

Village of Pinehurst

Capital Improvement Plan

FY 2007-2011

February 14, 2006

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) 2007 through 2011. The CIP includes improvements with a total estimated cost of \$19,149,600 over the next five years. These costs are divided into three major areas - Vehicles/Equipment, Capital Improvements and Capital Projects.

There are a total of seven (7) capital projects identified, which is the same as last year's CIP. Three new projects included in this year's CIP include the construction of a new Public Works facility, several roadway improvements included in one project, and Old Town sidewalks. Three projects from last year's CIP have been removed. The fire station and the Pond #1 rehabilitation will be completed in FY 2006 and the West Pinehurst Community Park Masterplan has been reclassified to improvements.

The CIP also includes capital improvement items such as road resurfacing and improvements, storm water master planning, and small drainage projects. These items represent approximately 28%, or \$5,309,500, of the total CIP. The CIP adopted by the Council for FY 2006-2010 totaled \$13,927,900. This year's CIP total is an increase of \$5,221,700, or approximately 37%, from the prior year.

Of the total \$19,149,600 in capital expenditures, the anticipated costs of the three major groupings are detailed in the table below.

Table 1 - Capital Cost By Major Area

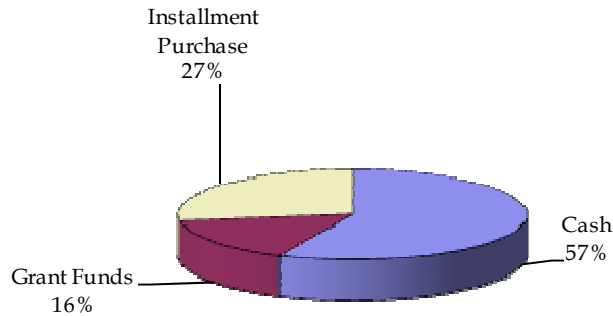
Major Area	Cost of Capital	% of Total
Vehicles/Equipment	\$ 3,619,700	19%
Capital Improvements	6,615,300	35%
Capital Projects	8,914,600	47%
TOTAL	<u>\$ 19,149,600</u>	<u>100%</u>

Revenue and funding sources for the capital expenditures identified in this plan come from a variety of sources. The replacement of all vehicles and equipment, with the exception of a fire truck, will be funded on a pay-as-you go basis, or with available cash. Some capital projects will be funded with cash while others will be financed with either installment financing agreements or grants. 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 12.

Table 2 -CIP Revenue/Funding Sources Summary

Funding Source	Cost of Capital
Cash	\$ 10,899,600
Grant	3,000,000
Installment Financing	5,250,000
TOTAL	\$ 19,149,600

**Village of Pinehurst
Capital Improvements by Funding Source
FY 2007 - 2011**



As you can see, the majority of the capital improvements are funded with available Village funds, while another 27% is funded with installment purchase financing. The available Village funds would consist of appropriations from the General Fund and the Village’s Capital Reserve Fund.

Some highlights of the proposed Capital Improvement Plan include:

- Funding for the construction of a public works/fleet maintenance facility to replace the existing complex on McCaskill Road. The Village plans to purchase a 15-acre tract of land in 2007 then commence construction and secure installment financing in 2010.
- Several recreation projects such as the development of Rassic Wicker Park, the construction of a recreation center at Cannon Park, and the development of subsequent phases of the Village’s Greenway System.
- Transportation items include the annual resurfacing and striping of six (6) to seven (7) miles per year of Village roads, intersection improvements, and other miscellaneous traffic improvements.

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 and set aside in the Capital Reserve Fund. The total annual operating impact is then stated in a tax rate equivalent to determine the resulting impact on the tax rate.

Table 3 - Tax Rate Equivalent and General Fund Impact of the CIP

	2007	2008	2009	2010	2011
Projects Paid with Cash	\$ 300,000	\$ 561,000	\$ 1,071,000	\$ 753,000	\$ 744,600
Improvements Paid with Cash	936,550	893,000	955,750	869,000	711,000
Vehicle/Equipment	561,800	440,000	733,750	655,900	713,250
CIP in General Fund	1,798,350	1,894,000	2,760,500	2,277,900	2,168,850
Additional Debt Service	25,125	183,463	236,024	599,260	582,835
Annual Operating Impact	9,929	99,831	122,916	126,603	130,402
Annual General Fund Impact	1,833,404	2,177,294	3,119,439	3,003,763	2,882,087
Capital Reserve Funds Utilized	(350,000)	(350,000)	(350,000)	(350,000)	(350,000)
Net General Fund Impact	\$ 1,483,404	\$ 1,827,294	\$ 2,769,439	\$ 2,653,763	\$ 2,532,087
Tax Rate Equivalent of CIP	\$ 0.07	\$ 0.07	\$ 0.09	\$ 0.08	\$ 0.08

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. Projected expenditures incorporate the Village's Five-year Staffing Forecast that identifies the anticipated increases to staffing levels in the planning horizon. Effective June 30, 2008 the Village anticipates annexing a large residential area, Pinewild. The financial impact of this annexation is included in the projected amounts below. Also included in Table 4 below is the impact of the revaluation of real and personal property in FY 2008, with a projected revenue neutral tax rate.

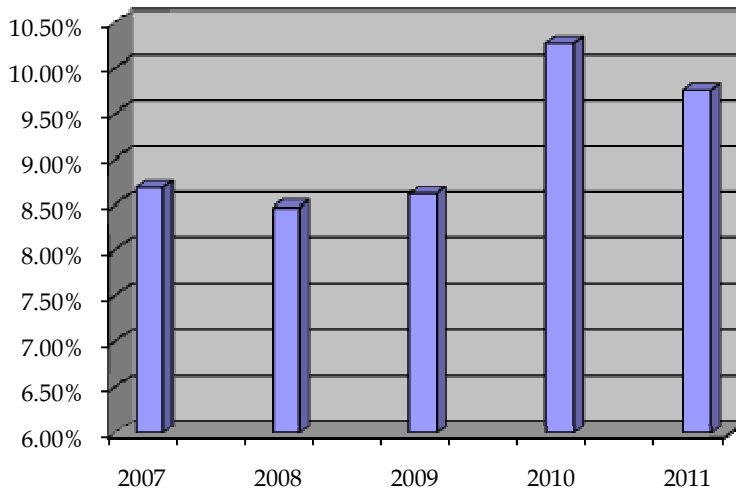
Table 4 - Projected General Fund Revenues and Expenditures

	2006	2007	2008	2009	2010	2011
Population	10,694	11,104	11,514	13,515	14,007	14,499
Revenues	\$ 12,406,000	\$ 12,408,000	\$ 13,341,000	\$ 15,089,000	\$ 15,650,000	\$ 16,202,000
Tax Rate	0.31	0.31	0.28	0.28	0.28	0.28
Expenditures						
Salaries	3,905,000	4,139,000	4,447,000	4,671,000	4,908,000	5,104,000
Personnel in FTEs	120	124	131	138	139	139
Operating Expenditures	6,306,000	5,806,000	6,049,000	6,680,000	6,931,000	7,165,000
Debt Service	1,038,000	1,054,000	1,185,000	1,220,000	1,551,000	1,526,000
Exp before Capital	11,249,000	10,999,000	11,681,000	12,571,000	13,390,000	13,795,000
Amt Left for Capital	\$ 1,157,000	\$ 1,409,000	\$ 1,660,000	\$ 2,518,000	\$ 2,260,000	\$ 2,407,000
Annexation Capital Exp.		-	919,264	-	-	-
CIP in General Fund		1,798,350	1,894,000	2,760,500	2,277,900	2,168,850
Net Impact on General Funds	\$ (389,350)	\$ (1,153,264)	\$ (242,500)	\$ (17,900)	\$ 238,150	

To determine estimated debt service, we assumed a conservative 4.50% interest rate amortized over 15 years. As presented, the Village's CIP will result in additional annual debt service costs ranging from \$25,000 up to \$600,000 during the planning horizon. However, due to the payoff of the Taylorhurst road improvements in FY 2009, the Village will free up approximately \$24,000 in annual debt service in 2010. In addition, it is important to note the Village will pay off the debt for Village Hall in FY 2012 and the Police Station in FY 2013. This will decrease annual debt service payments by \$604,000.

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 low to a moderate level of debt service.

**Village of Pinehurst
CIP Impact on Debt Ratios
FY 2007-2011**



While the net impact on the General Fund in the first three years of the planning horizon is negative, the majority of the deficit is due to one-time capital costs associated with the annexation of Pinewild. The Village's fund balance continues to remain healthy and can absorb the anticipated capital expenditures that exceed available resources, while still maintaining a fund balance that falls within the Council's desired range of 27% - 33% of expenditures.

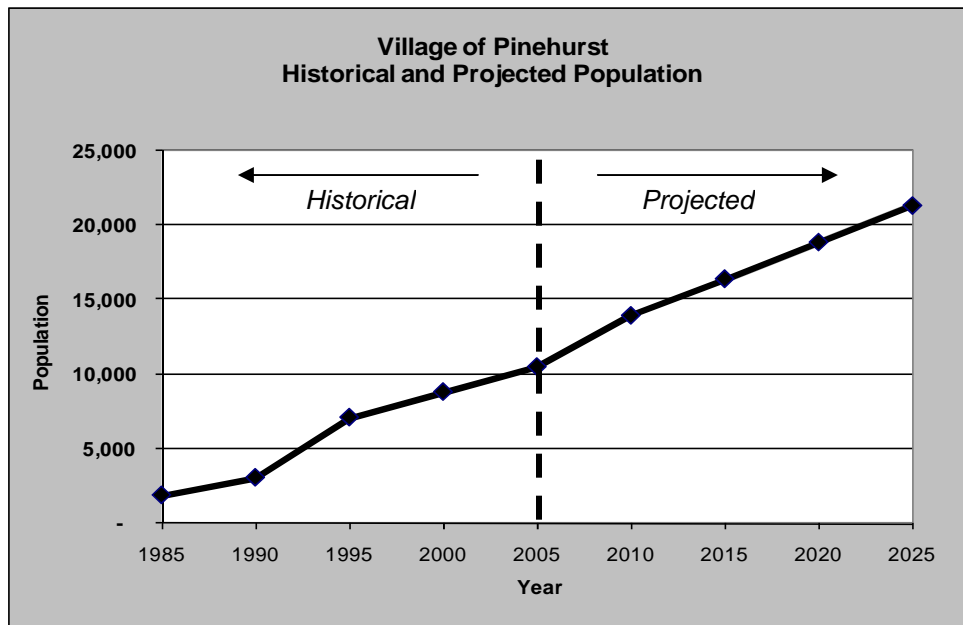
Table 5 indicates the projected balance in the Capital Reserve Fund during the planning period. This analysis includes the estimated transfers into the Reserve from the General Fund and the estimated transfers out to fund capital items that are included in the CIP.

Table 5 - Projected Capital Reserve Fund

	2006	2007	2008	2009	2010	2011
Beginning Balance	\$ 492,075	\$ 156,865	\$ 154,090	\$ 163,054	\$ 184,676	\$ 219,913
Plus:						
Transfers from General Fund	1,044,800	340,950	352,800	365,100	377,850	391,050
Interest Income	12,490	6,275	6,164	6,522	7,387	8,797
Total Other Financing Sources	1,057,290	347,225	358,964	371,622	385,237	399,847
Amount Available for CIP	1,549,365	504,090	513,054	534,676	569,913	619,759
Less:						
Transfers to General Fund	580,500	350,000	350,000	350,000	350,000	350,000
Transfers to Other Funds	812,000	-	-	-	-	-
Total Other Financing Uses	1,392,500	350,000	350,000	350,000	350,000	350,000
Ending Balance	\$ 156,865	\$ 154,090	\$ 163,054	\$ 184,676	\$ 219,913	\$ 269,759

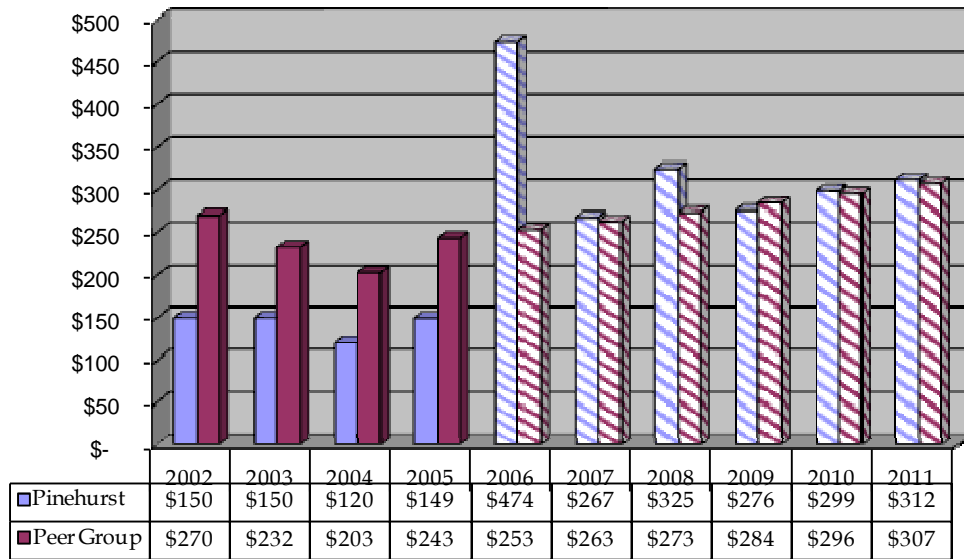
One way the Village can determine if it is spending an appropriate amount on capital expenditures is to compare itself to its peer group. The Local Government Commission, which is a division of the NC Department of State Treasurer, compiles financial data for all local governments in the State. There 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 410 people annually. Upon the annexation of Pinewild, the population growth is expected to approximate 500 people per year. The following graph 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, which are municipalities with populations between 10,000 and 50,000 that do not operate a utility system. The peer group per capita amounts are assumed to increase at an annual rate of 4%.

Capital Expenditures Per Capita



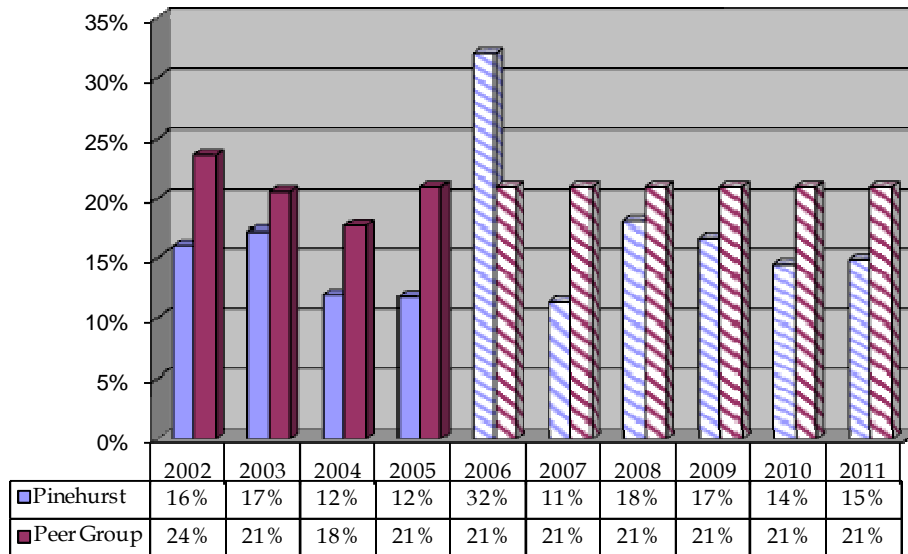
Review of this graph indicates that in FY 2006 the Village’s per capita spending levels exceed that of its peers considerably. This is due to several major capital initiatives going on consecutively, which include the construction of \$2.6 million fire station, a near \$1 million park project, and a \$500,000 dam rehabilitation project. The other years in the planning horizon indicate capital spending is consistent with our peer group.

It is worth mentioning that the Village’s average household population is 2.05, which is lower than both the statewide average of 2.49 and the neighboring town of Southern Pines, whose average household population is 2.19. Therefore, the Village could expend the same amount of funds as our peers with the same number of households, but our per capita expenditures would be higher due to the lesser per household population. Therefore, the Village should actually expect its per capita spending to be higher than its peers because of the lower per household population.

Over the past five years, the Village’s peer group typically spent around \$243 per capita on annual capital expenditures, or roughly 21% of their net consolidated budget. During that same time period, the Village has spent an average of \$126 per capita on capital expenditures, or 17% of the net consolidated budget. Based on this analysis, it is reasonable to conclude the Village has significantly under funded capital expenditures in the past when compared to its peers.

The chart below 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 \$2.7 - \$3.9 million on capital expenditures annually. This would include not only expenditures within the Village's General Fund, but would also include expenditures separately tracked in Capital Project Funds. The table below shows what the Village's CIP funding levels would be if the Village allocated resources at a comparable per capita level or at 21% of expenditures. The table then indicates if the projected CIP approximates the target spending levels. Due to the major building and recreational facility projects that will occur during the planning horizon, the Village will spend up to 22% more than the peer average for capital improvements.

Table 6 - Capital Expenditures Comparable to Peer Group

	2007	2008	2009	2010	2011
Target Capital Spending Levels					
Average per capita	\$ 2,918,451	\$ 3,147,259	\$ 3,841,985	\$ 4,141,123	\$ 4,458,044
21% of expenditures	2,605,680	2,994,655	3,168,690	3,286,500	3,402,420
Average	2,762,065	3,070,957	3,505,338	3,713,811	3,930,232
Projected 2007-2011 CIP	2,969,950	3,741,400	3,725,500	4,186,900	4,525,850
Over (under) Funded CIP Compared to Target					
	\$ 207,885	\$ 670,443	\$ 220,162	\$ 473,089	\$ 595,618

To summarize, the CIP represents a \$19.1 million plan to address the capital improvement needs of the Village. In the past, the Village's capital spending has been less than its peers; however the projected CIP represents a proposal that over the five-year planning horizon exceeds target capital spending levels. 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.

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.

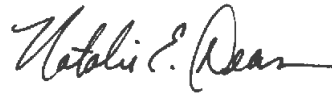
Once the capital improvements plan is prepared or updated on an annual basis, it is presented to the Village Council for their approval. After the CIP is approved, staff will attempt to include funding in the appropriate fiscal year to proceed with the project. The Village Council would then appropriate 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 level during the annual budget process.

We believe the CIP as presented is a solid proposal and recommend its adoption 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 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					
	2007	2008	2009	2010	2011	
General Government Projects						
Old Town Sidewalks	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ -	\$ -
Roadway Improvements	625,000	95,000	200,000	80,000	250,000	-
Stormwater Projects	793,600	-	-	386,000	-	407,600
Public Works Facility	3,311,000	225,000	-	-	1,199,000	1,887,000
Cannon Park Rec Center	1,979,000	571,600	1,407,400	-	-	-
Greenways	1,050,000	150,000	150,000	300,000	300,000	150,000
Rassie Wicker Park	1,031,000	-	211,000	180,000	453,000	187,000
Subtotal	\$ 8,914,600	\$ 1,041,600	\$ 1,968,400	\$ 1,071,000	\$ 2,202,000	\$ 2,631,600
Vehicles/Equipment	\$ 3,619,700	\$ 561,800	\$ 440,000	\$ 1,248,750	\$ 655,900	\$ 713,250
Improvements						
Road Resurfacing & Imp	\$ 4,619,500	\$ 988,500	\$ 898,000	\$ 900,000	\$ 902,000	\$ 931,000
Drainage Projects	690,000	190,000	100,000	100,000	150,000	150,000
Recreation	633,750	115,000	275,000	121,750	107,000	15,000
Land Acquisition	380,000	60,000	60,000	60,000	140,000	60,000
Other	292,050	13,050	-	224,000	30,000	25,000
Subtotal	\$ 6,615,300	\$ 1,366,550	\$ 1,333,000	\$ 1,405,750	\$ 1,329,000	\$ 1,181,000
GRAND TOTAL	\$ 19,149,600	\$ 2,969,950	\$ 3,741,400	\$ 3,725,500	\$ 4,186,900	\$ 4,525,850

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

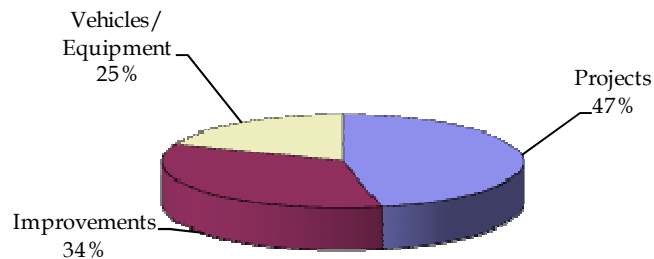


Exhibit 3 - Total Cost of CIP Projects From Inception Through 2011

Project	Pre-Planning Period Project Cost	Planning Period Project Cost	Total Project Cost
Old Town Sidewalks	\$ 359,088	\$ 125,000	\$ 484,088
Roadway Improvements	-	625,000	625,000
Stormwater Projects	-	793,600	793,600
Public Works Facility	-	3,311,000	3,311,000
Cannon Park Rec Center	-	1,979,000	1,979,000
Greenways	280,184	1,050,000	1,330,184
Rassie Wicker Park	1,262,562	1,031,000	2,293,562
GRAND TOTAL	\$ 1,901,834	\$ 8,914,600	\$ 10,816,434

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

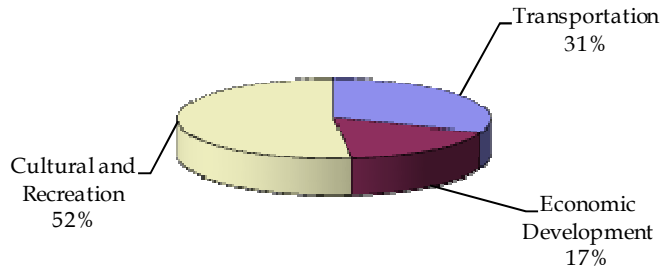


Exhibit 5 - Detail of Total CIP by Function

	Total	Fiscal Year Ending June 30				
		2007	2008	2009	2010	2011
General Government	\$ 714,000	\$ 132,000	\$ 160,000	\$ 302,000	\$ 60,000	\$ 60,000
Public Safety	2,072,100	151,200	178,000	944,750	559,900	238,250
Transportation	8,682,100	1,290,100	978,000	1,090,000	2,256,000	3,068,000
Economic Development	2,369,150	318,050	335,000	758,500	400,000	557,600
Environmental Protection	540,000	242,000	22,000	-	26,000	250,000
Cultural and Recreation	4,772,250	836,600	2,068,400	630,250	885,000	352,000
Total	\$ 19,149,600	\$ 2,969,950	\$ 3,741,400	\$ 3,725,500	\$ 4,186,900	\$ 4,525,850

Exhibit 6 - CIP Cost by Function

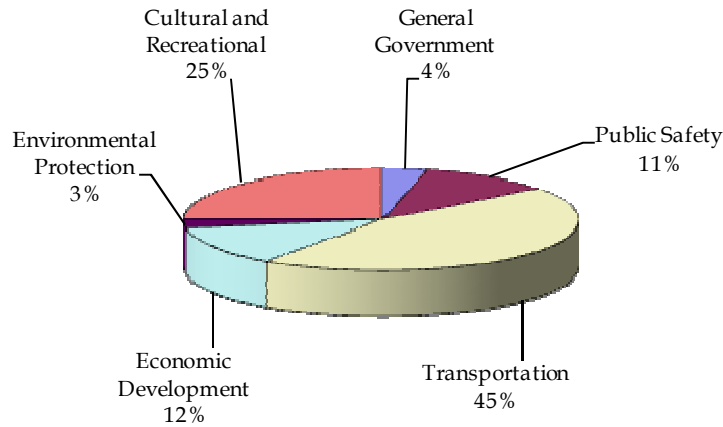


Exhibit 7 - Detail of Total CIP By Funding Source

	Total	Fiscal Year Ending June 30				
		2007	2008	2009	2010	2011
Cash						
Old Town Sidewalks	\$ 125,000	\$ -	\$ -	\$ 125,000	\$ -	\$ -
Roadway Improvements	625,000	95,000	200,000	80,000	250,000	-
Stormwater Projects	793,600	-	-	386,000	-	407,600
Cannon Park Rec Center	55,000	55,000	-	-	-	-
Greenways	1,050,000	150,000	150,000	300,000	300,000	150,000
Rassie Wicker Park	781,000	-	211,000	180,000	203,000	187,000
	Subtotal 3,429,600	300,000	561,000	1,071,000	753,000	744,600
Vehicles/Equipment Improvements	3,104,700	561,800	440,000	733,750	655,900	713,250
	Subtotal 4,365,300	936,550	893,000	955,750	869,000	711,000
	Subtotal 10,899,600	1,798,350	1,894,000	2,760,500	2,277,900	2,168,850
Grant						
Street Resurfacing - PB	2,250,000	430,000	440,000	450,000	460,000	470,000
Rassie Wicker Park	250,000	-	-	-	250,000	-
Cannon Park Rec Center	500,000	-	500,000	-	-	-
	Subtotal 3,000,000	430,000	940,000	450,000	710,000	470,000
Installment Financing						
Fire Truck	515,000	-	-	515,000	-	-
Public Works Facility	3,311,000	225,000	-	-	3,086,000	-
Cannon Park Rec Center	1,424,000	1,424,000	-	-	-	-
	Subtotal 5,250,000	1,649,000	-	515,000	3,086,000	-
Total	\$ 19,149,600	\$ 3,877,350	\$ 2,834,000	\$ 3,725,500	\$ 6,073,900	\$ 2,638,850

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

	Total	Fiscal Year Ending June 30				
		2007	2008	2009	2010	2011
Net Annual Operating Cost						
Cannon Park Rec Center	\$ 273,269	\$ -	\$ 53,580	\$ 71,076	\$ 73,208	\$ 75,405
Greenways	53,273	9,929	10,227	10,714	11,036	11,367
Rassie Wicker Park	163,139	-	36,024	41,126	42,359	43,630
Subtotal	489,681	9,929	99,831	122,916	126,603	130,402
Annual Debt Service						
Fire Truck	167,889	-	-	57,508	55,963	54,418
Public Works Facility	848,398	25,125	24,450	23,775	392,828	382,220
Cannon Park Rec Center	610,420	-	159,013	154,741	150,469	146,197
Subtotal	1,626,707	25,125	183,463	236,024	599,260	582,835
Net Budget Impact	\$ 2,116,388	\$ 35,054	\$ 283,294	\$ 358,940	\$ 725,863	\$ 713,237

Exhibit 9 - Impact of CIP Debt Issuances on Debt Ratios

	Fiscal Year Ending June 30				
	2007	2008	2009	2010	2011
Existing Debt Service Payments	\$ 1,053,270	\$ 1,025,156	\$ 1,064,575	\$ 1,007,043	\$ 996,802
Additional Debt Service:					
Fire Truck	-	-	57,508	55,963	54,418
Public Works Facility	25,125	24,450	23,775	392,828	382,220
Cannon Park Rec Center	-	159,013	154,741	150,469	146,197
Total Debt Service	\$ 1,078,395	\$ 1,208,619	\$ 1,300,599	\$ 1,606,303	\$ 1,579,637
Estimated Expenditures	12,408,000	14,260,264	15,089,000	15,650,000	16,202,000
% of Expenditures	8.69%	8.48%	8.62%	10.26%	9.75%

Capital Projects

Old Town Sidewalks

Department	Engineering
Project Cost	\$125,000
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 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 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 new brick sidewalks possibly along Chinquapin, Dogwood, Azalea and the Village Green. The completion of these segments will advance the sidewalk improvements envisioned by the sidewalk committee, which was established to assist the Village in meeting the goals identified as future transportation needs in the 2003 Comprehensive Long-Range Plan. These segments will complete key links in the core village sidewalk system, thus allowing better pedestrian access to merchants and connecting the various inns to the merchant community. They also provide a much safer alternative for pedestrians that must currently walk in the roadway in many places.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Appropriations	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -
TOTAL	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -
Funding Source:							
Cash	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -
TOTAL	\$ 125,000	\$ -	\$ -	\$ -	\$ 125,000	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Project Expenditures	125,000	-	-	-	125,000	-	-
Operating Expenditures	-	-	-	-	-	-	-
TOTAL	\$ (125,000)	\$ -	\$ -	\$ -	\$ (125,000)	\$ -	\$ -

Public Works Facility

Department	Public Works/Fleet Maintenance Departments
Project Cost	\$3,311,000
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"/> 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 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

The new facility will combine the current Public Works and Fleet Maintenance facilities, located on McCaskill Road, into one complex. The current facilities are in the New Core area, which has been identified for expansion of the Village Center, and do not provide an environment to insure the efficiency and effectiveness of public works and fleet maintenance operations. A target area for the site of the new complex has been identified. A site will be selected and purchased in 2007. The buildings within the complex are estimated to be a total of approximately 18,000 square feet. It includes an administrative building comprised of offices, a training room, a break room and restrooms. It also includes equipment and supply storage buildings, including bins for salt, dirt, rock, etc., and four double-sided bays for vehicle and equipment maintenance.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Appropriations	\$ 3,311,000	\$ -	\$ 225,000	\$ -	\$ -	\$ 1,199,000	\$ 1,887,000
TOTAL	\$ 3,311,000	\$ -	\$ 225,000	\$ -	\$ -	\$ 1,199,000	\$ 1,887,000
Funding Source:							
Cash	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Financing	3,311,000	-	225,000	-	-	3,086,000	-
TOTAL	\$ 3,311,000	\$ -	\$ 225,000	\$ -	\$ -	\$ 3,086,000	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Debt Proceeds	\$ 3,311,000	\$ -	\$ 225,000	\$ -	\$ -	\$ 3,086,000	\$ -
Project Expenditures	3,311,000	-	225,000	-	-	1,199,000	1,887,000
Operating Expenditures	-	-	-	-	-	-	-
Debt Service	848,399	-	25,125	24,450	23,775	392,828	382,220
TOTAL	\$ (848,399)	\$ -	\$ (25,125)	\$ (24,450)	\$ (23,775)	\$ 1,494,172	\$ (2,269,220)

Stormwater Projects

Department	Engineering Department
Project Cost	\$793,600
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

These projects include catch basins, piping and disposal facilities to properly manage stormwater runoff, which are an anticipated outcome of the proposed Stormwater Master Plan Study. These projects will mitigate the effects of stormwater runoff on adjacent and downstream properties thus improving the safety and health of Village residents. These projects will assist the Village in meeting the goals and requirements of the Federally-mandated "Hazard Mitigation Plan" recently adopted by the Village Council and in maintaining compliance with the requirements of the National Flood Insurance Program as mandated by North Carolina Emergency Management (NCEM) and Federal Emergency Management Agency (FEMA).

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Appropriations	\$ 793,600	\$ -	\$ -	\$ -	\$ 386,000	\$ -	\$ 407,600
TOTAL	\$ 793,600	\$ -	\$ -	\$ -	\$ 386,000	\$ -	\$ 407,600
Funding Source:							
Cash	\$ 793,600	\$ -	\$ -	\$ -	\$ 386,000	\$ -	\$ 407,600
TOTAL	\$ 793,600	\$ -	\$ -	\$ -	\$ 386,000	\$ -	\$ 407,600

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		2007	2008	2009	2010	2011	
Project Expenditures	\$ 793,600	\$ -	\$ -	\$ -	\$ 386,000	\$ -	\$ 407,600
Operating Expenditures	-	-	-	-	-	-	-
TOTAL	\$ (793,600)	\$ -	\$ -	\$ -	\$ (386,000)	\$ -	\$ (407,600)

Roadway Improvements

Department	Engineering Department
Project Cost	\$625,000
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

These projects include intersection improvements at NC5, Barrett and McCaskill roads; NC2 and Carolina Vista; the widening of NC5 and NC2; and pedestrian improvements on NC-211. The projects will include turn lanes, roundabouts, traffic signals and pedestrian facilities including sidewalks and tunnels under NC211. The population of Pinehurst alone is expected to reach 20,000 people by the year 2020 and traffic on major roads to roughly double by that time. These projects will help mitigate the effects of the traffic growth on these major roads thus improving traffic operations and safety, reduce congestion, as well as provide visual gateways to the Village and more direct linkage to the Village Center. These projects 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	2007	2008	2009	2010	2011
Appropriations	\$ 625,000	\$ -	\$ 95,000	\$ 200,000	\$ 80,000	\$ 250,000	\$ -
TOTAL	\$ 625,000	\$ -	\$ 95,000	\$ 200,000	\$ 80,000	\$ 250,000	\$ -
Funding Source:							
Cash	\$ 625,000	\$ -	\$ 95,000	\$ 200,000	\$ 80,000	\$ 250,000	\$ -
TOTAL	\$ 625,000	\$ -	\$ 95,000	\$ 200,000	\$ 80,000	\$ 250,000	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		2007	2008	2009	2010	2011	
Project Expenditures	\$ 625,000	\$ -	\$ 95,000	\$ 200,000	\$ 80,000	\$ 250,000	\$ -
Operating Expenditures	-	-	-	-	-	-	-
TOTAL	\$ (625,000)	\$ -	\$ (95,000)	\$ (200,000)	\$ (80,000)	\$ (250,000)	\$ -

Cannon Park Recreation Center

Department	Parks and Recreation Department	
Project Cost	\$1,979,000	
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 Gymnasium would be located at the site of the Old Village Hall in Cannon Park. The Gymnasium would include restrooms, a lobby, a full size gymnasium, office space for staff, meeting rooms/ multi-purpose room and associated landscaping and parking. The facility will be approximately 13,000 square ft. and will provide the space needed to meet expanding program needs. These needs are for youth and adult athletic leagues, full-day summer day camps, and also to allow for expansion into other programs such as after-school programming and fitness & exercise classes which will improve the quality of life in the Village.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Appropriations	\$ 1,979,000	\$ -	\$ 571,600	\$ 1,407,400	\$ -	\$ -	\$ -
TOTAL	\$ 1,979,000	\$ -	\$ 571,600	\$ 1,407,400	\$ -	\$ -	\$ -
Funding Source:							
Cash	\$ 55,000	\$ -	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Grants	500,000	-	-	500,000	-	-	-
Installment Financing	1,424,000	-	1,424,000	-	-	-	-
TOTAL	\$ 1,979,000	\$ -	\$ 1,479,000	\$ 500,000	\$ -	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30				
		2007	2008	2009	2010	2011
Debt Proceeds	\$ 1,424,000	\$ -	\$ 1,424,000	\$ -	\$ -	\$ -
Grant Proceeds	500,000	-	-	500,000	-	-
Project Expenditures	1,979,000	-	571,600	1,407,400	-	-
Operating Expenditures	273,269	-	-	53,580	71,076	73,208
Debt Service	464,224	-	-	159,013	154,741	150,469
TOTAL	\$ (792,493)	\$ -	\$ 852,400	\$ (1,119,993)	\$ (225,817)	\$ (227,950)
				\$ (225,874)		

Greenways

Department	Parks and Recreation Department
Project Cost	\$1,330,184
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 will create approximately 24 miles of pedestrian and non-motorized transportation paths throughout Pinehurst. 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	2007	2008	2009	2010	2011
Appropriations	\$ 1,330,184	\$ 280,184	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000	\$ 150,000
TOTAL	\$ 1,330,184	\$ 280,184	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000	\$ 150,000
Funding Source:							
Grants	\$ 36,108	\$ 36,108	\$ -	\$ -	\$ -	\$ -	\$ -
Cash	1,294,076	244,076	150,000	150,000	300,000	300,000	150,000
TOTAL	\$ 1,330,184	\$ 280,184	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000	\$ 150,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Project Expenditures	\$ 1,330,184	\$ 280,184	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000	\$ 150,000
Operating Expenditures	53,273	-	9,929	10,227	10,714	11,036	11,367
TOTAL	\$ (1,383,457)	\$ (280,184)	\$ (159,929)	\$ (160,227)	\$ (310,714)	\$ (311,036)	\$ (161,367)

Rassie Wicker Park Development

Department	Parks and Recreation Department
Project Cost	\$2,293,562
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, beginning in 2004 and continuing through 2012. The project includes the construction of a soccer field, an in-line hockey rink, restrooms, spray ground, shelters, 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 and visitors to Pinehurst in one location.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Appropriations	\$ 2,293,562	\$ 1,262,562	\$ -	\$ 211,000	\$ 180,000	\$ 453,000	\$ 187,000
TOTAL	\$ 2,293,562	\$ 1,262,562	\$ -	\$ 211,000	\$ 180,000	\$ 453,000	\$ 187,000
Funding Source:							
Grants	\$ 474,737	\$ 224,737	\$ -	\$ -	\$ -	\$ 250,000	\$ -
Cash	1,818,825	1,037,825	-	211,000	180,000	203,000	187,000
TOTAL	\$ 2,293,562	\$ 1,262,562	\$ -	\$ 211,000	\$ 180,000	\$ 453,000	\$ 187,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2007	2008	2009	2010	2011
Project Expenditures	\$ 2,293,562	\$ 1,262,562	\$ -	\$ 211,000	\$ 180,000	\$ 453,000	\$ 187,000
Operating Expenditures	163,140	-	-	36,024	41,126	42,359	43,630
TOTAL	\$ (2,456,701)	\$ (1,262,562)	\$ -	\$ (247,024)	\$ (221,126)	\$ (495,359)	\$ (230,630)