



**VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF MAY 28, 2019
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM**

The Pinehurst Village Council held a Regular Meeting at 4:30 p.m., Tuesday, May 28, 2019 in the Assembly Hall of Pinehurst Village Hall, 395 Magnolia Road, Pinehurst, North Carolina. The following were in attendance:

Ms. Nancy Roy Fiorillo, Mayor
Mr. John Bouldry, Mayor Pro Tem
Ms. Judy Davis, Treasurer
Mr. Kevin Drum, Councilmember
Mr. Jack Farrell, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Beth Dunn, Village Clerk

And approximately 26 attendees, including 14 staff and 1 press.

1. Call to Order.

Mayor Nancy Roy Fiorillo, called the meeting to order.

2. Invocation and Pledge of Allegiance.

Invocation by Reverend David Beam of Pinehurst United Methodist Church.

3. Reports:

Village Manager

- Stated that the request for proposal for the library needs assessment has formally been sent out to a wide audience.
- A rough draft of the comprehensive plan has been received. Managers and staff are currently commenting on the draft document and will return to the consultants this coming Friday. The consultants will return the updated draft back to us for the Community Open House and the public will be able to provide their comments at that time.

Village Council

- Councilmember Drum stated the car show in the Village was a huge success this past weekend. He was glad to see the activity downtown on a Sunday.
- Mayor Pro Tem Bouldry announced that he will not run for re-election for Council or otherwise this coming November.
- Councilmember Davis thanked Mayor Pro Tem Bouldry for his service. She thanked staff for getting the request for proposal for the library needs assessment out so quickly. She also stated she attended a Memorial Day service at Village Chapel, lots to be thankful for in this community.
- Councilmember Farrell stated he will be sad to see Councilmember Bouldry not continue on the Council.

4. Motion to Approve Consent Agenda.

All items listed below are considered routine or have been discussed at length in previous meetings and will be

enacted by one motion. No separate discussion will be held unless requested by a member of the Village Council.

- Public Safety Reports for April, 2019
- Approval of Draft Village Council Meeting Minutes.
 - May 14, 2019 Regular Meeting
 - May 14, 2019 Work Session
 - May 14, 2019 Closed Session
- Budget Amendments Report

End of Consent Agenda.

Upon a motion by Mayor Pro Tem Bouldry, seconded by Councilmember Farrell, Council unanimously approved the Consent agenda by a vote of 5-0.

5. Recognition of Village of Pinehurst Firefighters Who Have Been Awarded the Department's Certificate of Commendation and Life Saving Ribbon.

Jeff Sanborn, explained that a couple years ago the Pinehurst Fire Department took on the added responsibility of emergency medical calls to back up Moore County EMS. Since that time we have seen the terrific results of a small number of lives saved directly from their efforts. He stated Carlton Cole was here to recognize those employees.

Carlton Cole, Pinehurst Fire Chief, explained that over the past 12 months, Pinehurst Fire Department was involved with four incidents that resulted in reviving patients through Cardio-Pulmonary Resuscitation (CPR). Our staff is being awarded the department's Certificate of Commendation and Life Saving Ribbon for their efforts. Mr. Cole explained that following the standard established by the EMS System Medical Director, a CPR save stipulates that a cardiac arrest patient who has been revived with CPR must be released from the hospital, as verified by EMS through discharge records.

Those being recognized include:

1. Call for Service 18-35805 on May 9, 2018: Captain Steve Cox, Master Firefighter Jay Kramer, Firefighter Bonnie MacDonald.
2. Call for Service 19-15163 on February 26, 2019: Firefighter Matthew English, Senior Firefighter James McLaughlin, Master Firefighter Michael Waschsen.
3. Call for Service 19-19858 on March 15, 2019: Battalion Chief Adam Coles, Captain Steve Cox, Firefighter James Neal.
4. Call for Service 19-28436 on April 15, 2019: Captain Chris King, Master Firefighter John Warren, Master Firefighter Johnny Yarborough.

6. Motion to Recess Regular Meeting and Enter into a Public Hearing.

Upon a motion by Councilmember Drum, seconded by Councilmember Davis, Council unanimously approved to recess the regular meeting and enter into a public hearing by a vote of 5-0.

7. Public Hearing No. 1

Jeff Sanborn, Village Manager, stated the purpose of this public hearing is to discuss the proposed Fiscal Year 2020 Budget for the Village of Pinehurst. He explained the Strategic Operating Plan (SOP) includes the FY 2020 general fund budget, Community Center Capital Project Fund and a five year financial forecast. Mr. Sanborn explained the SOP was developed to achieve the Council's vision, mission, goals, objectives, to address strategic challenges and opportunities facing the community, and to comply with the distinguished budget presentation award requirements. In early December Council identified four areas of focus for FY 2020 which are 1) manage development and enforce codes and ordinances 2) provide interconnected pedestrian facilities 3) maintain high quality streets 4) provide recreation programs, facilities and cultural events.

Mr. Sanborn explained the total FY 2020 budget is \$21.6 million with a recommend property tax rate of \$0.30 and an expected ending fund balance of 34.6%; however, if the \$1 million contingency appropriation is not spent in FY2020, ending fund balance is expected to be 39.2%. The budget also includes seven Initiative Action Plans at a cost of \$319,070 and an addition of 4.5 full-time positions. Capital expenditures are at \$1.8 million and include a rescue vehicle, 3 police vehicles, solid waste truck, potential land purchase for a fire station 93 and structured parking near Village Center, Magnolia Road streetscape improvements and storm drainage projects.

Public Comments:

- No public comments were made.

8. Motion to Adjourn Public Hearing and Re-Enter Regular Meeting.

Upon a motion by Councilmember Davis, seconded by Mayor Pro Tem Bouldry, Council unanimously approved to adjourn the public hearing and re-enter the regular meeting by a vote of 5-0.

9. Q3 Update on the Status of the FY 2019 Strategic Operating Plan Implementation.

Lauren Craig, Performance Management Director, reviewed the status of the 3rd quarter strategic operating plan. She stated that as of March 31, 2019, from the 7 Initiative Action Plans (IAPs) scheduled to begin in FY 2019, 6 are in progress and on schedule and 1 is in progress but not on schedule. There are 2 IAP metrics that will be tracked in the future. Ms. Craig stated that as of March 31, 2019, the Village achieved projected performance for 5, or 71%, of the 7 IAPs with metrics in FY 2019. The police department accreditation is 70% complete to date and the long range comprehensive plan is on track. Due to challenges with an internet platform, the IAP to implement performance dashboards was not on schedule at the end of the 3rd quarter, however, since then the performance dashboards have went live on the Village website. In the 3rd quarter the workforce learning and development IAP was amended to develop a complete learning and development system, which was completed in April. Councilmember Farrell asked how we set goals for our metrics, specifically for the average number of days to issue single family permits. Ms. Craig explained this was an item that we could benchmark, which help us identify where the goal should be. Village Manager, Jeff Sanborn explained that knowing what challenges they have faced with staffing issues, the goal for that specific metric, was set to be obtainable and then progressively improve and strive for a higher goal.

10. Presentation of Quarterly Financial Statements for the Nine Months Ended March 31, 2019.

Brooke Hunter, Financial Services Director, stated that as the Village enters the final quarter of the fiscal year, the Village's financial condition remains strong and the revenue forecast for the first three quarters is right on target. In addition, operating expenditures are running below expected levels and our capital outlays are within budget. These results should position us well to carry out the objectives outlined in the FY 2019 Strategic Operating Plan. The Village's General Fund is showing \$3.0 million in income for the first nine months of the year, which is considerably higher than the \$2.2 million the prior year. Fund balance in the General Fund is currently 70% of budgeted expenditures, which is slightly higher than the 67% level seen the previous year at March 31. General fund revenues were \$138,000, or 0.9%, above the year-to-date budget projections. This increase is the result of several offsetting variances across revenue sources.

Ms. Hunter explained that property tax revenues are \$208,000, or 2.1%, above the quarterly revenue estimate. The real and personal property tax collection rate of 100.01% is similar to this time last year. The real and personal base grew by 1.66%, compared to the same period last year, which is also slightly ahead of the 1.5% budget forecast. The motor vehicle tax base grew by 7.57%. Ms. Hunter stated that restricted intergovernmental revenues are \$191,000, or 25.8%, below the quarterly forecast. This is primarily due to the timing of our FEMA disaster recovery reimbursement. The reimbursement was included in the mid-year budget amendment, but the largest portion has not yet been received. General fund operating expenditures were \$1,468,000, or 10.6%, below the quarterly budget. This variance is significantly larger than the expected year-end expenditure variance of 5% and is the primary factor in our overall quarterly budget variance.

Ms. Hunter explained that for capital outlay, approximately 65% of the capital outlay budgeted in the first three quarters has been expended. A significant portion of the variance involves the \$165,000 in capital projects deferred in November for potential Community Center contingency use. The Village issued 83 single-family residential building permits valued at \$22,698,000 during the first three quarters compared to 103 the previous year. We project approximately 120 homes will be constructed in FY 2019. As expected, we will end the year lower than the 144 homes constructed in the prior year. Based on our current estimates, we anticipate the Village's fund balance will decrease by approximately \$3,598,000 by the end of FY 2019. This reduction is related to funding the Community Center construction without debt financing. The ending fund balance for the General Fund is projected to be approximately \$7,044,000, or 30%, of expenditures, which is within our current policy range of 30-40%. Ms. Hunter stated that during the first three quarters, the Fair Barn covered 84% of operating expenditures with operating revenues. This is lower than the 102% achieved at this point the previous year and is below the balanced scorecard target of 95%. The Harness Track only covered 57% of its operating expenditures compared to 69% the previous year. The decline is due to fewer horses stabling at the track this season. Ms. Hunter stated that at this point in the fiscal year, she is very pleased with the Village's financial condition and position.

11. Other Business.

No other business was discussed.

12. Comments from Attendees.

- John Hoffman, Everett Rd, presented Council with information regarding off street parking requirements. He stated the leaders of the Community Presbyterian Church continue to violate Chapter 9 of the PDO regarding off street parking requirements and landscaping requirements. He welcomes a frank discussion of these issues with all parties involved.

13. Motion to Recess the Regular Meeting and Enter a Closed Session.

Upon a motion by Councilmember Drum, seconded by Mayor Pro Tem Bouldry, Council unanimously approved to recess the regular meeting and enter into a closed session pursuant to NCGS §143-318.11(a)(5)(i) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease, specifically, the Council will discuss a potential real estate transaction and pursuant to NCGS 143-318.11(a)(3) to consult with the Village Attorney in order to preserve the attorney-client privilege between the Village Attorney and the Village Council, specifically, Council will discuss potential litigation for the recently approved Taylortown annexation by a vote of 5-0.

14. Closed Session.

1. Pursuant to NCGS §143-318.11(a)(5)(i) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease. Specifically, the Council will discuss a potential real estate transaction.

2. Pursuant to NCGS 143-318.11(a)(3) to consult with the Village Attorney in order to preserve the attorney-client privilege between the Village Attorney and the Village Council. Specifically, Council will discuss potential litigation for the recently approved Taylortown annexation.

15. Motion to Adjourn the Closed Session and Re-enter the Regular Meeting.

Upon a motion by Councilmember Davis, seconded by Mayor Pro Tem Bouldry, Council unanimously approved to adjourn the closed session and re-enter the regular meeting by a vote of 5-0.

16. Motion to Adjourn.

Upon a motion by Councilmember Farrell, seconded by Mayor Pro Tem Bouldry, Council unanimously approved to adjourn the Regular Meeting by a vote of 5-0 at 6:15 pm.

Respectfully Submitted,



Beth Dunn,
Village Clerk

Vision: The Village of Pinehurst is a charming, vibrant community which reflects our rich history and traditions.

Mission: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors.

Values: Service, Initiative, Teamwork, and Improvement