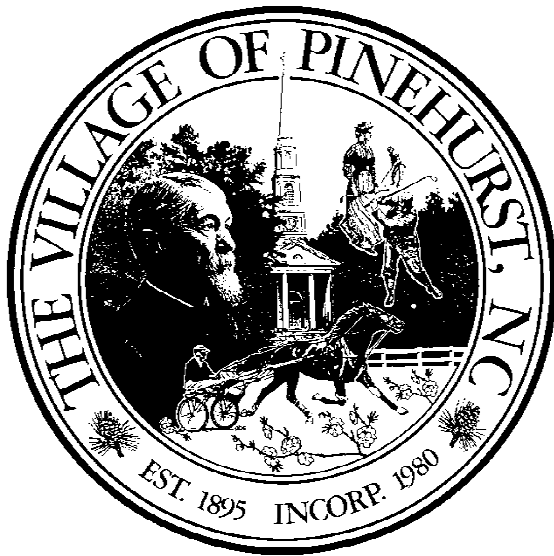


FY 2011-2015

Capital Improvement Plan



Financial Services
Village of Pinehurst
1/12/2010

Village of Pinehurst Capital Improvement Plan FY 2011-2015

Executive Summary

The CIP includes improvements with a total estimated cost of \$16,653,231 over the next five years. The FY 2010-2014 CIP totaled \$21,287,020. This represents a decrease of \$4,633,789, or 22%, from the previous plan. There are significant reductions in planned capital outlays and new positions throughout the plan. This is due primarily to the expected decline in available revenues during the planning period.

There are a total of four (4) capital projects identified, all of which were included in last year's CIP, as well as various capital improvements, vehicles and equipment. Available Village funds or cash will fund 61% of the capital outlays, while another 23% is funded with installment purchase financing and 16% is funded with grants.

Highlights of the plan include:

- Construction of a public restroom downtown and improvements to the sand parking lot are planned for FY2011
- Investment in Greenway construction and Rassic Wicker Park development will resume in FY2011 after a two-year deferral of both of these projects
- Transportation items include the annual resurfacing and striping of four to five miles per year of Village roadways, maintaining a twenty-year life cycle for resurfaced streets on average
- The plan also includes \$188,000 for Highway 211 pedestrian improvements in FY2012
- Drainage or storm water improvements increased by 2% from \$707,000 to \$720,000
- Construction of the Cannon Park Community Center is planned to begin in FY2014 and be completed in FY2015. Installment financing obtained in FY2014 will be used to fund this project
- Excludes the sale of the old fire station and "New Core" land
- Transitions to the collection of household refuse on a single day each week

Fund balance during the period is projected not to exceed 28% of expenditures which is at the bottom of the Council's desired range of 27%-33%. Also debt service as a percentage of total expenditures is projected to remain at what is widely accepted as moderate to low levels.

To summarize, the CIP represents a \$16.6 million plan to address the capital improvement needs of the Village. Capital expenditures are driven by the types and levels of service the Village chooses to provide to its citizens. The Village's projected capital spending over the planning horizon is roughly 38% lower than the projected spending of our peer group which is based on an historical average. This is due primarily to the projected reduction in revenues available for capital expenditure. The peer group projection may not be as relevant as in the past since the expected decline in capital spending across the state is not reflected in the historical average. This proposal allows us to maintain the current level of most services to our citizens and expand others. Our projections of revenues and expenditures indicate the Village is in a position to fund the CIP as presented with no impact on the Village's current tax rate.

Village of Pinehurst

Capital Improvement Plan

FY 2011-2015

January 12, 2010

Mayor and Village Council
Village of Pinehurst
North Carolina

Dear Council:

We respectfully submit to you the proposed Capital Improvement Plan (CIP) for the Village of Pinehurst for fiscal years (FY) 2011 through 2015. The CIP is a planning tool designed to aid policy makers in the acquisition and orderly replacement of capital assets. The plan is updated annually to ensure that it is based on the most accurate information available and is reflective of the current and projected economic environment. Adoption of the CIP by the Village Council does not constitute a commitment to fund a particular item, but rather signifies an intent to fund capital outlay at the indicated level during the ensuing years.

Overview

The CIP includes improvements with a total estimated cost of \$16,653,231 over the next five years. These costs are divided into three major areas - Vehicles/Equipment, Capital Improvements and Capital Projects. The CIP adopted by the Council for FY 2010-2014 totaled \$21,287,020. This year's CIP total represents a significant decrease of \$4,633,789, or approximately 22%, from the previous year. This is due primarily to the expected decline in available revenues in the near future. It is worth noting that departmental requests this year were just over \$28,700,000. Maintaining the current property tax rate and reductions in other revenue projections in the proposed CIP resulted in just over \$12,000,000 in requests being deferred or unfunded.

There are a total of four (4) capital projects identified, all of which were included in last year's CIP. Included in previous capital plans but not funded in this year's CIP is construction of a new Public Services facility and Fire Station 93. Construction of these facilities has been deferred until economic conditions and revenue forecasts improve.

Specific criterion is used to determine whether or not a capital request is classified as a project. The criterion is: (1) the total cost is estimated to exceed \$100,000, (2) substantial activity must occur over more than one fiscal year and (3) the attributes of the project such as type, location, size, etc. must be specifically identified.

Of the total \$16,653,231 in capital expenditures, the anticipated costs of the three major groupings are detailed in the following table:

Table 1 - Capital Cost By Major Area

Major Area	Cost of Capital	% of Total
Vehicles/Equipment	\$ 5,177,090	31%
Capital Improvements	6,766,000	41%
Capital Projects	4,710,141	28%
TOTAL	<u>\$ 16,653,231</u>	<u>100%</u>

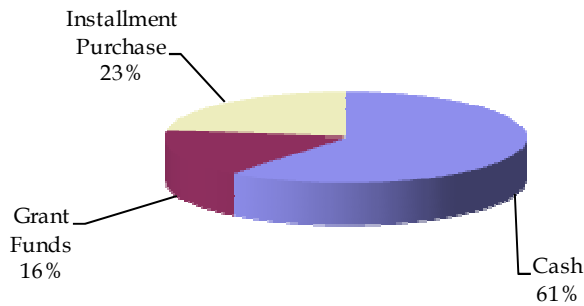
Funding Sources

Revenue and funding sources for the capital expenditures identified in this plan come from a variety of sources. The Cannon Park Community Center (formerly called the Recreation Center), a fire truck, and communication equipment are expected to be financed with installment financing. The Village also anticipates obtaining grant funding for a portion of the Community Center and for street resurfacing. All other capital expenditures will be funded with available cash. The table and graph below show a summary of the revenues and funding sources for the CIP. The detail of the funding sources can be found in Exhibit 7 on page 13.

Table 2 - CIP Revenue/Funding Sources Summary

Funding Source	Cost of Capital
Cash	\$ 10,100,090
Grant	2,741,000
Installment Financing	3,812,141
TOTAL	<u>\$ 16,653,231</u>

**Capital Improvements by Funding Source
FY2011-2015**



As you can see, the majority of the capital improvements are funded with available Village funds or cash, while another 23% is funded with installment purchase financing. Installment financing is appropriately used to spread the cost of acquiring assets with longer useful lives over longer periods of time. The available Village funds utilized in the CIP would consist of appropriations from the General Fund and the Village’s Capital Reserve Fund.

Some highlights of the proposed Capital Improvement Plan include:

- Construction of a public restroom downtown and improvements to the sand parking lot are planned for FY2011
- Investment in Greenway construction and Rassic Wicker Park development will resume in FY2011 after a two-year deferral of both of these projects
- Transportation items include the annual resurfacing and striping of four to five miles per year of Village roadways, maintaining a twenty-year life cycle for resurfaced streets on average
- The plan also includes \$188,000 for Highway 211 pedestrian improvements in FY2012
- Drainage or storm water improvements increased by 2% from \$707,000 to \$720,000
- Construction of the Cannon Park Community Center is planned to begin in FY2014 and be completed in FY2015. Installment financing obtained in FY2014 will be used to fund this project
- Excludes the sale of the old fire station and “New Core” land
- Transitions to the collection of household refuse on a single day each week

General Fund

In developing the financing sources for the CIP, Village staff analyzed the impact of the CIP on the Village’s General Fund. The table below indicates the estimated annual impact on the General Fund for projects, improvements and vehicles/equipment identified in the CIP. Included in the table is the estimated incremental debt service, along with any other operating expenditure, that would result from the General Fund capital projects. It also indicates the cost of those capital items the Village intends to pay for with cash obtained in the current fiscal year and funds generated in previous fiscal years that have been set aside in the Capital Reserve Fund.

Table 3 - General Fund Impact of the CIP

	2011	2012	2013	2014	2015
Projects Paid with Cash	\$ 126,500	\$ 402,500	\$ -	\$ 255,000	\$ 349,000
Improvements Paid with Cash	1,046,500	764,000	917,000	745,500	1,202,000
Vehicles/Equipment	829,640	360,675	600,870	1,200,680	1,300,225
CIP in General Fund	2,002,640	1,527,175	1,517,870	2,201,180	2,851,225
Additional Debt Service	75,020	72,416	69,812	305,454	448,962
Annual Operating Impact	210,455	216,769	223,272	229,970	268,729
Annual General Fund Impact	2,288,115	1,816,360	1,810,954	2,736,604	3,568,915
Capital Reserve Funds Utilized	(425,000)	(350,000)	(350,000)	(350,000)	(350,000)
Net General Fund Impact	\$ 1,863,115	\$ 1,466,360	\$ 1,460,954	\$ 2,386,604	\$ 3,218,915

To estimate the cash available to fund the CIP, the Village projects revenues and expenditures through the 5-year planning period. Revenues and expenditures are projected based on historical trends and future growth expectations.

The continued economic recession prompted the lowering of several key revenue assumptions. The continued low rate of new home construction has resulted in lower property tax revenue projections. Moore County also cancelled the planned revaluation in FY2012 as presented in the previous CIP. As a result, the tax rate needed to fund this CIP will not fluctuate during the planning horizon. Sales taxes and other revenue estimates that are more reliant on the general economy have been revised to reflect a slower recovery throughout the five-year period.

Projected expenditures incorporate the Village’s Five-Year Staffing Forecast that identifies the anticipated increases to staffing levels in the planning horizon. Due to funding constraints, the Village anticipates adding only one and one-half (1.5) positions during the 5 year planning horizon. The previously approved CIP anticipated thirteen (13) positions. The positions added are an Administrative Assistant

and a part-time Gym Supervisor for the operation of the Community Center in FY2015. These positions included in the plan are positions that provide services directly to the residents of Pinehurst.

At this time, the Village anticipates the annexation of a large residential area known as Pinewild effective February 28, 2010. This date is management's best estimation of when the legal challenge in state court opposing the annexation will be resolved. Population as a result of this annexation will increase by approximately 1,550 residents or 13%. The financial impact of this annexation is included in the projected amounts in Table 4 below. It should be noted that the Village will incur operating expenses in FY2010 to service Pinewild but will not receive any property tax revenue to fund the expenditures until FY2011.

Table 4 - Projected Budgeted General Fund Revenues and Expenditures

	2011	2012	2013	2014	2015
Population	13,513	13,677	13,841	14,005	14,169
Revenues	\$ 15,558,000	\$15,483,000	\$15,735,000	\$16,661,000	\$17,855,000
Tax Rate	0.28	0.28	0.28	0.28	0.28
Expenditures					
Salaries	5,550,000	5,659,000	5,884,000	6,121,000	6,418,732
Personnel in FTEs	137	137	137	137	139
Operating	7,480,000	7,626,000	7,769,000	8,006,000	8,215,000
Pinewild Annexation	420,123	429,438	438,842	448,512	458,395
Operating Expenditures	7,900,123	8,055,438	8,207,842	8,454,512	8,673,395
Debt Service	1,111,000	932,000	614,000	701,000	846,000
Exp before Capital	14,456,123	14,825,438	15,023,842	15,189,512	15,495,395
Amt Left for Capital	\$ 1,101,877	\$ 657,562	\$ 711,158	\$ 1,471,488	\$ 2,359,605
CIP in General Fund	2,002,640	1,527,175	1,517,870	2,201,180	2,851,225
Net Impact on General Funds	\$ (900,763)	\$ (869,613)	\$ (806,712)	\$ (729,692)	\$ (491,620)

Projected Impact on General Fund Balance

	2011	2012	2013	2014	2015
Beginning General Fund	\$ 4,602,693	\$ 4,519,560	\$ 4,461,727	\$ 4,487,865	\$ 4,643,073
Net Impact on General Fund	(900,763)	(869,613)	(806,712)	(729,692)	(491,620)
Budget to Actual Variance*	817,630	811,780	832,850	884,900	731,687
Projected Actual Gain/(Loss)	(83,133)	(57,833)	26,138	155,208	240,067
Projected Ending GF Bal	4,519,560	4,461,727	4,487,865	4,643,073	4,883,140
% of Total Budget	27.5%	27.3%	27.1%	26.7%	26.6%

*Assumes actual revenues of 101% of budget and actual expenditures of 95% of budget

Fund Balance

To fund the CIP as presented with no additional revenue sources will require the Village to maintain fund balance at levels skirting the bottom of the Council approved range of 27%-33%. In the planning horizon, fund balance is projected to not exceed 28% of expenditures. These projections include the

assumption that operating revenues typically come in at 101% of budget while operating expenditures typically fall 5% below budget.

Debt Service

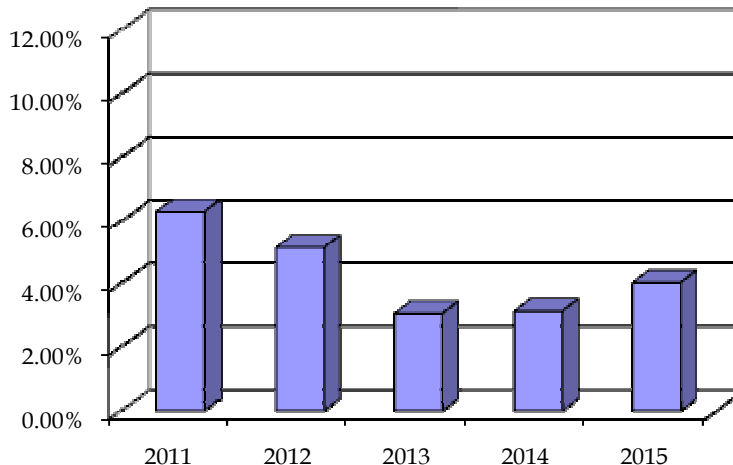
To determine estimated debt service, we assumed a 4.20% interest rate amortized over 10 years for the fire truck, 5 years for the communications equipment, and 15 years for the Community Center. As presented, the Village’s CIP will result in additional annual debt service costs ranging from \$69,812 up to \$448,962 during the planning horizon. It is important to note that existing annual debt service will decrease significantly starting in FY2012. This is due to the payoff of the Village Hall debt in FY2012 and the Police Station debt in FY2013. Annual debt service on the Village Hall and the Police Station are \$287,000 and \$280,000 respectively.

Table 5 - Impact of CIP Debt Issuances on Debt Ratios

	Fiscal Year Ending June 30				
	2011	2012	2013	2014	2015
Existing Debt Service Payments	\$ 1,035,490	\$ 859,568	\$ 543,624	\$ 395,117	\$ 396,440
Additional Debt Service:					
Fire Truck - Unit 914	-	-	-	81,650	79,235
Communications Equipment	75,020	72,416	69,812	67,208	64,604
Cannon Park Rec Center	-	-	-	156,596	305,123
Total Additional Debt Service	75,020	72,416	69,812	305,454	448,962
Total Debt Service	\$ 1,110,510	\$ 931,984	\$ 613,436	\$ 700,571	\$ 845,402
Estimated Expenditures	17,663,500	18,230,234	20,133,424	22,432,457	21,101,334
% of Expenditures	6.29%	5.11%	3.05%	3.12%	4.01%

During the planning horizon, the Village’s debt service as a percentage of total expenditures is projected to remain at what is widely accepted as a moderate to low level of debt service.

**Village of Pinehurst
CIP Impact on Debt Ratios
FY 2011-2015**



In addition, a comparison of the Village's debt service per capita to its peer group, as shown in Table 6, indicates the Village's debt service per capita is consistently lower than our peer group throughout the forecast period. The Local Government Commission (LGC), a division of the NC Department of State Treasurer, compiles financial data for all local governments in the State. The LGC defines our peer group as other municipalities in North Carolina with populations between 10,000 and 50,000 that do not operate electric utilities.

Table 6 - Projected Debt Service Expenditures vs. Peer Group

	2011	2012	2013	2014	2015
Population	13,513	13,677	13,841	14,005	14,169
Debt Service	\$ 1,110,510	\$ 931,984	\$ 613,436	\$ 700,571	\$ 845,402
Debt Service per capita					
Village of Pinehurst	\$ 82	\$ 68	\$ 44	\$ 50	\$ 60
Peer Group*	\$ 137	\$ 137	\$ 137	\$ 137	\$ 137

*Source: NC State Treasurer, based on fiscal year 2008

Capital Reserve Fund

Table 7 indicates the projected balance in the Capital Reserve Fund during the planning period. This analysis includes the estimated transfers into the reserve from the General Fund and the estimated transfers out to fund capital items that are included in the CIP. Under the Village's Capital Reserve policy, 75% of Article 44 Sales Tax and its related hold harmless reimbursement are transferred from the General Fund to the Capital Reserve Fund each year. To fund the CIP, the Village projects that the Capital Reserve Fund will be depleted slightly.

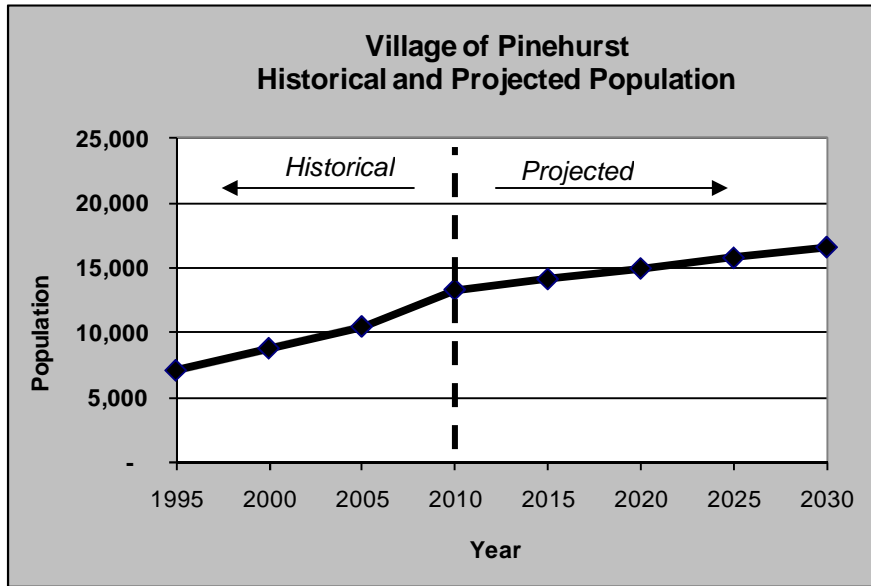
Table 7 - Projected Capital Reserve Fund

	2011	2012	2013	2014	2015
Beginning Balance	\$582,473	\$469,122	\$440,887	\$420,523	\$408,344
Plus:					
Transfers from General Fund	300,000	303,000	312,000	321,000	330,000
Interest Income	11,649	18,765	17,635	16,821	16,334
Total Other Financing Sources	311,649	321,765	329,635	337,821	346,334
Amount Available for CIP	894,122	790,887	770,523	758,344	754,678
Less:					
Transfers to General Fund	425,000	350,000	350,000	350,000	350,000
Transfers to Other Funds	-	-	-	-	-
Total Other Financing Uses	425,000	350,000	350,000	350,000	350,000
Ending Balance	\$469,122	\$440,887	\$420,523	\$408,344	\$404,678

Peer Comparisons

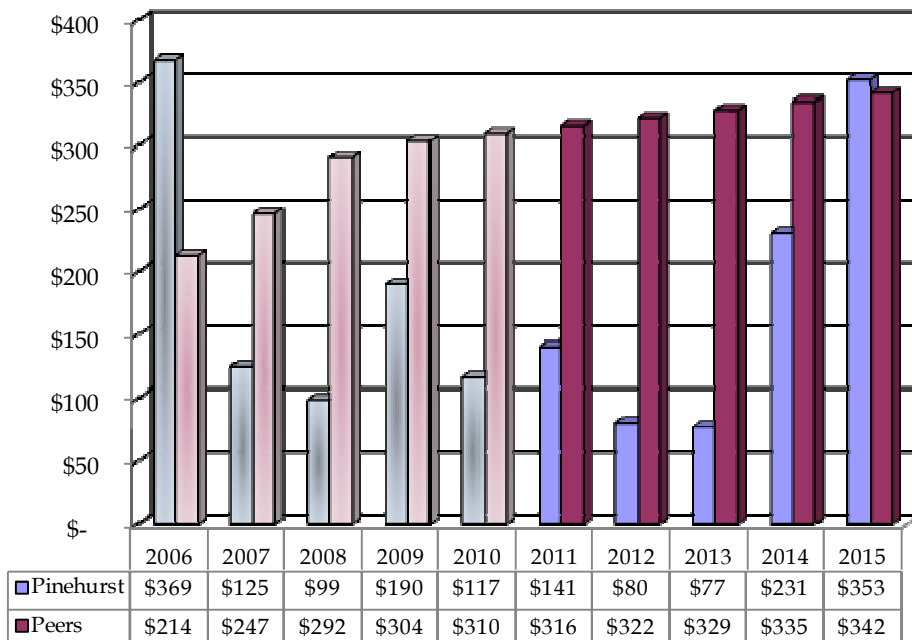
One way the Village can determine if it is spending an appropriate amount on capital expenditures is to compare itself to its peer group. There are two common ways for governments to compare its annual capital expenditures with those of its peers. The first method is to compare the Village's per capita spending, or the dollar amount spent per resident. The second method is to compare the amount of capital expenditures as a percentage of total expenditures.

The per capita cost of implementing the CIP is based on the estimated population of the Village. The current population projections anticipate a growth rate of approximately 131 people annually, which is a decline from the previous growth rate of 316. Upon the annexation of Pinewild, the population growth is expected to approximate 164 people per year. The graph on the following page depicts the growth the Village has experienced in the past and the continued growth that it anticipates to occur through the CIP planning period and beyond.



The chart below shows the Village's historical and projected per capita spending levels on capital compared to its peer group. Given the economic downturn, the peer group data may not be as relevant as the expected decline in capital spending across the state is not reflected in the data below. The peer group per capita amounts are assumed to increase at an annual rate of 2%.

Capital Expenditures Per Capita

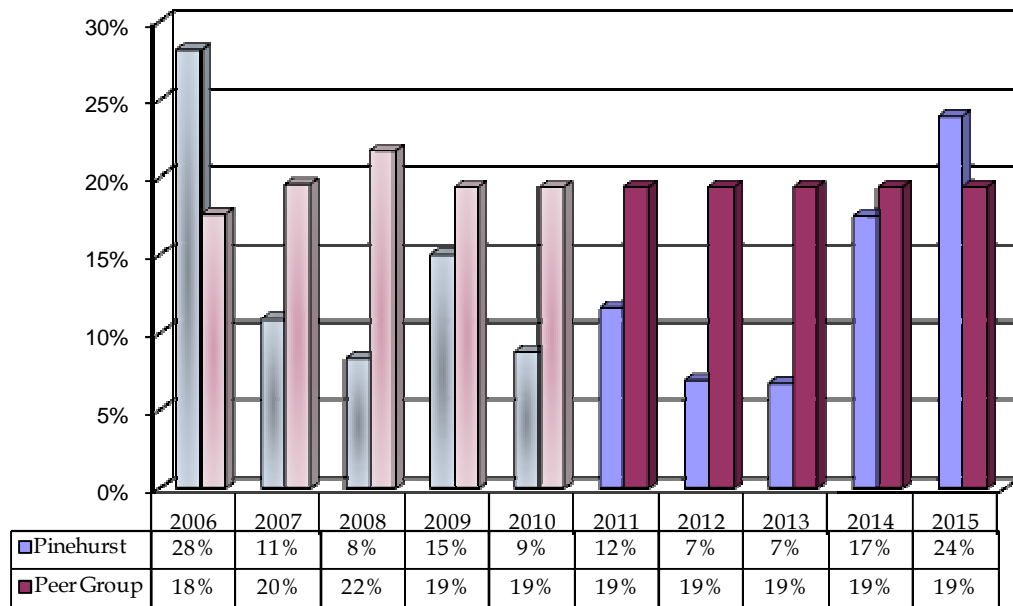


Review of this graph indicates that in FY2006 the Village's per capita spending levels exceed that of its peers considerably. In 2006 this was due to the construction of a \$2.6 million fire station, a near \$1 million park project, and a \$500,000 dam rehabilitation project. Capital spending is considerably below our peer group, however, in most of the other years in the planning horizon.

Over the past five years, the Village's peer group typically spent around \$273 per capita on annual capital expenditures, or roughly 19% of their net consolidated budget. During that same time period, the Village has spent an average of \$180 per capita on capital expenditures, or 14% of the net consolidated budget.

The following chart shows the Village's capital expenditures as a percentage of total expenditures compared to its peers.

Capital as a Percentage of Total Expenditures



Should the Village strive to allocate its resources for capital improvements at a level similar to its peers, the Village would aim to spend approximately \$3.7 - \$4.5 million on capital expenditures each year. This would include not only expenditures within the Village's General Fund, but would also include expenditures separately tracked in Capital Project Funds. The following table shows what the Village's CIP funding levels would be if the Village allocated resources at a level comparable to our peers. The table then indicates how the projected CIP compares to the target spending levels. Over the course of the planning horizon, total spending on capital is below targeted spending levels by \$7.5 million or 38%. This is due primarily to the projected reduction in revenues available for capital expenditure. The peer data we are using is also gathered looking back at historical trends. The anticipated slow economic recovery will most certainly reduce the level of capital investment by our peer group in the future which will reduce the gap between Village capital spending and capital spending by our peers.

Table 8 - Capital Expenditures Comparable to Peer Group

	2011	2012	2013	2014	2015
Target Capital Spending Levels					
Average per capita	\$ 4,269,383	\$ 4,407,622	\$ 4,549,684	\$ 4,695,665	\$ 4,845,665
19% of expenditures	3,194,872	3,054,575	3,060,027	3,590,987	4,062,262
Average	3,732,127	3,731,099	3,804,855	4,143,326	4,453,963
Projected Capital Outlay*	1,906,640	1,098,175	1,066,870	3,233,002	5,000,544
Over (under) Funded CIP					
Compared to Target	\$ (1,825,487)	\$ (2,632,924)	\$ (2,737,985)	\$ (910,324)	\$ 546,581

*Total CIP Reduced by Road Resurfacing

Summary

To summarize, the CIP represents a \$16.6 million plan to address the capital improvement needs of the Village. Capital expenditures are driven by the types and levels of services the Village chooses to provide to its citizens. This proposal allows us to maintain the current level of most services to our citizens and expand others. Our projections of revenues and expenditures indicate the Village is in a position to fund the CIP as presented with no impact on the Village’s current tax rate. Although not increasing the tax rate is a worthy goal, many capital and staffing needs will go unfunded or be deferred under this assumption.

The development of this CIP is only one step in the maintenance and development of Village owned facilities and infrastructure. This CIP provides a guide for decision makers and the citizens. By fully examining alternatives and funding options during the planning process, the Village Council and management are able to make more fully informed decisions and maximize Village resources.

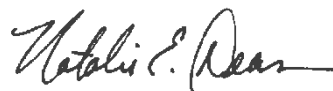
Once the capital improvements plan is prepared or updated on an annual basis, it is presented to the Village Council for their approval. After the CIP is approved, staff will attempt to include funding in the appropriate fiscal year to proceed with the project. The Village Council then appropriates funds in the annual budget for staff to be able to move forward with a project. Therefore, adoption of the CIP does not constitute a commitment to appropriate the funds, but rather signifies the Council’s intent to fund capital at the indicated levels during the annual budget process.

We believe the CIP as presented is a solid proposal and has been prepared in accordance with the guidance and direction provided by the Village Council. We would like to thank the Council members and the Senior Leadership Team for their support and assistance in developing the CIP. We look forward to discussing this proposal with the Council and jointly continuing to serve the citizens of the Village of Pinehurst.

Sincerely,



Andrew M. Wilkison
Village Manager



Natalie E. Dean
Assistant Village Manager

Summary Exhibits
Capital Improvement Plan

Exhibit 1 - Total Cost of All CIP Items For Planning Period

Total	Fiscal Year Ending June 30				
	2011	2012	2013	2014	2015
General Government Projects					
Roadway Improvements \$ 188,000	\$ -	\$ 188,000	\$ -	\$ -	\$ -
Community Center 3,427,141	-	-	-	925,822	2,501,319
Greenways 641,000	126,500	214,500	-	-	300,000
Rassie Wicker Park 454,000	-	-	-	255,000	199,000
Subtotal \$ 4,710,141	\$ 126,500	\$ 402,500	\$ -	\$ 1,180,822	\$ 3,000,319
Vehicles/Equipment \$ 5,177,090	\$ 1,139,640	\$ 360,675	\$ 600,870	\$ 1,775,680	\$ 1,300,225
Improvements					
Road Resurfacing & Imp \$ 4,348,000	\$ 805,000	\$ 837,000	\$ 869,000	\$ 897,000	\$ 940,000
Drainage Projects 720,000	135,000	135,000	150,000	150,000	150,000
Recreation 1,229,000	386,500	200,000	316,000	126,500	200,000
Public Safety 369,000	19,000	-	-	-	350,000
Other 100,000	100,000	-	-	-	-
Subtotal \$ 6,766,000	\$ 1,445,500	\$ 1,172,000	\$ 1,335,000	\$ 1,173,500	\$ 1,640,000
GRAND TOTAL \$16,653,231	\$ 2,711,640	\$ 1,935,175	\$ 1,935,870	\$ 4,130,002	\$ 5,940,544

**Exhibit 2
Total Cost of All CIP by Category**

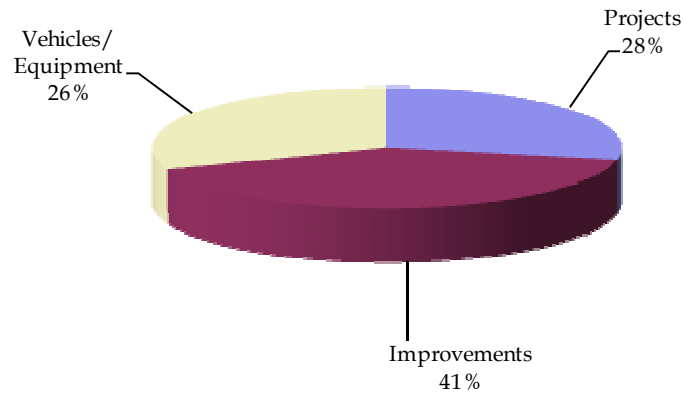


Exhibit 3 - Total Cost of CIP Projects From Inception Through 2015

Project	Pre-Planning Period Project Cost	Planning Period Project Cost	Total Project Cost
Roadway Improvements	\$ -	\$ 188,000	\$ 188,000
Community Center	45,000	3,427,141	3,472,141
Greenways	514,598	641,000	1,155,598
Rassie Wicker Park	1,444,868	454,000	1,898,868
GRAND TOTAL	\$ 3,021,953	\$ 4,710,141	\$ 7,732,094

**Exhibit 4
Total Cost of All CIP Projects by Function**

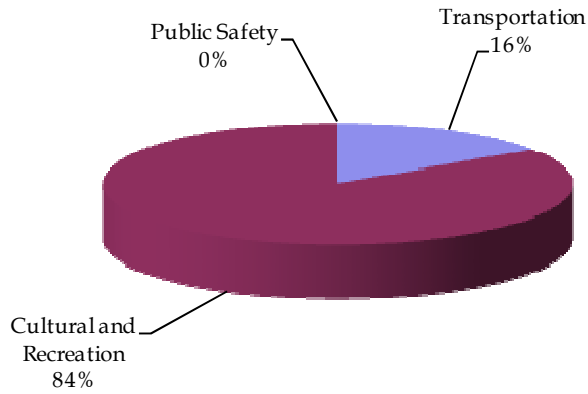


Table 5 - Per Capita Cost of CIP

Per Capita Cost of CIP	2011	2012	2013	2014	2015
Total Cost of the CIP	\$ 2,711,640	\$ 1,935,175	\$ 1,935,870	\$ 4,130,002	\$ 5,940,544
Estimated Population	13,617	14,015	14,413	14,811	14,169
Per Capita Cost	\$ 199.14	\$ 138.08	\$ 134.31	\$ 278.85	\$ 419.27

**Exhibit 6
CIP Projects by Function**

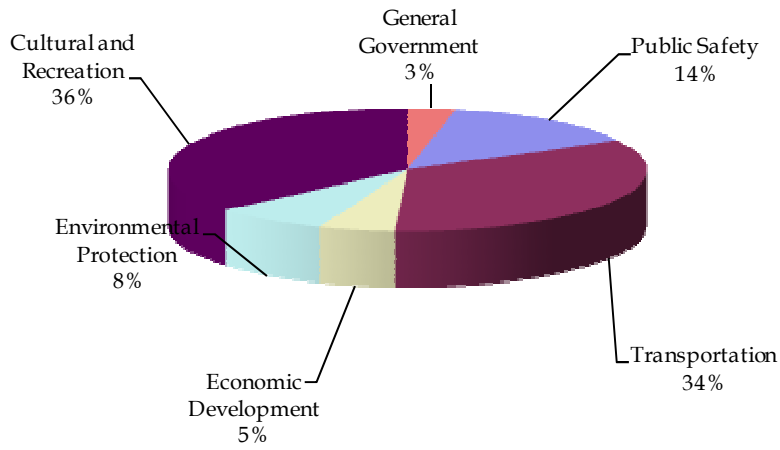


Exhibit 7 - Detail of Total CIP By Funding Source

	Total	Fiscal Year Ending June 30				
		2011	2012	2013	2014	2015
Cash						
Roadway Improvements	\$ 188,000	\$ -	\$ 188,000	\$ -	\$ -	\$ -
Greenways	491,000	126,500	214,500	-	-	150,000
Rassie Wicker Park	454,000	-	-	-	255,000	199,000
	1,133,000	126,500	402,500	-	255,000	349,000
Vehicles/Equipment	4,292,090	829,640	360,675	600,870	1,200,680	1,300,225
Improvements	4,675,000	1,046,500	764,000	917,000	745,500	1,202,000
Subtotal	10,100,090	2,002,640	1,527,175	1,517,870	2,201,180	2,851,225
Grant						
Street Resurfacing - PB	2,091,000	399,000	408,000	418,000	428,000	438,000
Greenways	150,000	-	-	-	-	150,000
Community Center	500,000	-	-	-	-	500,000
Subtotal	2,741,000	399,000	408,000	418,000	428,000	1,088,000
Installment Financing						
Fire Truck - Unit 914	575,000	-	-	-	575,000	-
Communication Equipment	310,000	310,000	-	-	-	-
Community Center	2,927,141	-	-	2,927,141	-	-
Subtotal	3,812,141	310,000	-	2,927,141	575,000	-
Total	\$ 16,653,231	\$ 2,711,640	\$ 1,935,175	\$ 4,863,011	\$ 3,204,180	\$ 3,939,225

Exhibit 8 - Detail of Net Operating Cost (Revenue) by Capital Item

	Total	Fiscal Year Ending June 30				
		2011	2012	2013	2014	2015
Net Annual Operating Cost						
Community Center	\$ 31,860	\$ -	\$ -	\$ -	\$ -	\$ 31,860
Greenways	315,514	59,429	61,211	63,048	64,939	66,887
Rassie Wicker Park	801,820	151,027	155,557	160,224	165,031	169,982
Subtotal	1,149,194	210,455	216,769	223,272	229,970	268,729
Annual Debt Service						
Fire Truck	160,885	-	-	-	81,650	79,235
Communication Equip.	349,060	75,020	72,416	69,812	67,208	64,604
Community Center	461,719	-	-	-	156,596	305,123
Subtotal	971,664	75,020	72,416	69,812	305,454	448,962
Net Budget Impact	\$ 2,120,858	\$ 285,475	\$ 289,185	\$ 293,084	\$ 535,424	\$ 717,691

Capital Projects

Roadway Improvements

Department	Engineering Department
Project Cost	\$188,000
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> New/expanded capital assets that eliminate deficiencies in providing a service at the current level of demand <input checked="" type="checkbox"/> New/expanded capital assets that eliminate a public hazard or threat to public safety <input checked="" type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/JUSTIFICATION

This project includes pedestrian improvements on NC-211. The improvement specifications have not been determined but suggestions include turn lanes, traffic signals and pedestrian facilities including sidewalks along NC211. The population of Pinehurst alone is expected to reach 16,000 people by the year 2025 and traffic on major roads to roughly double by that time. This project will help mitigate the effects of the traffic growth on this major road thus improving traffic operations and safety, as well as provide a visual gateway to the Village and more direct linkage to the Village Center. This project will assist the Village in meeting the goals identified as future transportation needs in the 2003 Comprehensive Long-Range Plan.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Appropriations	\$ 188,000	\$ -	\$ -	\$ 188,000	\$ -	\$ -	\$ -
TOTAL	\$ 188,000	\$ -	\$ -	\$ 188,000	\$ -	\$ -	\$ -
Funding Source:							
Cash	\$ 188,000	\$ -	\$ -	\$ 188,000	\$ -	\$ -	\$ -
TOTAL	\$ 188,000	\$ -	\$ -	\$ 188,000	\$ -	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Project Expenditures	\$ 188,000	\$ -	\$ -	\$ 188,000	\$ -	\$ -	\$ -
Operating Expenditures	-	-	-	-	-	-	-
TOTAL	\$ (188,000)	\$ -	\$ -	\$ (188,000)	\$ -	\$ -	\$ -

Cannon Park Community Center

Department	Parks and Recreation Department	
Project Cost	\$3,472,141	
Project Priority	<u>X</u>	Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided
	<u>X</u>	Eliminates deficiencies in providing a service at the current level of demand
	___	Eliminates a public hazard or threat to public safety
	<u>X</u>	Improvements or new capital assets that significantly improve the efficiency of operations
	<u>X</u>	New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/JUSTIFICATION

The Cannon Park Community Center will be a multi-purpose facility. In addition to providing space for a variety of recreational and athletic programs, it will provide space for community group meetings and activities. The facility will be located at the site of the old Village Hall in Cannon Park and include program/activity/meeting rooms, a gymnasium, and office space for staff. The Community Center will be an estimated 17,000 square feet and will provide the space needed to meet the current and expanding recreational and community needs of all ages.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Appropriations	\$ 3,472,141	\$ 45,000	\$ -	\$ -	\$ -	\$ 925,822	\$ 2,501,319
TOTAL	\$ 3,472,141	\$ 45,000	\$ -	\$ -	\$ -	\$ 925,822	\$ 2,501,319
Funding Source:							
Grants	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Cash	45,000	45,000	-	-	-	-	-
Installment Financing	2,882,141	-	-	-	-	2,882,141	-
TOTAL	\$ 3,427,141	\$ 45,000	\$ -	\$ -	\$ -	\$ 2,882,141	\$ 500,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Debt Proceeds	\$ 2,882,141	\$ -	\$ -	\$ -	\$ -	\$ 2,882,141	\$ -
Grant Proceeds	500,000	-	-	-	-	-	500,000
Project Expenditures	3,472,141	45,000	-	-	-	925,822	2,501,319
Operating Expenditures	31,860	-	-	-	-	-	31,860
Debt Service	461,719	-	-	-	-	156,596	305,123
TOTAL	\$ (583,579)	\$ (45,000)	\$ -	\$ -	\$ -	\$ 1,799,723	\$ (2,338,302)

Greenways

Department	Parks and Recreation Department
Project Cost	\$1,155,598
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> Eliminates deficiencies in providing a service at the current level of demand <input checked="" type="checkbox"/> Eliminates a public hazard or threat to public safety <input type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/JUSTIFICATION

This project is a multi-phase project that eventually will create approximately 24 miles of pedestrian and non-motorized transportation paths throughout Pinehurst. Currently there are approximately 6 miles completed. The paths will be constructed of various materials depending on the terrain in the locations selected for path construction. The creation of greenways will interconnect different parts of Pinehurst and will offer a safe environment for walking, bicycling and other passive recreation and non-motorized transportation. Greenways will also promote a pollutant-free environment by reducing the need for modes of travel dependent on fuel.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Appropriations	\$ 1,155,598	\$ 514,598	\$ 126,500	\$ 214,500	\$ -	\$ -	\$ 300,000
TOTAL	\$ 1,155,598	\$ 514,598	\$ 126,500	\$ 214,500	\$ -	\$ -	\$ 300,000
Funding Source:							
Grants	\$ 186,108	\$ 36,108	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Cash	969,490	478,490	126,500	214,500	-	-	150,000
TOTAL	\$ 1,155,598	\$ 514,598	\$ 126,500	\$ 214,500	\$ -	\$ -	\$ 300,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Grant Proceeds	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 150,000
Project Expenditures	1,155,598	514,598	126,500	214,500	-	-	300,000
Operating Expenditures	428,959	113,445	59,429	61,211	63,048	64,939	66,887
TOTAL	\$ (1,584,557)	\$ (628,043)	\$ (185,929)	\$ (275,711)	\$ (63,048)	\$ (64,939)	\$ (216,887)

Rassie Wicker Park Development

Department	Parks and Recreation Department
Project Cost	\$1,898,868
Project Priority	<input type="checkbox"/> Repair or renovation of existing capital assets obsolete or worn out needed to maintain the current level of service provided <input checked="" type="checkbox"/> Eliminates deficiencies in providing a service at the current level of demand <input type="checkbox"/> Eliminates a public hazard or threat to public safety <input type="checkbox"/> Improvements or new capital assets that significantly improve the efficiency of operations <input checked="" type="checkbox"/> New capital assets needed to improve or expand the existing level of service or provide a new service

PROJECT DESCRIPTION/JUSTIFICATION

Rassie Wicker Park is a multi-phase project which began construction in 2004. The park currently has a soccer field, an in-line hockey rink, restrooms, paved and stone screening walking trails, playground and associated parking and landscaping. The remaining project phases include construction of an additional restroom facility, spray ground, shelter, shuffleboard, horseshoe pits, a sand volleyball court and various trails, parking and landscaping. Rassie Wicker Park will provide a facility that satisfies the recreational needs of the citizens of Pinehurst and visitors to our area.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Appropriations	\$ 1,898,868	\$ 1,444,868	\$ -	\$ -	\$ -	\$ 255,000	\$ 199,000
TOTAL	\$ 1,898,868	\$ 1,444,868	\$ -	\$ -	\$ -	\$ 255,000	\$ 199,000
Funding Source:							
Grants	\$ 224,737	\$ 224,737	\$ -	\$ -	\$ -	\$ -	\$ -
Cash	1,674,131	1,220,131	-	-	-	255,000	199,000
TOTAL	\$ 1,898,868	\$ 1,444,868	\$ -	\$ -	\$ -	\$ 255,000	\$ 199,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2011	2012	2013	2014	2015
Grant Proceeds	\$ 224,737	\$ 224,737	\$ -	\$ -	\$ -	\$ -	\$ -
Project Expenditures	1,898,868	1,444,868	-	-	-	255,000	199,000
Operating Expenditures	1,090,524	288,704	151,027	155,557	160,224	165,031	169,982
TOTAL	\$ (2,764,655)	\$ (1,508,835)	\$ (151,027)	\$ (155,557)	\$ (160,224)	\$ (420,031)	\$ (368,982)