

FY 2013-2017

Capital Improvement Plan



Financial Services
Village of Pinehurst
3/27/2012

Village of Pinehurst Capital Improvement Plan FY 2013-2017

Executive Summary

The CIP includes improvements with a total estimated cost of \$16,004,570 over the next five years. The FY 2012-2016 CIP totaled \$18,787,700. This year road resurfacing has been reclassified as an operating expense to give a more standardized comparison with other local governments. Had the \$5.5 million for resurfacing in this year's operating projections been classified as capital, this year's comparative CIP total would be \$21,500,000, an increase of 14%.

There are many changes in this year's CIP. The capital threshold for inclusion in the CIP was lowered from \$10,000 to \$5,000. This aligns the CIP threshold with the Village's asset capitalization threshold and will assist us with the preparation of our annual budget. Also, this year roadway resurfacing has been reclassified as an operating expense to provide a more standardized comparison with other local governments. In addition, we have changed the method of reporting internal service fund salaries and benefits. This enables us to project these expenses more accurately. All of these changes should greatly improve the accuracy and comparability of our CIP going forward.

Two (2) capital projects are identified in this year's CIP, one of which was included last year. At the direction of Council, this year's CIP includes funding for the construction of a new Public Services Facility and Downtown Improvements. Included in previous capital plans but not funded in this year's CIP is construction of a new Community Center. We recommend the Council study the overall potential for retail development in the Village Center Expansion Area (Village Place) over the next year. The findings from this study will determine the timing of when the Village should move forward with the relocation of the Public Services facility.

Highlights of the plan include:

- Funding of \$850,000 for Downtown Improvements which includes the sand parking lot improvements, Tuff's Memorial Park, and streetscape improvements in FY2013 and FY 2014
- Construction of Spur Road in Village Place at \$252,000 in FY 2013
- Construction of Cannon Park Fieldhouse at \$136,000 in FY 2013
- Construction of the \$4.7 million Public Services Facility is planned to begin in FY2014
- Highway 211 pedestrian improvements of \$336,000 in FY2015
- Investment of \$750,000 in Greenway construction and \$281,000 in Rassie Wicker Park
- Drainage or storm water improvements of \$750,000

Fund balance is projected to be within the Council's adopted policy range of 30%-40% throughout the planning period.

To summarize, the CIP represents a \$16 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. 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.



Capital Improvement Plan FY 2013-2017

Introduction

The Village of Pinehurst's five-year Capital Improvement Plan (CIP) is the foundation of the Village's financial planning process. The plan serves as a tool designed to aid policy makers in the acquisition and orderly replacement of capital assets. The CIP also reflects the Village Council's vision and strategic goals for the future.

The CIP represents a \$16 million plan to address the capital improvement needs of the Village. Capital expenditures are driven by the types and levels of services the Village Council 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.

The development of this CIP is only one step in the development and maintenance 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.

The plan is updated annually to ensure 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 intention to fund capital outlay at the indicated level during the ensuing years.

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 planned projects. The Village Council then appropriates funds in the annual budget for staff to be able to move forward with the projects.

Environmental Scan

Economic Indicators

The Great Recession of 2008 exacted a great toll on the United States. From the initial meltdown of the financial markets, to the housing crisis, to stubbornly high levels of unemployment, the downturn impacted almost every area of our society. The national gross domestic product (GDP) fell from \$13.1 billion in 2007 to \$12.8 billion in 2009, a decline of 2.3%. By the summer of 2009, economists stated the recession had ended as the GDP turned positive, but the negative impacts of the recession would be felt by state and local governments for some time.

In North Carolina, total state revenues in 2007 were \$50 billion. Since North Carolina relies heavily on corporate income taxes, personal income taxes, and sales taxes, its revenues decline rapidly in recessionary periods. This was certainly the case in the Great Recession. Revenues fell to \$30 billion in 2009, a decline of 40% from 2007 levels. This led to massive cuts in state spending for education and large numbers of layoffs of state employees. By 2010, North Carolina's revenues had recovered to \$57 billion.

Although from a textbook definition the recession ended in 2009, other parts of the economy continued to lag. U. S. unemployment peaked at 10.6% in January of 2010 and remained at 8.3% in December of 2011. In North Carolina, unemployment topped out at 12.1% and by the end of 2011 had only declined to 9.8%. The joblessness of the recovery seriously slowed the pace of consumer



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spending and new housing starts that are indicative of most recovery periods. In Moore County, unemployment levels followed statewide trends, but were lower by about 1% overall.

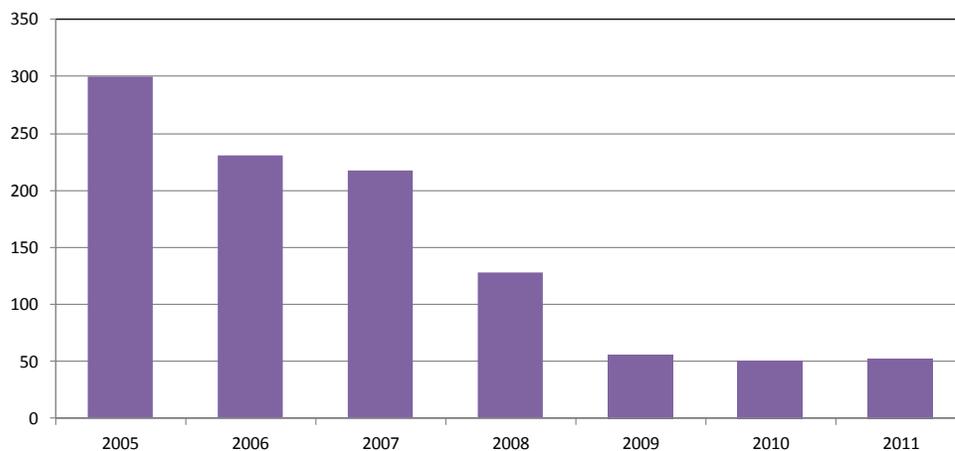
Lower levels of consumer confidence have also been a drag on the local economy and new housing starts remain at or near historically low levels. Property taxes and sales taxes account for 85% of the Village's revenues. This has led to the creation of the term "new normal" which refers to revenue growth at very low levels for the foreseeable future.

Market Environment

Overall the recession is abating and local revenues are beginning to grow again. The declines in State revenues have ended and unemployment rates are beginning to fall, albeit slowly. At the same time demand for Village services, especially in the downtown area, are on the rise. In 2011 the Village conducted a Village Center Business Needs Survey to determine what services were needed most to support businesses in the Village Center area. The survey results outlined the most needed items were parking expansion and improvements, gateway and way finding signage, and enhanced landscaping and maintenance.

The slow recovery from the "Great Recession" has had a significant impact on key revenue assumptions. Especially hard hit are revenues related to the housing market. Home sales in Moore County fell from \$475 million in 2007 to \$279 million in 2011, a decline of 42%. Also, new home permits fell from 218 valued at \$54 million in 2007 to 53 valued at \$13 million in 2011. This has resulted in significantly lower property tax revenue growth projections for the CIP planning period.

Building Permits Issued



Moore County postponed its planned revaluation of real property for FY2012 until FY2016. This will most likely allow property values to fully recover from the recession and help avoid a reduction in assessed property values. This plan assumes a 5% total property appreciation over the 8-year revaluation period and that a revenue neutral tax rate will be adopted upon revaluation.

The Village's Five-Year Staffing Forecast anticipates adding 1.6 full-time equivalents (FTE's) during the five-year planning horizon. Management has worked diligently over the past two years to implement cost containment strategies to reduce operating costs and to maintain capital investment

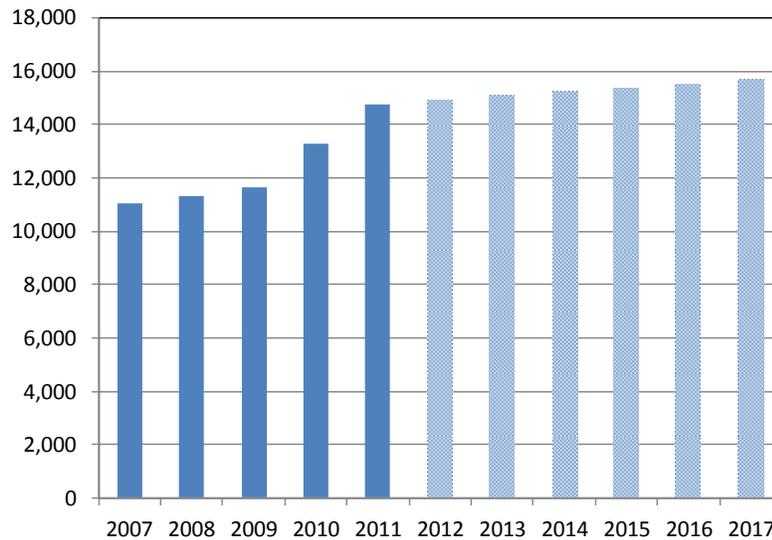


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at sustainable levels. Since April 2010 the total number of Village employees has been reduced through attrition by 5.75 full-time equivalents (FTE's).

The current population projections anticipate a growth rate of approximately 103 people annually. The graph below 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. In the surrounding community, Moore County's population grew to 88,569, an increase of 17.7% from 2000 to 2010.

Population Estimates



Revenue Outlook and Financial Health of VOP

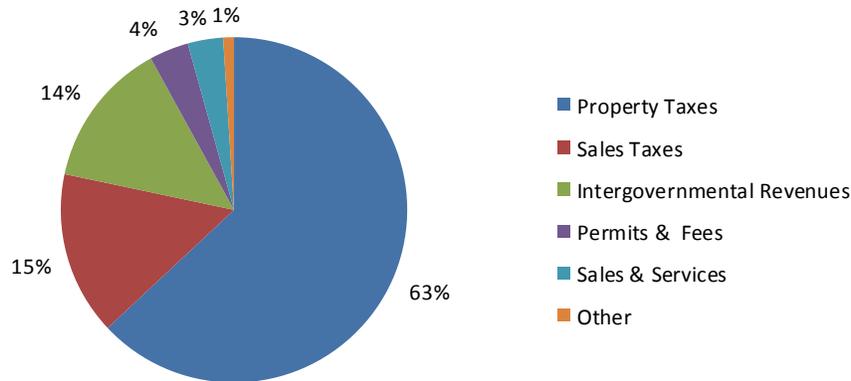
Overall, the Village's financial health is good with General Fund fund balance currently at 41% of the annual expenditures and revenues recovering. Although most revenues are improving, property taxes, which make up approximately 60% of all Village revenues, are projected to grow at levels well below historical averages. This is due to the low level of new home construction outlined above. For FY 2012, tax base growth is projected at 0.60%. The revenue forecast for the planning period projects that the tax base will expand at 1%-2% annually over the period.

Property taxes constitute approximately 63% of the Village's General Fund revenues. Local option sales taxes make up approximately 15% revenues. Combined, these two sources provide 78 cents of every dollar received by the Village. The following chart illustrates the proportional share of each General Fund revenue type.



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Operating Revenues FY 2013



Retail sales were also adversely affected by the recession, but have recovered to a great extent. Sales taxes declined from \$2.5 million in 2007 to \$2.2 million in 2010. In 2011 they fully recovered to pre-recessionary levels. Based on this, sales taxes and other revenue estimates have been revised upward to reflect this recovery. Sales taxes are anticipated to increase at 3% across the period. Similar increases are expected for utilities franchise taxes.

Capital Improvement Program

Overview

The Capital Improvement Program (CIP) is a separate budgeting process within the annual operating budget. The CIP process is used to plan for the budgeting and financing of large capital infrastructure, facilities, equipment and other fixed assets. The Village uses this process to ensure that high-dollar, long-lived projects are aligned with its strategic direction and that the projects are financially sustainable.

The 2013-2017 CIP includes capital improvements with a total estimated cost of \$16,004,600 over the next five years. These costs are divided into four major areas – Fleet, Information Technology (IT), Other Capital Additions and Capital Projects and are summarized in the following table:

Table 1 - Capital Cost By Major Area

Major Area	Cost of Capital	% of Total
Capital Projects	\$ 5,594,070	35%
Fleet	5,818,000	36%
Information Technology	326,000	2%
Other Capital Additions	4,266,500	27%
TOTAL	\$ 16,004,570	100%

Capital Projects: Specific criterion are used to determine whether or not a capital request is classified as a capital project. The criterion are: (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



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such as type, location, size, etc. must be specifically identified. Capital projects are typically for major facilities and may require the use of a separate capital project fund.



Fleet: The Fleet Maintenance Department provides for the purchase, replacement and maintenance of the Village's fleet and large equipment (e.g. backhoes, dump trucks). Existing assets are primarily replaced on a life cycle replacement schedule. New equipment can be added through a new initiative if it can be shown to support the Village's strategic plan.



Information Technology: The Information Technology Department provides for the purchase, replacement and maintenance of the Village's computer hardware, software and communication infrastructure.

Other Capital Additions: The purchase, replacement, and maintenance of all other infrastructure and fixed assets are a capital addition. Examples include land, transportation improvement projects, greenway trails, and storm water drainage improvements.



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Funding for capital expenditures can be obtained from the following sources:

Current General Fund – this funding source is provided by appropriated operating revenues or fund balance and will generally be used to purchase modest, routine operating capital items.

Installment Financing – this funding source is provided by a banking institution and typically is collateralized by the asset being purchased. It is a contractual obligation specifying payment terms, including principal and interest to be paid over a period of time, generally 5 to 15 years.

Grant Funding – this program refers to giving of funds for a specific purpose. Funds may be granted from Parks and Recreation Trust Fund (PARTF), Community Development Block Grant-Recovery (CDBG-R), Federal Emergency Management Administration (FEMA), Community Development Block Grant (CDBG), etc.

General Obligation Bonds – this funding source requires voter approval and is used to finance major capital projects with an expected life of 30 to 40 years.

CIP Selection Process

The Capital Improvement Program provides detailed information for all capital expenditures greater than \$5,000 that the Village plans to purchase or begin constructing during fiscal year 2013 through 2017. The CIP is updated annually to make adjustments for changing capital needs, changes in availability and cost of funds, and to add a year of programming to replace the year just completed.

The first step in the CIP process is for senior management to gather strategic direction from the Village Council on their goals and objectives. This information is gathered through a variety of means both formal and informal, including the Council's annual retreat. Department Directors are then instructed to evaluate their processes to determine if there are any changes that will make the department more user-friendly, efficient, and effective. They also evaluate their fixed assets, including vehicles, equipment, software, computers and communication equipment. Based on these evaluations, the Department Director submits a capital acquisition request package that includes:

- Annual Capital Asset Outlay Worksheet for Fleet, IT and All Other Capital Additions
- Five-Year Staffing Plan Document
- Multi-Year Capital Project Request Form
- Multi-Year Capital Project Financial Form

The Multi-Year Capital Project Request Form includes:

- Project Title – Name of the project.
- Project Identified in Comp Plan – Indicates if the project is identified in the 20 Year Long Range Comprehensive Plan for the Village of Pinehurst.
- Project Status – Indicates if this is the first request for this project or if it has been requested in a previous fiscal year.
- Project Description – Provides a concise description of the project and include any locations and maps, if applicable.
- Project Justification – There are five questions to answer in regards to the project justification. The first question asks how the project will improve Village services. The



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second asks if the project is required to come into compliance with any Federal or State laws and regulations. The third indicates if the project is needed to improve the health or safety of citizens or employees. The fourth asks how this project is related to the Comprehensive Long-Range Plan. Finally, the fifth question asks what the operational impact would be if the project was delayed.

- Cost Analysis - There are four questions to answer in regards to cost analysis. The information requested includes the total cost of the project, cost estimate documentation, the impact of the project on personnel, and the impact of the project on the Village's operating budget.
- Financing Analysis - Indicates any grants that may be used to help offset the costs of the project. Indicates the name of the agency, the estimated amount of the grant and the matching requirement, if any.

The Multi-Year Capital Project Financial Form provides the following information:

- Project Title - The name of the capital project.
- Expenditures - Indicates all the expenditures the project will have from start to finish and separates the expenditures by fiscal year.
- Revenue - The Financial Services Department provides the revenue estimates once all the information regarding the capital project is received.
- Operating Expenditures - Indicates the amount of any operating expenditures the Village will incur as a result of this capital project for each fiscal year. Includes any additional personnel expenditures, any additional operating expenses and any capital outlay that will be spent for the project. The Financial Services Department calculates the Revenues and Net Operating Effect once all the project information is submitted.
- Post Planning Period - Indicates the amount of expenditures for each classification that will be spent after the 5 fiscal years specified on the form if the project is not completed in the planning horizon.
- Project Total - The project total is the total cost of the project by adding the 5 Year Total to the Post Planning Period total. This amount is the cost for completing the entire project.

The Capital Improvements Plan Review Committee, which consists of the Village Manager, two Assistant Managers, Human Resources Director and Financial Services Director, meets with Department Directors to review capital requests for inclusion in the Five-Year Capital Improvement Plan. If the need proves to be valid and the capital is part of the Village's overall strategic plan, the capital expenditure is recommended for approval.

The Senior Management Team reviews the entire list of proposed capital requests along with the funding sources and constraints and makes revisions as needed. The Financial Services Department prepares a complete Five-Year Capital Improvement Plan that the Assistant Village Manager of Finance and Administration and Financial Services Director delivers to the Village Council for approval.

Impact on Operating Budget

Forecast

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



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In developing the CIP, Village staff analyzed the impact of the CIP on the Village's General Fund. Table 2 below indicates the estimated annual impact on the General Fund. Included in the table is the estimated incremental debt service and operating expenditures that would result from the capital projects. Table 6 (page 12) provides the estimated impact on the General Fund's fund balance.

Table 2 - Projected Budgeted General Fund Revenues and Expenditures

	2013	2014	2015	2016	2017
Population	14,886	14,988	15,091	15,193	15,296
Operating Revenues					
Property Tax Revenue	\$ 9,547,500	\$ 9,690,500	\$ 9,884,500	\$ 10,186,500	\$ 10,390,500
Sales Tax Revenues	2,319,800	2,388,800	2,459,800	2,532,800	2,607,800
Intergovernmental Revenues	2,076,298	2,116,204	2,285,061	2,198,867	2,242,967
Permits & Fees	555,000	1,167,000	484,000	481,000	484,000
Sales & Services	500,000	517,000	558,000	553,000	573,000
Other Operating Revenues	206,000	207,000	209,000	210,000	212,000
Interest Income	38,000	38,000	73,000	108,000	143,000
Other Financing Sources	14,000	589,000	14,000	14,000	614,000
Operating Revenues	\$ 15,257,000	\$ 16,714,000	\$ 15,968,000	\$ 16,285,000	\$ 17,268,000
Tax Rate	0.28	0.28	0.28	0.27	0.27
Operating Expenditures					
Personnel in FTEs	129	130	130	131	131
Salaries	6,111,000	6,255,000	6,380,000	6,541,000	6,673,000
Operating	7,833,555	7,948,109	8,249,474	8,569,532	8,857,634
Debt Service	549,000	505,000	493,000	974,000	907,000
Operating Expenditures	14,493,555	14,708,109	15,122,474	16,084,532	16,437,634
Capital Expenditures in GF	2,800,000	2,339,500	1,679,000	1,473,500	1,864,500
Total GF Expenditures	17,293,555	17,047,609	16,801,474	17,558,032	18,302,134
Net Impact on General Fund	\$ (2,036,555)	\$ (333,609)	\$ (833,474)	\$ (1,273,032)	\$ (1,034,134)

Capital As a Percent of Total Expenditures

	2013	2014	2015	2016	2017
Total Expenditures	17,293,555	17,622,609	21,474,544	17,558,032	18,902,134
Total Capital Expenditures	2,800,000	2,914,500	6,223,070	1,473,500	2,464,500
% of Total Expenditures	16.2%	16.5%	29.0%	8.4%	13.0%

Revenue and funding sources for the capital expenditures identified in this plan come from a variety of sources. The Public Services Facility (PSF) and two fire trucks are expected to be financed with installment financing. The Village also anticipates obtaining grant funding for a portion of Rassic Wicker Park development. All other capital expenditures will be funded with available cash. The table and chart below show a summary of the revenues and funding sources for the CIP.



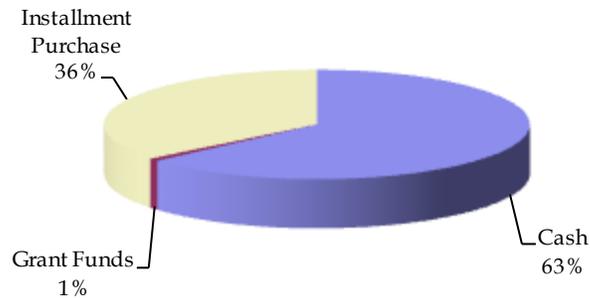
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Table 3 - CIP Revenue/Funding Sources Summary

Funding Source	Cost of Capital
Cash	\$ 10,156,500
Grant	129,000
Installment Financing	5,719,070
TOTAL	<u>\$ 16,004,570</u>

It is important to note that the majority of the capital improvements are funded with available Village funds or cash, while another 36% is funded with installment purchase financing.

Capital Improvements by Funding Source
FY2013-2017



Additional Operating and Debt Service Expenses

Table 4 summarizes the impact of net operating expense and debt service for the 2013-2017 CIP.



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Table 4 - Detail of Net Operating Expense by Capital Item

	Total	Fiscal Year Ending June 30				
		2013	2014	2015	2016	2017
Incremental Operating Expense						
Public Services Facility	\$ 86,537	\$ -	\$ -	\$ -	\$ 42,840	\$ 43,697
Subtotal	86,537	-	-	-	42,840	43,697
Annual Debt Service						
Public Services Facility	1,017,761	-	-	-	515,522	502,239
Fire Truck	404,471	-	106,293	102,843	99,393	95,943
Subtotal	1,422,233	-	106,293	102,843	614,915	598,182
Net Operating Expense	\$ 1,508,769	\$ -	\$ 106,293	\$ 102,843	\$ 657,755	\$ 641,879

Operating Expenses

Additional operating expenses include all direct operating costs associated with a capital project, such as facility maintenance costs, utility costs, and additional personnel costs as well as an estimate for indirect costs estimated to be 20% of direct costs. We estimate that the projects included in the 2013-2017 CIP will increase operating expenses starting in fiscal year 2016 when the Public Services Facility (PSF) is completed.

Debt Service

To determine estimated debt service, we assumed a 4.20% interest rate amortized over 15 years for the Public Services Facility and 7 years for the fire trucks. As presented, the Village's CIP will result in additional annual debt service costs of approximately \$1,422,000 during the planning horizon. It is important to note that existing annual debt service will decrease significantly starting in FY2013. This is due to the payoff of the Police Station debt in FY2013.



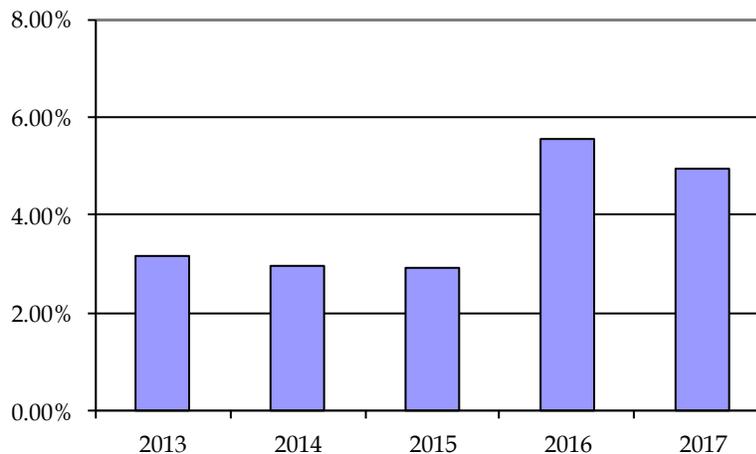
Capital Improvement Plan FY 2013-2017

Table 5 - Impact of CIP Debt Issuances on Debt Ratios

	Fiscal Year Ending June 30				
	2013	2014	2015	2016	2017
Existing Debt Service Payments	\$ 548,622	\$ 398,571	\$ 389,841	\$ 358,747	\$ 307,873
Additional Debt Service:					
Public Services Facility	-	-	-	515,522	502,239
Fire Truck	-	106,293	102,843	99,393	95,943
Total Additional Debt Service	-	106,293	102,843	614,915	598,182
Total Debt Service	\$ 548,622	\$ 504,864	\$ 492,684	\$ 973,662	\$ 906,055
Estimated Expenditures	17,293,555	17,047,609	16,801,474	17,558,032	18,302,134
% of Expenditures	3.17%	2.96%	2.93%	5.55%	4.95%

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 2013-2017**



Fund Balance

As the table on the following page indicates, fund balance is projected to be within the Council's adopted policy range of 30%-40% throughout the planning period. These projections include the assumption that operating revenues typically come in at 101% of budget while operating expenditures typically fall 5% below budget.



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Table 6 - Projected Impact on General Fund Balance

	2013	2014	2015	2016	2017
Beginning Fund Balance	\$ 6,520,477	\$ 5,333,720	\$ 5,877,406	\$ 5,935,087	\$ 5,580,431
Net Impact on General Fund	(2,036,555)	(333,609)	(833,474)	(1,273,032)	(1,034,134)
Budget to Actual Variance*	<u>849,798</u>	<u>877,295</u>	<u>891,154</u>	<u>918,377</u>	<u>949,212</u>
Projected Actual Gain/(Loss)	(1,186,757)	543,686	57,680	(354,656)	(84,922)
Projected Ending GF Bal	<u>5,333,720</u>	<u>5,877,406</u>	<u>5,935,087</u>	<u>5,580,431</u>	<u>5,495,509</u>
% of Total Budget	30.8%	34.5%	35.3%	31.8%	30.0%

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

CIP By Category

The following table provides totals for the four major areas of capital expenditure in the CIP. The summary is followed by detail for each project and capital purchase in the 2013-2017 CIP.

Table 7 - Total Cost of All CIP Items For Planning Period

	Total	Fiscal Year Ending June 30				
		2013	2014	2015	2016	2017
Capital Projects						
Public Services Facility	\$ 4,744,070	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
Downtown Improvements	850,000	150,000	700,000	-	-	-
Subtotal	\$ 5,594,070	\$ 150,000	\$ 900,000	\$ 4,544,070	\$ -	\$ -
Fleet	\$ 5,818,000	\$ 1,128,000	\$ 1,351,000	\$ 773,000	\$ 959,000	\$ 1,607,000
Information Technology	326,000	157,000	76,000	14,000	67,000	12,000
Other Capital Additions	4,266,500	1,365,000	587,500	1,021,000	447,500	845,500
Subtotal	\$ 10,410,500	\$ 2,650,000	\$ 2,014,500	\$ 1,808,000	\$ 1,473,500	\$ 2,464,500
GRAND TOTAL	\$ 16,004,570	\$ 2,800,000	\$ 2,914,500	\$ 6,352,070	\$ 1,473,500	\$ 2,464,500



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Capital Projects

This section contains detail on the capital projects included in the 2013-2017 CIP. Specific criterion is used to determine whether or not a capital request is classified as a capital project. The criterion are: (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. Capital projects are typically for major facilities and may require the use of a separate capital project fund.

Public Services Facility - This capital project will replace the existing Public Services and Fleet Maintenance facilities.

Downtown Improvements - This capital project is part of a continuous effort to preserve and improve the downtown area of Old Town.



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Public Services Facility

Department		Public Services/Fleet Maintenance Departments
Project Priority	___	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 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 Village Center Expansion 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 was 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, locker rooms, 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.

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2013	2014	2015	2016	2017
Appropriations	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
TOTAL	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
Funding Source:							
Cash	\$ 1,017,487	\$ 1,017,487	\$ -	\$ -	\$ -	\$ -	\$ -
Installment Financing	4,744,070			200,000	4,544,070	-	-
TOTAL	\$ 5,761,557	\$ 1,017,487	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2013	2014	2015	2016	2017
Debt Proceeds	\$ 4,744,070	\$ -	\$ -	\$ 200,000	\$ 4,544,070	\$ -	\$ -
Project Expenditures	5,761,557	1,017,487	-	200,000	4,544,070	-	-
Operating Expenditures	86,537	-	-	-	-	42,840	43,697
Debt Service	1,017,761	-	-	-	-	515,522	502,239
TOTAL	\$ (2,121,785)	\$ (1,017,487)	\$ -	\$ -	\$ -	\$ (558,362)	\$ (545,936)



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Downtown Improvements

Department	Community Development Department
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 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 includes making adjustments to the downtown sandlot in order to increase parking spaces, better organize the lot and make it more user-friendly. The establishment of an approximate one acre open space is also included. In addition, the area in front of the Department Store Building would be altered to add more green space by relocating parking to the outer edge of this triangle. An expanse of asphalt in front of the Theater Building would have two small landscape islands installed. The addition of street trees and a 6' green space along the south side of Chinquapin Road would also be included. Improvement to the downtown streetscape will enhance the overall character and ambience of Pinehurst to preserve its international reputation and quality of life.

FINANCIAL INFORMATION

Project Budget	Total	Fiscal Year Ending June 30					
		Prior Periods	2013	2014	2015	2016	2017
Appropriations	\$ 850,000	\$ -	\$ 150,000	\$ 700,000	\$ -	\$ -	\$ -
TOTAL	\$ 850,000	\$ -	\$ 150,000	\$ 700,000	\$ -	\$ -	\$ -
Funding Source:							
Cash	\$ 850,000	\$ -	\$ 150,000	\$ 700,000	\$ -	\$ -	\$ -
TOTAL	\$ 850,000	\$ -	\$ 150,000	\$ 700,000	\$ -	\$ -	\$ -

Cash Flow Impact	Total	Fiscal Year Ending June 30					
		Prior Periods	2013	2014	2015	2016	2017
Project Expenditures	\$ 850,000	\$ -	\$ 150,000	\$ 700,000	\$ -	\$ -	\$ -
TOTAL	\$ (850,000)	\$ -	\$ (150,000)	\$ (700,000)	\$ -	\$ -	\$ -



Capital Improvement Plan FY 2013-2017

Fleet

This section contains detail on the purchase of new or replacement vehicles and equipment. Vehicles and equipment are primarily replaced on a life cycle replacement schedule.



Capital Improvement Plan FY 2013-2017

Fleet Plan							
Description	Year	Life	Budget	CIP			
			2013	2014	2015	2016	2017
Buildings & Grounds							
Chevy Express Van	2004	6	\$ -	\$ 35,000	\$ -	\$ -	\$ -
Ford F150	2004	6	-	-	30,000	-	-
Bobcat Zero Turn Mower	2008	5	20,000	-	-	-	-
Work Van	NEW	6	-	-	-	30,000	-
4X4 Mule	NEW	5	17,000	-	-	-	-
Fire							
Seagraves Fire Truck	1937	20					
Ford F350 - Brushtruck	1989	6	-	90,000	-	-	-
Firetruck-Pumper/Tanker	1993	20	575,000	-	-	-	-
Firetruck-Pumper/Tanker	1998	20	-	-	-	-	600,000
Chevy Blazer	2004	6	35,000	-	-	-	-
Dodge Durango	2005	6	-	-	35,000	-	-
Fleet Maintenance							
Chevy C1500 4X4 Truck	2003	6	-	35,000	-	-	-
Chevy C1500	2006	6	-	-	-	-	40,000
Harness Track							
Gmc Dump Truck	1991	10	-	-	85,000	-	-
Bobcat Zero Turn Mower	2000	5	20,000	-	-	-	-
Ford F250 4X4	2001	6	35,000	-	-	-	-
Ford F250 4X4	2004	6	-	35,000	-	-	-
Bobcat Zero Turn Mower	2005	5	-	-	20,000	-	-
Kubota Tractor	2005	15					
Ford F250	2006	6	-	-	-	37,000	-
Kubota Zero Turn Mower	2009	5	-	-	-	-	22,000
Diamond Harrow	NEW	10	-	-	-	15,000	-
Track Conditioner	NEW	10	-	-	-	25,000	-
Inspections							
Chevy Impala	2004	5	-	-	25,000	-	-
Planning							
Chevy S10	1999	6	-	-	-	25,000	-



Capital Improvement Plan FY 2013-2017

Fleet Plan							
Description	Year	Life	Budget	CIP			
			2013	2014	2015	2016	2017
Police							
Speed Display Trailer	2001	5	-	9,000	-	-	-
Chevy Tahoe	2003	6	30,000	-	-	-	-
Chevy Tahoe	2006	6	35,000	-	-	-	-
Dodge Charger	2007	4	-	36,000	-	-	-
Dodge Charger	2007	4	-	36,000	-	-	-
Dodge Charger	2007	4	-	36,000	-	-	-
Dodge Charger	2007	4	-	-	37,000	-	-
Dodge Charger	2008	4	-	-	-	-	40,000
Dodge Charger	2008	4	-	-	37,000	-	-
Dodge Charger	2008	4	-	-	37,000	-	-
Dodge Charger	2008	4	-	-	37,000	-	-
Dodge Charger	2009	4	-	-	-	39,000	-
Dodge Charger	2009	4	-	-	-	-	40,000
Dodge Charger	2009	4	-	-	-	39,000	-
Dodge Charger	2009	4	-	-	-	39,000	-
Dodge Charger	2010	4	-	-	-	-	40,000
PS Administration							
Chevy C1500 4X4	2003	6	-	35,000	-	-	-
Chevy C1500 4X4	2003	6	-	35,000	-	-	-
Solid Waste							
Chevy 540	1998	6	20,000	-	-	-	-
Rear Load Garbage Truck	1999	10	-	220,000	-	-	-
Rear Load Garbage Truck	2000	10	200,000	-	-	-	-
Ford Rear Load Garbage Truck	2004	10	-	-	-	260,000	-
28yd Automated SW Vehicle	2006	10	-	-	-	-	220,000
International 4300	2006	10	-	-	-	170,000	-
Chevy C1500	2007	6	-	-	-	45,000	-
Chevy C1500	2007	6	-	-	-	45,000	-
Chevy 5500	2007	10	-	170,000	-	-	-
Semi-Automated Garbage Truck	2007	10	-	-	-	-	190,000
Semi-Automated Garbage Truck	2007	10	-	-	-	-	190,000



Capital Improvement Plan FY 2013-2017

Fleet Plan							
Description	Year	Life	Budget	CIP			
			2013	2014	2015	2016	2017
Streets & Grounds							
Ford 5610 Tractor	1991	15	-	55,000	-	-	-
John Deere Motor Grader	1992	15	-	-	200,000	-	-
Chevy Dump Truck-2.5 Ton	1992	15	87,000	-	-	-	-
Chevy Dump Truck-2.5 Ton	1998	15	-	87,000	-	-	-
Chevy Dump Truck-2.5 Ton	1998	15	-	-	90,000	-	-
New Holland 3930 Tractor	1999	15	-	-	-	-	45,000
New Holland 3930 Tractor	1999	15	-	-	-	-	45,000
John Deere 4X4 Loader	1999	15	-	150,000	-	-	-
Ford F250 4X4	2000	6	-	40,000	-	-	-
300 Land Long Tractor	2001	15	-	-	-	-	40,000
Ford F150	2002	6	-	25,000	-	-	-
Ford F150	2002	6	24,000	-	-	-	-
Flint Salt Spreader	2003	5	30,000	-	-	-	-
Grasshopper Mower	2004	5	-	22,000	-	-	-
Chevy Extended Cab	2004	6	-	-	25,000	-	-
Chevy Truck	2004	6	-	25,000	-	-	-
Mini Salt Spreader	2005	5	-	-	20,000	-	-
Ford F150	2005	6	-	-	-	30,000	-
Salt/Sand Spreader	2006	5	-	-	-	35,000	-
Vacuum Sweeper	2006	5	-	150,000	-	-	-
Chevy C1500	2006	6	-	-	-	35,000	-
Zero Turn Mower	2008	5	-	25,000	-	-	-
Kubota Zero Turn Mower	2009	5	-	-	-	25,000	-
Zero Turn Mower	2010	5	-	-	25,000	-	-
One Ton Truck	NEW	15	-	-	35,000	-	-
One Ton Truck	NEW	15	-	-	35,000	-	-
One Ton Truck	NEW	15	-	-	-	40,000	-
Tandom Trailer	NEW	5	-	-	-	25,000	-
Dump Truck	NEW	15	-	-	-	-	95,000
Total Fleet Replacements			\$ 1,128,000	\$ 1,351,000	\$ 773,000	\$ 959,000	\$ 1,607,000



Capital Improvement Plan FY 2013-2017

Information Technology

This section contains detail on the purchase, replacement and maintenance of the Village's computer hardware, software and communication infrastructure. These assets are primarily replaced on a life cycle replacement schedule.



Capital Improvement Plan FY 2013-2017

Information Technology Plan							
Description	Year	Life	Budget	CIP			
			2013	2014	2015	2016	2017
Administration							
Assembly Hall Sound System	2004	5	\$ 55,000	\$ -	\$ -	\$ -	\$ -
Fair Barn							
Fiber Connectivity between Track and Fair Barn locations	NEW		7,500	-	-	-	-
Governing Body							
Assembly Hall Projector	2006	5	-	-	-	6,000	-
Harness Track							
Fiber Connectivity between Track and Fair Barn locations	NEW		7,500	-	-	-	-
Information Technology							
Dell Power Edge Server	2005	3	7,350	-	-	-	-
Village Hall Firewall	2008	5	-	-	14,000	-	-
Village Hall Fat Pipe	2008	5	16,000	-	-	-	-
Hp Procurve Core Switch	2006	5	9,000	-	-	-	-
Downtown Wifi	NEW		20,000	-	-	-	-
Servers	NEW		14,650	-	-	-	-
Backup Appliance	NEW		20,000	-	-	-	-
Document Imaging System	NEW		-	-	-	50,000	-
Inspections							
P&Z and Inspections Software with Online Citizen Access	NEW		-	27,500	-	-	-
Planning							
Hp Plotter	2007	5	-	21,000	-	-	-
P&Z and Inspections Software with Online Citizen Access	NEW		-	27,500	-	-	-
Police							
Star Witness	2008	3	-	-	-	11,000	-
Voice Recorder System	2010	5	-	-	-	-	12,000
Total IT Replacements			\$ 157,000	\$ 76,000	\$ 14,000	\$ 67,000	\$ 12,000



Capital Improvement Plan FY 2013-2017

Other Capital Additions

This section contains detail on the purchase, replacement and maintenance of all other fixed assets and infrastructure. Examples include land, transportation improvements, greenway trails and storm water drainage improvements. Capital additions are made on an as needed basis.



Capital Improvement Plan FY 2013-2017

Other Capital Additions Plan						
Description	Purpose/Justification	Budget	CIP			
		2013	2014	2015	2016	2017
Administration						
Replace Carpet in Assembly Hall	Replace worn carpet and fix trip ramp hazard	\$ 20,000	\$ -	\$ -	\$ -	\$ -
Replace HVAC	Replace HVAC equipment	6,000	-	-	-	-
Replace HVAC	Replace HVAC equipment	-	7,500	-	-	-
Replace HVAC	Replace HVAC equipment	-	-	7,500	-	-
Replace HVAC	Replace HVAC equipment	-	-	-	9,000	-
Replace HVAC	Replace HVAC equipment	-	-	-	-	10,000
Community Development						
Small Drainage Projects	Spot Drainage Improvements	150,000	150,000	150,000	150,000	150,000
Downtown Restroom	Provide public restroom facility	20,000	-	-	-	-
Street and Pathway Lighting	Improve safety and mobility around the Village	25,000	-	25,000	-	-
Old Fire Station Rehab	Rehabilitate old Fire Station into useable office space to support Spine Road development	125,000	-	-	-	-
Roadway Improvements	Sidewalks and traffic lights on 211	-	-	336,000	-	-
Spine Road	Connect Dogwood and Community Roads	-	-	-	-	450,000
Spur Road	Entrance to Village Center Expansion Area	252,000	-	-	-	-
Gateway & Wayfinding Signage	Promote direction to and around Pinehurst to improve traffic in downtown	75,000	-	-	-	-
Fair Barn						
Replace Fire Alarm System HT/FB	Upgrade outdated system (cost split HT/FB)	11,500	-	-	-	-
Repair Service Parking Lot Pavement	Repair paved service parking lot	17,500	-	-	-	-
Parking Lot Improvements	Resurface main parking lot	-	150,000	-	-	-
Fire						
Self Contained Breathing Apparatus	Breathing apparatus	-	15,000	15,000	15,000	15,000
Spreader/Cutter	Extrication tool to expedite emergency response	15,000	-	-	-	-
Opticom	Provide traffic control for emergency response at major intersections	35,000	-	-	-	-
Thermal Imager	Replaces an eight year old unit	-	-	-	-	10,500
Replace HVAC	Replace HVAC at Station 92	-	-	5,000	-	-



Capital Improvement Plan FY 2013-2017

Other Capital Additions Plan		Budget	CIP			
Description	Purpose/Justification	2013	2014	2015	2016	2017
Harness Track						
Barn Roof Replacement	Replace roof on Maint. Shop, Blk. Smith, Rest.	15,000	-	-	-	-
Structural Repairs Barns 11,12,14,15	Stabilize structural deficiencies	28,500	-	-	-	-
Monticello Gate Restructure	Rebuild entrance on Monticello for egress	50,000	-	-	-	-
Water Quality Enhancement Project	New- to filter silt from surface water runoff	55,000	-	-	-	-
Replace Fire Alarm System HT/FB	Upgrade outdated system (cost split HT/FB)	11,500	-	-	-	-
Structural Repairs Barns 16,17,18,19,20	Stabilize structural deficiencies	-	30,000	-	-	-
Interior Barn Work	Replace main interior supports in barns 2 & 3	-	30,000	-	-	-
Rebuild Turns on One Mile Track	Rebank turns that have flattened due to erosion	-	-	-	-	50,000
Replace Maintenance Shop & HT Office	New building for office space	-	-	150,000	-	-
Road Improvements	Improve road from entrance to restaurant	-	-	-	89,500	-
Police						
Replace HVAC	Replace HVAC equipment	6,000	-	-	-	-
Replace HVAC	Replace HVAC equipment	-	7,500	-	-	-
Replace HVAC	Replace HVAC equipment	-	-	7,500	-	-
Replace HVAC	Replace HVAC equipment	-	-	-	9,000	-
Replace HVAC	Replace HVAC equipment	-	-	-	-	10,000
Recreation						
Cannon Park Field House	Replace building to meet current codes	136,000	-	-	-	-
Cannon Park Playground	Replace playground equipment	30,000	-	-	-	-
Cannon Park Shelter	Replace metal roof on picnic shelter	-	7,500	-	-	-
Cannon Park Trail	Connect trail along McIntyre/Woods to sidewalk	-	40,000	-	-	-
Rassie Wicker Park	Improvements to Park	131,000	-	150,000	-	-
Greenway Trails	Addition to trails	150,000	150,000	150,000	150,000	150,000
Greenway Trail Repairs	Repair trails/upgrade surface to new standard	-	-	25,000	-	-
Greenway Trail Repairs	Repair trails/upgrade surface to new standard	-	-	-	25,000	-
Total Other Capital Additions		\$ 1,365,000	\$ 587,500	\$ 1,021,000	\$ 447,500	\$ 845,500