

CAPITAL PROJECT FUNDS SUMMARY



Description

Capital project funds are used to account for the acquisition and construction of major capital facilities other than those financed by proprietary funds and trust funds. Capital projects are approved through a separate Capital Project Ordinance as they usually span over more than one fiscal year. This section provides information regarding the major on-going or upcoming capital projects for the Village of Pinehurst, the revenues to date, the expenditures to date, a brief description of the project, as well as the anticipated impact of the project on the operating budget.

The Village of Pinehurst adopted one capital project fund for the library expansion and plans to adopt capital project funds for two additional projects. These project funds are detailed later in this section and include:

- ❖ Library Expansion Capital Project Fund
- ❖ Public Services Relocation Capital Project Fund
- ❖ Fire Station 93 Capital Project Fund

Summary

The Village plans to construct a new building for the Given Memorial Library and renovate the existing building for the Tufts Archives to increase the amount of space for library programming and to expand the collection. This expansion is based on the needs Pinehurst residents expressed for expanded or enhanced library services during a recent Library Needs Assessment. Design for the library expansion project began in FY 2022 and will be completed in early calendar year 2024. Construction of the new facility and renovation of the existing building will commence in FY 2025 after the 2024 U.S. Open Championship.

The Village intends to relocate the public services complex to allow for the redevelopment of Village Place. This project will advance the strategic objective to support the business community and address the opportunity to reinvigorate the Village center. The selection of the site for the new public services complex and completion of the site plan is expected to be done in FY 2024. Design is planned for FY 2025 with construction commencing in FY 2026.

The Village identified the need for an additional fire station to improve service delivery. The third fire station (Fire Station 93) is planned to have design commence in FY 2028 with construction beginning thereafter.

Budget Highlights

The Library Expansion Capital Project Fund accounts for the cost of design and construction of a new building for the Given Memorial Library and renovating the existing building to expand the Tufts Archives. The \$5,000,500 project will be funded by \$4,980,500 in cash from the General Fund and \$20,000 in estimated investment income. Transfers from the General Fund in the amount of \$400,000 and \$1,000,000 occurred in FY 2022 and FY 2023, respectively, and the remaining \$3,580,500 transfer from the General Fund is planned in FY 2025.

The project began in FY 2022. Design and engineering costs of \$400,000 were funded in FY 2022 with construction planned for FY 2025 following the 2024 U.S. Open Championship. A capital project budget ordinance for the \$400,500 of design and engineering costs was adopted by the Village Council in FY 2022. An amendment to that capital project budget ordinance as outlined below will be adopted by the Village Council in FY 2024.

Library Expansion Expenditures and Revenues

Expenditures by Type	Projected Budget	Amount Spent to Date	Remaining Balance
Design/Engineering Costs	\$ 400,500	\$ 8,500	\$ 392,000
Construction Costs	4,600,000	-	4,600,000
Total Expenditures	\$ 5,000,500	\$ 8,500	\$ 4,992,000
Revenues by Type	Projected Budget	Amount Received to Date	Balance Remaining
Transfer from General Fund	\$ 4,980,500	\$ 400,000	\$ 4,580,500
Investment Income	20,000	10,030	9,970
Total Revenues	\$ 5,000,500	\$ 410,030	\$ 4,590,470

Impact on Operating Budget

There will be no impact on the General Fund operating budget for the FY 2024 fiscal year. When the construction is complete in FY 2025, operating costs in the General Fund will increase to support salaries and benefits, utilities, supplies, and other programming costs. These expenditure changes have been incorporated into the Village's capital improvement plan (CIP) and are detailed in that section. They are also reflected in the five-year financial forecast.

Budget Highlights

The Public Services Relocation Capital Project Fund will account for the costs incurred in the design and construction of a new public services complex. The relocation of the public services complex will allow for the redevelopment of Village Place. The \$6,480,500 project will be funded by \$80,000 in cash from the General Fund in FY 2024, \$400,000 from the General Fund in FY 2025, and \$3,000,000 from the General Fund in FY 2026. The Village plans to issue debt to fund the other \$3,000,000 in construction costs in FY 2026 and estimates \$500 in investment income. Please refer to the the *Capital Improvement Plan* section for information on anticipated debt.

The project will begin in FY 2024 and there have been no expenditures to date. Design and engineering costs of \$80,000 are anticipated in FY 2024 and \$400,000 in FY 2025 with construction of the facility planned for FY 2026. A capital project budget ordinance as outlined below will be adopted by the Village Council in FY 2024.

Public Services Relocation Expenditures and Revenues

Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Design/Engineering Costs	\$ 480,500	\$ -	\$ 480,500
Construction Costs	6,000,000	-	6,000,000
Total Expenditures	\$ 6,480,500	\$ -	\$ 6,480,500

Revenues by Type	Projected Budget	Amount Received to Date	Balance Remaining
Transfer from General Fund	\$ 3,480,000	\$ -	\$ 3,480,000
Debt Proceeds	3,000,000	-	3,000,000
Investment Income	500	-	500
Total Revenues	\$ 6,480,500	\$ -	\$ 6,480,500

Impact on Operating Budget

There will be no impact on the General Fund operating budget for FY 2024. Once the facility is completed in FY 2026, the land will be prepared for sale in FY 2028. The revenue from the sale of the property has been incorporated into the Village’s five-year financial forecast. Debt service is expected to begin in FY2026. The Village does not anticipate changes to any other operating costs as a result of this project.

Budget Highlights

The Fire Station 93 Capital Project Fund will account for the costs incurred in the design of a new fire station. A third fire station will be needed to improve service delivery as the Village grows. The \$400,500 project will be funded by \$400,000 in debt proceeds and \$500 in estimated investment income. Please refer to the *Capital Improvement Plan* section for information on anticipated debt.

The project will begin in FY 2028 and there have been no expenditures to date. Design and engineering costs of \$400,000 are anticipated in FY 2028 with construction of the facility planned thereafter. A capital project budget ordinance as outlined below will be adopted by the Village Council in FY 2028.

Fire Station 93 Expenditures and Revenues

Expenditures by Type	Project Budget	Amount Spent to Date	Balance Remaining
Design/Engineering Costs	\$ 400,500	\$ -	\$ 400,500
Construction Costs	-	-	-
Total Expenditures	\$ 400,500	\$ -	\$ 400,500

Revenues by Type	Projected Budget	Amount Received to Date	Balance Remaining
Transfer from General Fund	\$ -	\$ -	\$ -
Debt Proceeds	400,000	-	400,000
Investment Income	500	-	500
Total Revenues	\$ 400,500	\$ -	\$ 400,500

Impact on Operating Budget

There will be no impact on the General Fund operating budget for the FY 2024 fiscal year. When the construction is complete beyond FY 2028, operating costs in the General Fund will increase to support salaries and benefits, utilities, equipment, supplies, and other operating costs. These expenditure changes will be incorporated into the Village’s CIP and five-year financial forecast as those years are brought into the five-year time horizon.