

# *Village of Pinehurst*

## *Capital Improvement Plan*

### *FY 2008-2012*

March 13, 2007

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) 2008 through 2012. 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. Adoption of the CIP by 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.

The CIP includes improvements with a total estimated cost of \$20,424,942 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 2007-2011 totaled \$19,149,600. This year's CIP total represents an increase of \$1,275,342, or approximately 6.6%, from the previous year.

There are a total of five (5) capital projects identified, all of which were included in last year's CIP. Specific criterion was developed this year to determine whether or not a capital request was to be 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. Based on this criterion, Old Town Sidewalks and Stormwater Projects from last year's CIP have been reclassified to capital improvements.

Of the total \$20,424,942 in capital expenditures, the anticipated costs of the three major groupings are detailed in the table below.

**Table 1 - Capital Cost By Major Area**

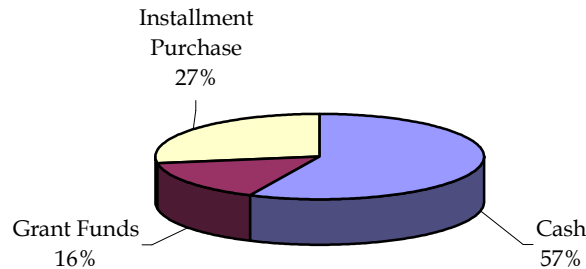
Major Area	Cost of Capital	% of Total
Vehicles/Equipment	\$ 3,829,300	19%
Capital Improvements	8,194,342	40%
Capital Projects	8,401,300	41%
TOTAL	<u>\$ 20,424,942</u>	<u>100%</u>

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. Two capital projects, the Public Services Facility and the Cannon Park Recreation Center, will be financed with either installment financing agreements or grants, while all others 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	\$ 11,612,642
Grant	3,215,000
Installment Financing	5,597,300
TOTAL	\$ 20,424,942

**Village of Pinehurst  
Capital Improvements by Funding Source  
FY 2008 - 2012**



As you can see, the majority of the capital improvements are funded with available Village funds or cash, while another 27% is funded with installment purchase financing. Installment financing is used to spread the cost of acquiring major capital items over time. 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 services/fleet maintenance facility to replace the existing complex on McCaskill Road. The Village plans to commence construction and secure installment financing in FY2008.
- Several recreation projects such as the construction of a recreation center at Cannon Park and the development of subsequent phases of the Village’s Greenway System and Rassie Wicker Park.
- Transportation items include the annual resurfacing and striping of five (5) to six (6) 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**

	2008	2009	2010	2011	2012
Projects Paid with Cash	\$ 451,000	\$ 504,000	\$ 515,000	\$ 543,000	\$ 326,000
Improvements Paid with Cash	1,110,750	902,250	1,315,959	825,683	1,789,700
Vehicle/Equipment	594,200	818,700	681,000	771,900	463,500
<b>CIP in General Fund</b>	<b>2,155,950</b>	<b>2,224,950</b>	<b>2,511,959</b>	<b>2,140,583</b>	<b>2,579,200</b>
Additional Debt Service	-	527,705	609,884	593,362	576,839
Annual Operating Impact	46,252	48,248	299,328	308,308	317,557
<b>Annual General Fund Impact</b>	<b>2,202,202</b>	<b>2,800,903</b>	<b>3,421,171</b>	<b>3,042,252</b>	<b>3,473,595</b>
Capital Reserve Funds Utilized	(1,500,000)	(750,000)	(1,000,000)	(350,000)	(350,000)
<b>Net General Fund Impact</b>	<b>\$ 702,202</b>	<b>\$ 2,050,903</b>	<b>\$ 2,421,171</b>	<b>\$ 2,692,252</b>	<b>\$ 3,123,595</b>
<b>Tax Rate Equivalent of CIP</b>	<b>\$ 0.03</b>	<b>\$ 0.08</b>	<b>\$ 0.09</b>	<b>\$ 0.09</b>	<b>\$ 0.08</b>

Management expects to sell approximately 6.7 acres of land in the New Core area in 2008 and transfer the proceeds to the Capital Reserve Fund for capital expenditures. Approximately \$1.2 million will be transferred out to the General Fund in 2008 and the remainder in future years to fund capital items that are included in the CIP.

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. Revenues and operating expenditures in 2008 reflect the sale proceeds and interfund transfers due to the expected sale of land in the New Core area. In addition, 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 included in Table 4 on the following page. Also included in Table 4 is the impact of the revaluation of real and personal property in FY 2008 and FY 2012, with a projected revenue neutral tax rate.

**Table 4 - Projected General Fund Revenues and Expenditures**

	2007	2008	2009	2010	2011	2012
<b>Population</b>	<b>11,104</b>	<b>11,514</b>	<b>13,539</b>	<b>14,031</b>	<b>14,523</b>	<b>15,015</b>
<b>Operating Revenues</b>						
<b>Revenues</b>	\$ 12,879,000	\$ 17,522,000	\$ 15,639,000	\$ 16,593,000	\$ 16,523,000	\$ 17,230,000
Tax Rate	0.31	0.28	0.28	0.28	0.28	0.22
<b>Expenditures</b>						
Salaries	4,378,000	4,774,000	5,042,000	5,468,000	5,713,000	5,970,000
Personnel in FTEs	128	136	142	146	149	150
Operating	7,078,000	9,122,000	7,203,000	7,767,000	7,509,000	7,774,000
Debt Service	1,029,000	1,019,000	1,586,000	1,634,000	1,607,000	1,219,000
<b>Exp before Capital</b>	<b>12,485,000</b>	<b>14,915,000</b>	<b>13,831,000</b>	<b>14,869,000</b>	<b>14,829,000</b>	<b>14,963,000</b>
<b>Amt Left for Capital</b>	<b>\$ 394,000</b>	<b>\$ 2,607,000</b>	<b>\$ 1,808,000</b>	<b>\$ 1,724,000</b>	<b>\$ 1,694,000</b>	<b>\$ 2,267,000</b>
Annexation Capital Exp.		401,968	-	-	-	-
CIP in General Fund		2,155,950	2,224,950	2,511,959	2,140,583	2,579,200
<b>Net Impact on General Funds</b>		<b>\$ 49,082</b>	<b>\$ (416,950)</b>	<b>\$ (787,959)</b>	<b>\$ (446,583)</b>	<b>\$ (312,200)</b>

To determine estimated debt service, we assumed a 4.20% interest rate amortized over 10 years for the fire truck and 15 years for the buildings. As presented, the Village's CIP will result in additional annual debt service costs ranging from \$527,700 up to \$609,900 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 that existing annual debt service payments will decrease by approximately \$371,000 in FY 2012, primarily due to the payoff of the debt for Village Hall.

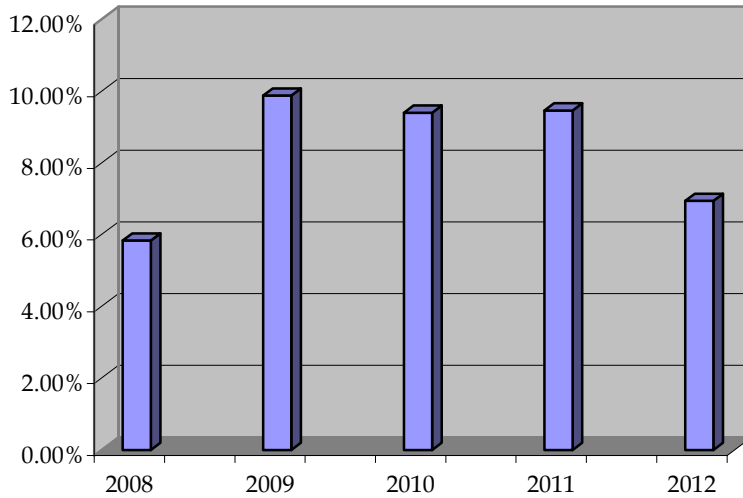
**Table 5 - Impact of CIP Debt Issuances on Debt Ratios**

	Fiscal Year Ending June 30				
	2008	2009	2010	2011	2012
Existing Debt Service Payments	\$ 1,018,786	\$ 1,058,215	\$ 1,023,794	\$ 1,012,889	\$ 641,477
Additional Debt Service:					
Fire Truck	-	72,500	70,250	68,000	65,750
Public Services Facility	-	356,503	347,317	338,131	328,945
Cannon Park Rec Center	-	98,702	192,317	187,231	182,144
Total Additional Debt Service	-	527,705	609,884	593,362	576,839
<b>Total Debt Service</b>	<b>\$ 1,018,786</b>	<b>\$ 1,585,920</b>	<b>\$ 1,633,678</b>	<b>\$ 1,606,251</b>	<b>\$ 1,218,316</b>
Estimated Expenditures	17,472,918	16,055,950	17,380,959	16,969,583	17,542,200
<b>% of Expenditures</b>	<b>5.83%</b>	<b>9.88%</b>	<b>9.40%</b>	<b>9.47%</b>	<b>6.95%</b>

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.

Projected debt service is higher in the three years of 2009-2011, but falls back to historical levels in 2012.

**Village of Pinehurst  
CIP Impact on Debt Ratios  
FY 2008-2012**



In addition, a comparison of the Village's debt service per capita to its peer group, as shown in Table 6, indicates the Village is between 10% and 38% below our peer group's debt service per capita.

**Table 6 - Projected Debt Service Expenditures vs. Peer Group**

	2008	2009	2010	2011	2012
Population	11,514	13,539	14,031	14,523	15,015
Debt Service	\$ 1,018,786	\$ 1,585,919	\$ 1,633,678	\$ 1,606,250	\$ 1,218,317
Debt Service per capita					
Village of Pinehurst	\$ 88	\$ 117	\$ 116	\$ 111	\$ 81
Peer Group*	\$ 130	\$ 130	\$ 130	\$ 130	\$ 130

\*Source: NC State Treasurer, based on fiscal year 2005

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 and mentioned previously in this document.

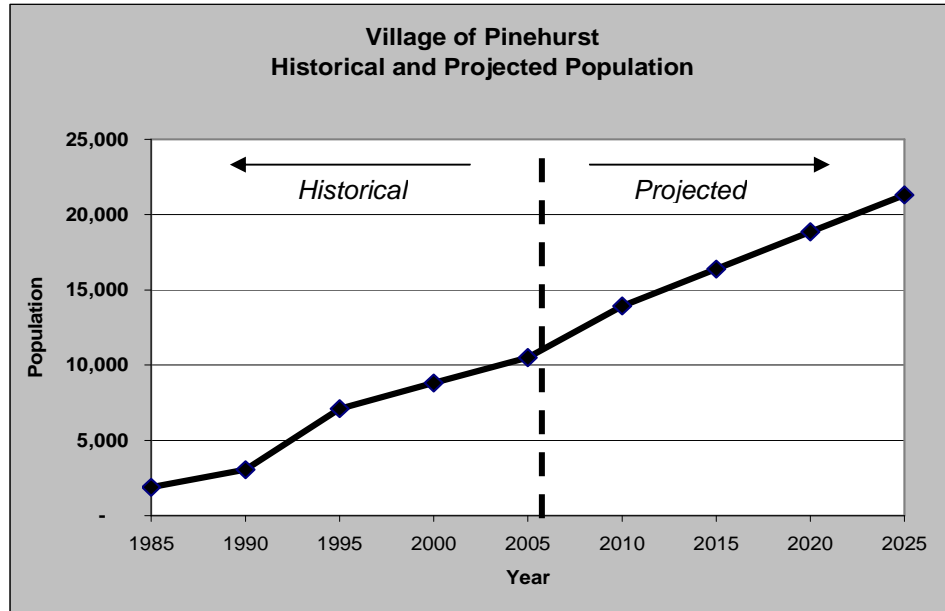
**Table 7 - Projected Capital Reserve Fund**

	2007	2008	2009	2010	2011	2012
<b>Beginning Balance</b>	\$ 160,287	\$ 455,387	\$ 1,021,203	\$ 697,552	\$ 124,304	\$ 192,075
Plus:						
Transfers from General Fund	1,276,100	2,047,600	385,500	398,850	412,800	427,200
Interest Income	20,000	18,215	40,848	27,902	4,972	7,683
Total Other Financing Sources	1,296,100	2,065,815	426,348	426,752	417,772	434,883
Amount Available for CIP	1,456,387	2,521,203	1,447,552	1,124,304	542,075	626,958
Less:						
Transfers to General Fund	340,000	1,500,000	750,000	1,000,000	350,000	350,000
Transfers to Other Funds	661,000	-	-	-	-	-
Total Other Financing Uses	1,001,000	1,500,000	750,000	1,000,000	350,000	350,000
<b>Ending Balance</b>	\$ 455,387	\$ 1,021,203	\$ 697,552	\$ 124,304	\$ 192,075	\$ 276,958

The Village's fund balance continues to remain healthy and can absorb the anticipated capital expenditures that exceed available resources. In the first two years of the planning horizon, fund balance is projected to be 29% of expenditures which falls within the Council's desired range of 27%-33%. In subsequent years, fund balance is projected to fall slightly below the Council's desired range.

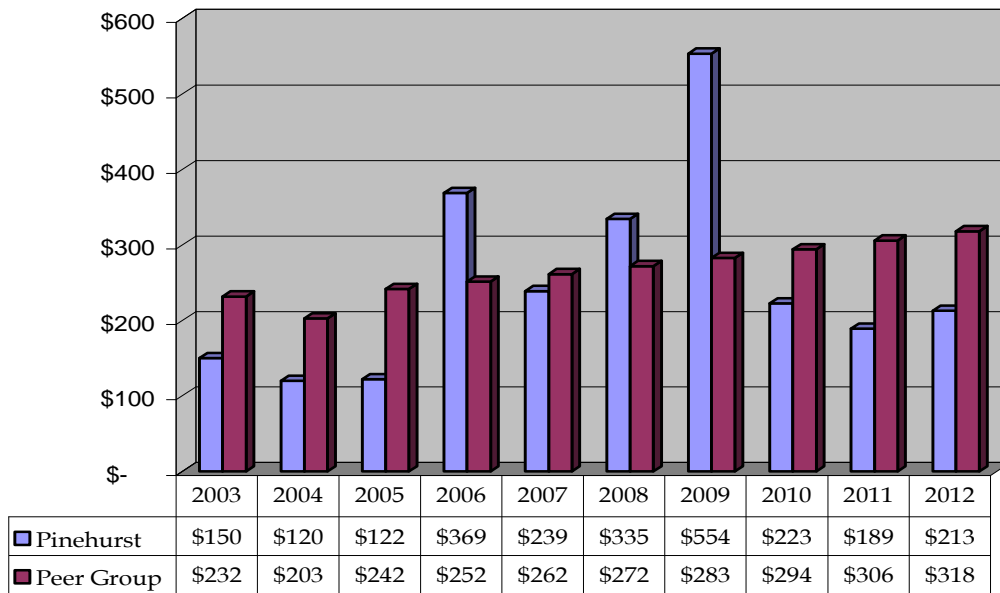
One way the Village can determine if it is spending an appropriate amount on capital expenditures is to compare itself to its peer group. The Local Government Commission, which is a division of the NC Department of State Treasurer, compiles financial data for all local governments in the State. There 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 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, 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, FY 2008 and FY 2009 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. For FY 2008 and FY2009

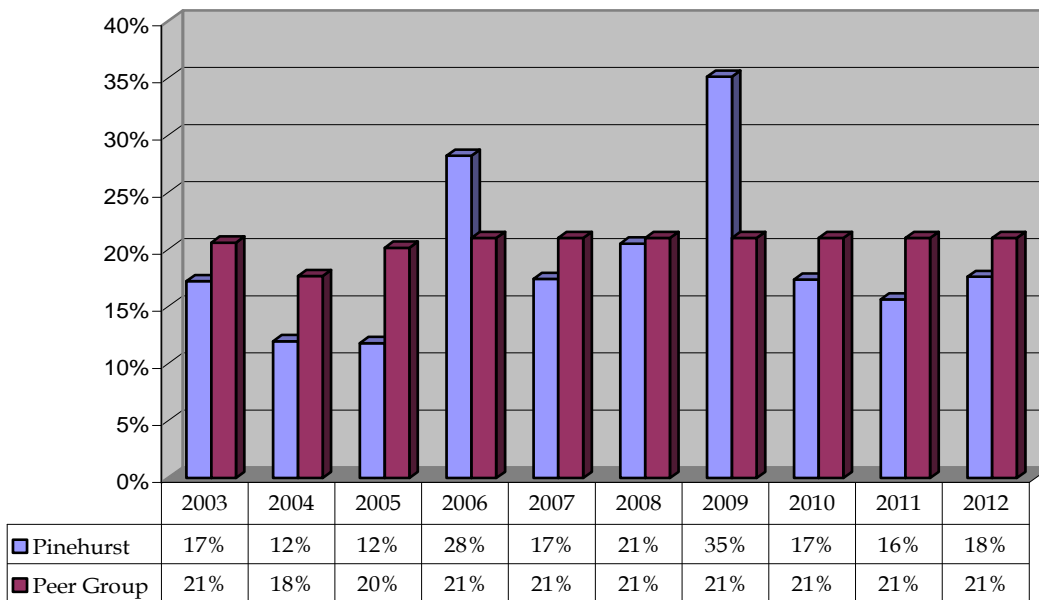
this is due to the completion of a \$3.3 million public services/fleet maintenance facility and the construction of a \$2.3 million recreation center. The other years in the planning horizon indicate capital spending is consistent with or considerably below our peer group.

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 lower 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 \$182 per capita on capital expenditures, or 13% 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 \$3.4 - \$4.2 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. Over the course of the planning horizon, total spending on capital very closely approximates the targeted spending levels.



**Table 8 - Capital Expenditures Comparable to Peer Group**

	2008	2009	2010	2011	2012
<b>Target Capital Spending Levels</b>					
Average per capita	\$ 3,134,308	\$ 3,833,082	\$ 4,131,265	\$ 4,447,170	\$ 4,781,737
21% of expenditures	3,941,480	4,478,303	3,779,151	3,691,712	3,814,062
Average	3,537,894	4,155,692	3,955,208	4,069,441	4,297,899
Projected 2008-2012 CIP	3,853,950	7,494,250	3,126,959	2,750,583	3,199,200
<b>Over (under) Funded CIP</b>					
<b>Compared to Target</b>	<b>\$ 316,056</b>	<b>\$ 3,338,558</b>	<b>\$ (828,249)</b>	<b>\$ (1,318,858)</b>	<b>\$ (1,098,699)</b>

To summarize, the CIP represents a \$20 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 meets 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.

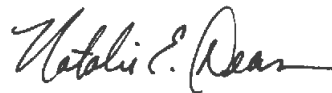
Once the capital improvements plan is prepared or updated on an annual basis, it is presented to the Village Council for their approval. After the CIP is approved, staff will attempt to include funding in the appropriate fiscal year to proceed with the project. The Village Council would then appropriate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



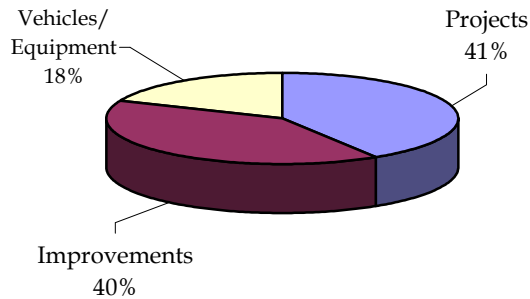
Natalie E. Dean  
Assistant Village Manager

*Summary Exhibits*  
*Capital Improvement Plan*

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

	Total	Fiscal Year Ending June 30				
		2008	2009	2010	2011	2012
<b>General Government Projects</b>						
Roadway Improvements	835,000	95,000	260,000	200,000	200,000	80,000
Public Services Facility	3,280,700	666,000	2,614,700	-	-	-
Cannon Park Rec Center	2,316,600	602,000	1,714,600	-	-	-
Greenways	1,050,000	150,000	150,000	150,000	300,000	300,000
Rassie Wicker Park	919,000	206,000	94,000	330,000	193,000	96,000
<b>Subtotal</b>	<b>\$ 8,401,300</b>	<b>\$ 1,719,000</b>	<b>\$ 4,833,300</b>	<b>\$ 680,000</b>	<b>\$ 693,000</b>	<b>\$ 476,000</b>
<b>Vehicles/Equipment</b>	<b>\$ 3,829,300</b>	<b>\$ 594,200</b>	<b>\$ 1,318,700</b>	<b>\$ 681,000</b>	<b>\$ 771,900</b>	<b>\$ 463,500</b>
<b>Improvements</b>						
Road Resurfacing & Imp	\$ 4,931,800	\$ 927,000	\$ 955,500	\$ 985,000	\$ 1,015,800	\$ 1,048,500
Drainage Projects	1,352,700	100,000	104,000	503,500	112,000	533,200
Old Town Sidewalks	70,000	70,000	-	-	-	-
Recreation	681,000	273,750	222,750	133,250	33,250	18,000
Public Safety	695,000	65,000	-	30,000	-	600,000
Land Acquisition	300,000	60,000	60,000	60,000	60,000	60,000
Other	163,842	45,000	-	54,209	64,633	-
<b>Subtotal</b>	<b>\$ 8,194,342</b>	<b>\$ 1,540,750</b>	<b>\$ 1,342,250</b>	<b>\$ 1,765,959</b>	<b>\$ 1,285,683</b>	<b>\$ 2,259,700</b>
<b>GRAND TOTAL</b>	<b>\$ 20,424,942</b>	<b>\$ 3,853,950</b>	<b>\$ 7,494,250</b>	<b>\$ 3,126,959</b>	<b>\$ 2,750,583</b>	<b>\$ 3,199,200</b>

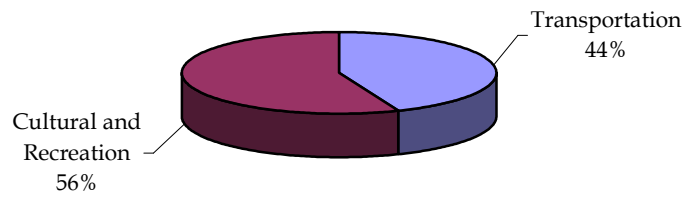
**Exhibit 2  
Total Cost of All CIP by Category**



**Exhibit 3 - Total Cost of CIP Projects From Inception Through 2012**

Project	Pre-Planning Period Project Cost	Planning Period Project Cost	Total Project Cost
Roadway Improvements	-	835,000	835,000
Public Services Facility	550,000	3,280,700	3,830,700
Cannon Park Rec Center	-	2,316,600	2,316,600
Greenways	395,184	1,050,000	1,445,184
Rassie Wicker Park	1,262,562	919,000	2,181,562
<b>GRAND TOTAL</b>	<b>\$ 2,207,746</b>	<b>\$ 8,401,300</b>	<b>\$ 10,609,046</b>

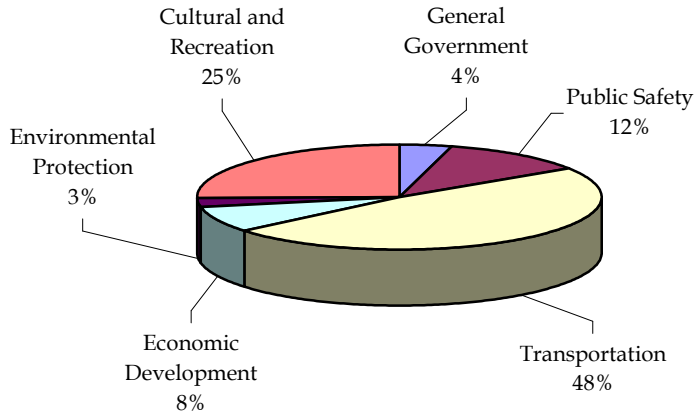
**Exhibit 4  
Total Cost of All CIP Projects by Function**



**Exhibit 5 - Detail of Total CIP by Function**

	Total	Fiscal Year Ending June 30				
		2008	2009	2010	2011	2012
General Government	\$ 839,000	\$ 271,000	\$ 208,000	\$ 120,000	\$ 180,000	\$ 60,000
Public Safety	2,408,300	238,200	692,200	251,500	416,900	809,500
Transportation	9,807,500	1,840,000	3,939,200	1,305,000	1,425,800	1,297,500
Economic Development	1,647,042	208,000	129,000	575,209	201,633	533,200
Environmental Protection	586,000	40,000	266,000	230,000	-	50,000
Cultural and Recreation	5,137,100	1,256,750	2,259,850	645,250	526,250	449,000
<b>Total</b>	<b>\$ 20,424,942</b>	<b>\$ 3,853,950</b>	<b>\$ 7,494,250</b>	<b>\$ 3,126,959</b>	<b>\$ 2,750,583</b>	<b>\$ 3,199,200</b>

**Exhibit 6 - CIP Cost by Function**



**Exhibit 7 - Detail of Total CIP By Funding Source**

	Total	Fiscal Year Ending June 30				
		2008	2009	2010	2011	2012
<b>Cash</b>						
Roadway Improvements	\$ 835,000	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000
Greenways	750,000	150,000	150,000	150,000	150,000	150,000
Rassie Wicker Park	754,000	206,000	94,000	165,000	193,000	96,000
	2,339,000	451,000	504,000	515,000	543,000	326,000
Vehicles/Equipment	3,329,300	594,200	818,700	681,000	771,900	463,500
Improvements	5,944,342	1,110,750	902,250	1,315,959	825,683	1,789,700
<b>Subtotal</b>	<b>11,612,642</b>	<b>2,155,950</b>	<b>2,224,950</b>	<b>2,511,959</b>	<b>2,140,583</b>	<b>2,579,200</b>
<b>Grant</b>						
Street Resurfacing - PB	2,250,000	430,000	440,000	450,000	460,000	470,000
Rassie Wicker Park	165,000	-	-	165,000	-	-
Greenways	300,000	-	-	-	150,000	150,000
Cannon Park Rec Center	500,000	500,000	-	-	-	-
<b>Subtotal</b>	<b>3,215,000</b>	<b>930,000</b>	<b>440,000</b>	<b>615,000</b>	<b>610,000</b>	<b>620,000</b>
<b>Installment Financing</b>						
Fire Truck - Unit 924	500,000	-	500,000	-	-	-
Public Services Facility	3,280,700	3,280,700	-	-	-	-
Cannon Park Rec Center	1,816,600	1,816,600	-	-	-	-
<b>Subtotal</b>	<b>5,597,300</b>	<b>5,097,300</b>	<b>500,000</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total</b>	<b>\$ 20,424,942</b>	<b>\$ 8,183,250</b>	<b>\$ 3,164,950</b>	<b>\$ 3,126,959</b>	<b>\$ 2,750,583</b>	<b>\$ 3,199,200</b>

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

	Total	Fiscal Year Ending June 30				
		2008	2009	2010	2011	2012
<b>Net Annual Operating Cost</b>						
Public Services Facility	\$ 247,272	\$ -	\$ -	\$ 80,000	\$ 82,400	\$ 84,872
Cannon Park Rec Center	523,759	-	-	169,452	174,535	179,771
Greenways	54,855	10,227	10,534	11,030	11,361	11,702
Rassie Wicker Park	193,807	36,024	37,714	38,846	40,011	41,211
Subtotal	1,019,693	46,252	48,248	299,328	308,308	317,557
<b>Annual Debt Service</b>						
Fire Truck	276,500	-	72,500	70,250	68,000	65,750
Public Services Facility	1,370,895	-	356,503	347,317	338,131	328,945
Cannon Park Rec Center	660,395	-	98,702	192,317	187,231	182,144
Subtotal	2,307,790	-	527,705	609,884	593,362	576,839
<b>Net Budget Impact</b>	<b>\$ 3,327,482</b>	<b>\$ 46,252</b>	<b>\$ 575,953</b>	<b>\$ 909,212</b>	<b>\$ 901,669</b>	<b>\$ 894,396</b>

## *Capital Projects*



# Public Services Facility

<b>Department</b>	Public Services/Fleet Maintenance Departments
<b>Project Cost</b>	\$3,280,700
<b>Project Priority</b>	<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 Services 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 services and fleet maintenance operations. The site of the new complex is expected to be identified 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	2008	2009	2010	2011	2012
Appropriations	\$ 3,830,700	\$ 550,000	\$ 666,000	\$ 2,614,700	\$ -	\$ -	\$ -
<b>TOTAL</b>	<b>\$ 3,830,700</b>	<b>\$ 550,000</b>	<b>\$ 666,000</b>	<b>\$ 2,614,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Funding Source:							
Cash	\$ 550,000	\$ 550,000	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Financing	3,280,700	-	3,280,700	-	-	-	-
<b>TOTAL</b>	<b>\$ 3,830,700</b>	<b>\$ 550,000</b>	<b>\$ 3,280,700</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2008	2009	2010	2011	2012
Debt Proceeds	\$ 3,280,700	\$ -	\$ 3,280,700	\$ -	\$ -	\$ -	\$ -
Project Expenditures	3,830,700	550,000	666,000	2,614,700	-	-	-
Operating Expenditures	247,272	-	-	-	80,000	82,400	84,872
Debt Service	1,370,895	-	-	356,503	347,317	338,131	328,945
<b>TOTAL</b>	<b>\$ (2,168,167)</b>	<b>\$ (550,000)</b>	<b>\$ 2,614,700</b>	<b>\$ (2,971,203)</b>	<b>\$ (427,317)</b>	<b>\$ (420,531)</b>	<b>\$ (413,817)</b>

## Roadway Improvements

<b>Department</b>	Engineering Department
<b>Project Cost</b>	\$835,000
<b>Project Priority</b>	<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 in FY 2008 and FY 2009; NC2 and Carolina Vista in FY2008; and pedestrian improvements on NC-211 in FY 2010 through FY 2012. 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	2008	2009	2010	2011	2012
Appropriations	\$ 835,000	\$ -	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000
TOTAL	\$ 835,000	\$ -	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000
Funding Source:							
Cash	\$ 835,000	\$ -	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000
TOTAL	\$ 835,000	\$ -	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2008	2009	2010	2011	2012
Project Expenditures	\$ 835,000	\$ -	\$ 95,000	\$ 260,000	\$ 200,000	\$ 200,000	\$ 80,000
Operating Expenditures	-	-	-	-	-	-	-
TOTAL	\$ (835,000)	\$ -	\$ (95,000)	\$ (260,000)	\$ (200,000)	\$ (200,000)	\$ (80,000)

## Cannon Park Recreation Center

<b>Department</b>	Parks and Recreation Department	
<b>Project Cost</b>	\$2,316,600	
<b>Project Priority</b>	<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	2008	2009	2010	2011	2012
Appropriations	\$ 2,316,600	\$ -	\$ 602,000	\$ 1,714,600	\$ -	\$ -	\$ -
TOTAL	\$ 2,316,600	\$ -	\$ 602,000	\$ 1,714,600	\$ -	\$ -	\$ -
Funding Source:							
Grants	\$ 500,000	\$ -	\$ 500,000	\$ -	\$ -	\$ -	\$ -
Cash	-	-	-	-	-	-	-
Installment Financing	1,816,600	-	1,816,600	-	-	-	-
TOTAL	\$ 2,316,600	\$ -	\$ 2,316,600	\$ -	\$ -	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2008	2009	2010	2011	2012
Debt Proceeds	\$ 1,816,600	\$ -	\$ 1,816,600	\$ -	\$ -	\$ -	\$ -
Grant Proceeds	500,000	-	500,000	-	-	-	-
Project Expenditures	2,316,600	-	602,000	1,714,600	-	-	-
Operating Expenditures	523,759	-	-	-	169,452	174,535	179,771
Debt Service	660,395	-	-	98,702	192,317	187,231	182,144
TOTAL	\$ (1,184,153)	\$ -	\$ 1,714,600	\$ (1,813,302)	\$ (361,769)	\$ (366,853)	\$ (367,002)

## Greenways

<b>Department</b>	Parks and Recreation Department
<b>Project Cost</b>	\$1,050,000
<b>Project Priority</b>	<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	2008	2009	2010	2011	2012
Appropriations	\$ 1,436,598	\$ 386,598	\$ 150,000	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000
TOTAL	\$ 1,436,598	\$ 386,598	\$ 150,000	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000
Funding Source:							
Grants	\$ 336,108	\$ 36,108	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000
Cash	1,100,490	350,490	150,000	150,000	150,000	150,000	150,000
TOTAL	\$ 1,436,598	\$ 386,598	\$ 150,000	\$ 150,000	\$ 150,000	\$ 300,000	\$ 300,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2008	2009	2010	2011	2012
Grant Proceeds	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000	\$ 150,000
Project Expenditures	1,436,598	386,598	150,000	150,000	150,000	300,000	300,000
Operating Expenditures	83,085	28,230	10,227	10,534	11,030	11,361	11,702
TOTAL	\$ (1,519,683)	\$ (414,828)	\$ (160,227)	\$ (160,534)	\$ (161,030)	\$ (161,361)	\$ (161,702)

## *Rassie Wicker Park Development*

<b>Department</b>	Parks and Recreation Department
<b>Project Cost</b>	\$919,000
<b>Project Priority</b>	<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 remaining project phases include construction of a comfort station and additional parking in FY 2008, tennis courts in FY 2009, additional parking and a spray ground in FY 2010, a shelter, shuffleboard, horseshoe pits, and sand volleyball court in FY 2011 and various trails in FY 2012. 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	2008	2009	2010	2011	2012
Appropriations	\$ 2,181,562	\$ 1,262,562	\$ 206,000	\$ 94,000	\$ 330,000	\$ 193,000	\$ 96,000
TOTAL	\$ 2,181,562	\$ 1,262,562	\$ 206,000	\$ 94,000	\$ 330,000	\$ 193,000	\$ 96,000
Funding Source:							
Grants	\$ 389,737	\$ 224,737	\$ -	\$ -	\$ 165,000	\$ -	\$ -
Cash	1,791,825	1,037,825	206,000	94,000	165,000	193,000	96,000
TOTAL	\$ 2,181,562	\$ 1,262,562	\$ 206,000	\$ 94,000	\$ 330,000	\$ 193,000	\$ 96,000

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2008	2009	2010	2011	2012
Grant Proceeds	\$ 389,737	\$ 224,737	\$ -	\$ -	\$ 165,000	\$ -	\$ -
Project Expenditures	2,181,562	1,262,562	206,000	94,000	330,000	193,000	96,000
Operating Expenditures	259,676	65,869	36,024	37,714	38,846	40,011	41,211
TOTAL	\$ (2,051,501)	\$ (1,103,694)	\$ (242,024)	\$ (131,714)	\$ (203,846)	\$ (233,011)	\$ (137,211)