiree Health Insurance	75,000
Total Proposed Annual Budget FY 2026	\$17,404,832

General Fund Revenues

Revenues and Other Financing Sources	Amount
Ad-Valorem Taxes – Tax rate \$0.70 per \$100	\$5,060,029
Other Taxes & Licenses	34,710
Unrestricted Intergovernmental Revenues (NC Dept of Revenue)	2,332,735
Restricted Intergovernmental Revenues (Powell Bill)	358,000
Permits, Fees, Sales and Services	204,650
Investment Earnings	210,000
Miscellaneous Revenues	6,000
Installment Purchase Proceeds	1,500,000
Interfund Transfers (Expense Reimbursements)	480,000
Total Revenues and Other Financing Sources	\$10,186,124

General Fund Expenditures

Expenditures and Other Uses	Amount
General Government	\$2,032,487
Public Safety	7,026,663
Transportation	968,493
Economic Development-Planning	40,063
Debt Service	403,060
Interfund Transfer to OPEB Fund	73,080
Total Expenditures and Other Uses	\$10,543,846

General Fund Budget – First Draft

• Estimated Revenues	\$10,086,124
• Estimated Expenditures	\$10,579,476
• Excess Expenditures > Revenues	(\$,493,352)

General Fund Budget Management Recommendation Changes

Changes from First Draft

• Increase transfer from Water & Sewer Fund	\$100,000
• Decrease Tax Collection Fees Cumberland Co.	\$35,630
• Estimated Revenues	\$10,186,124
• Estimated Expenditures	\$10,543,846
• Excess Expenditures > Revenues	(\$,357,722)

General Fund Budget Unbalanced

\$357,722 or 4.96 Cents

What cuts would you recommend to reduce budget by **\$357,722** annually?

What increases would you recommend to raise revenue by **\$357,722** annually?

• Estimated Revenues	\$10,186,124
• Estimated Expenditures	\$10,543,846
• Excess Expenditures > Revenues	(\$ 357,722)

General Fund-Departmental Discussion

- Governing Body
- Administration
- Finance
- Human Resources
- Public Buildings
- Police
- Fire
- Inspections
- Streets
- Planning

General Fund Revenues

Revenues and Other Financing Sources	Amount
Ad-Valorem Taxes – Tax rate \$0.74.1 per \$100	\$5,356,402
Other Taxes & Licenses	34,710
Unrestricted Intergovernmental Revenues (NC Dept of Revenue)	2,332,735
Restricted Intergovernmental Revenues (Powell Bill)	358,000
Permits, Fees, Sales and Services	204,650
Investment Earnings	210,000
Miscellaneous Revenues	6,000
Installment Purchase Proceeds	1,500,000
Interfund Transfers (Expense Reimbursements)	480,000
Total Revenues and Other Financing Sources	\$10,482,497

General Fund Budget – First Draft

• Estimated Revenues	\$10,482,497
• Estimated Expenditures	\$10,543,846
• Excess Expenditures > Revenues	(\$,61,349)

Changes from First Draft

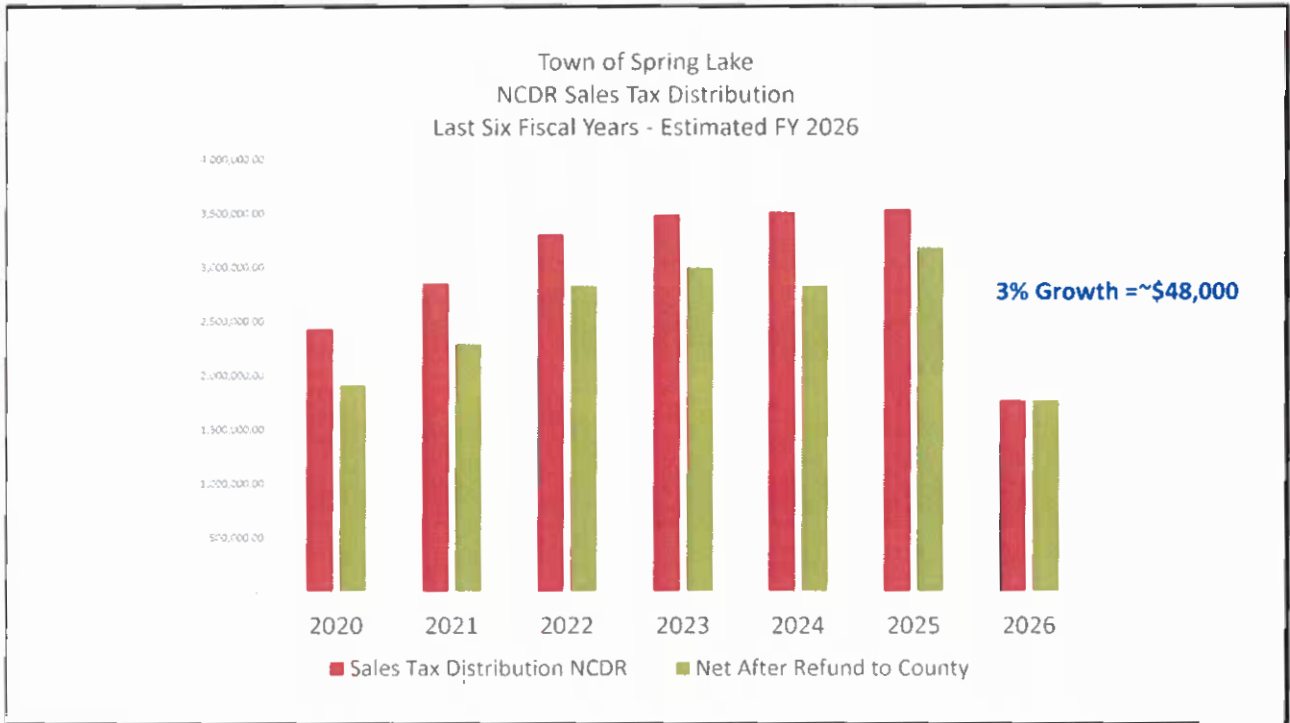
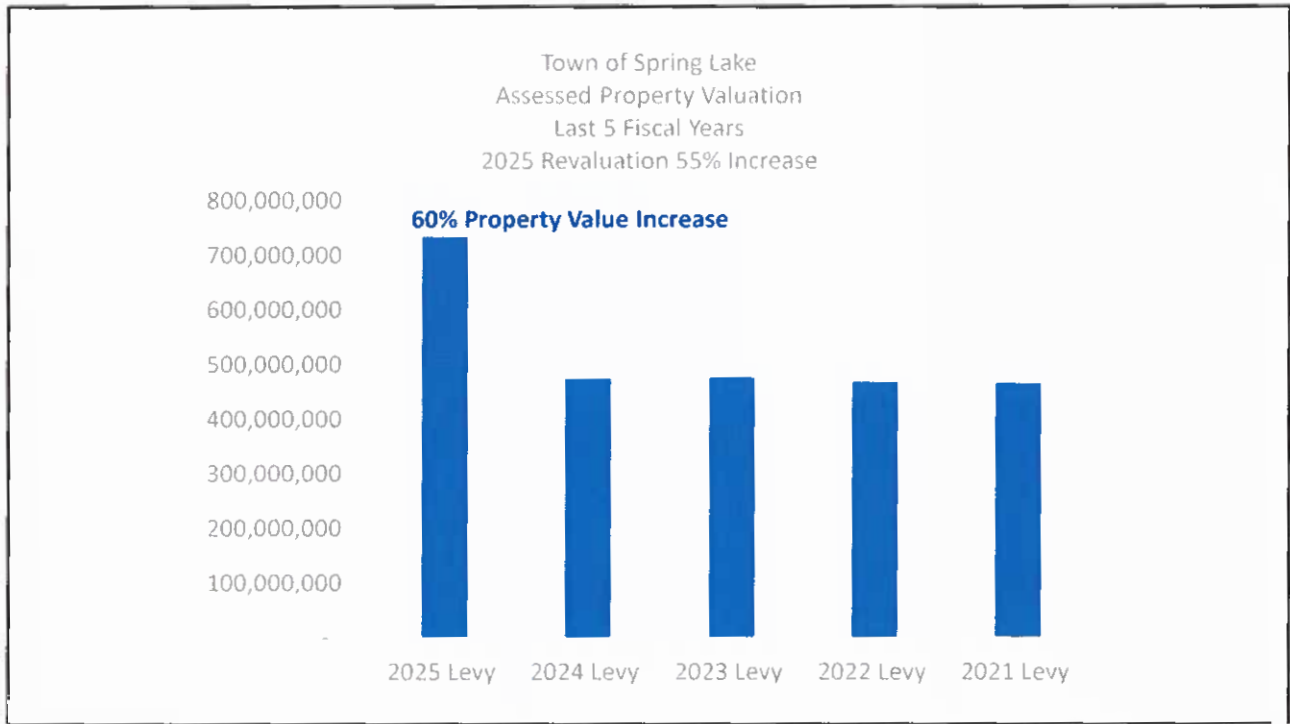
• Increase transfer from Water & Sewer Fund	\$100,000
• Decrease Tax Collection Fees Cumberland Co.	\$ 35,630
• Leave Tax Rate 74.1 cents per \$100	\$296,373

Cuts/Reductions on the Margin

- Reduce COLA from 3% to 2.3% ~\$ 30,000
- Eliminate Account Liaison (Finance) ~\$ 64,261
- Group Insurance for Governing Body ~\$ 60,150
- Eliminate Building Improvements(Plumbing) ~\$ 50,000
- Eliminate CDP Incentives ~\$ 45,000
- Eliminate Capital Outlay(HVAC, Water Heater) ~\$ 52,000
- Eliminate Code Enforcement Officer ~\$ 93,000
- ~\$394,000
- 911 Contract ~\$140,000

Ad-Valorem Property Taxes

	Assessed Valuation 2025 Levy	Assessed Valuation 2024 Levy
Real Property	\$738,788,901	\$457,381,842
Personal Property	26,003,949	25,961,940
Public Service Utilities	7,742,958	7,742,958
Less Deferred Value, and Exemptions	(86,149,648)	(64,198,506)
Motor Vehicles	47,000,000	47,260,000
Net Assessed Property Value	733,386,160	474,148,234
Tax Rate Per \$100 of Assessed Value	\$0.70	\$0.741
Tax Levy	5,133,703	3,513,438
Collection Percentage	98.00%	98.83%
Estimated Property Taxes	\$5,031,029	\$3,472,331
1 Penny Equals	\$71,872	\$46,860



Police Officer Salary & Benefits

• Base Salary	\$48,200
• FICA 7.65%	\$3,687
• NCLGERS 16.08%	\$7,751
• 401K 5% LEO	\$2,410
• 401K 1% Match	\$482
• Health Insurance	\$10,275
• <u>Workers Compensation 2.72%</u>	<u>\$1,311</u>
• Total Salary & Benefits	\$74,116
• Assessed Value to Pay 1 New Officer (56 \$200K Homes or ?)	\$10,588,000

Cost Of Living Adjustment (COLA) 2.3%

• Total Salaries	\$4,716,784
• COLA 2.30%(CPI)	\$108,486
• Assessed Value to Pay COLA (77 \$200K Homes or ?)	\$15,498,000

5% Increase in Health Insurance

• Town of Spring Lake share	\$763.40
• Annual Premium	\$9,161
• Number of Employees	86
• Total premium BCBSNC	\$787,846
• 5% Increase	\$39,393
• Assessed Value to Pay COLA (28 \$200K Homes or ?)	\$5,627,571