VILLAGE COUNCIL
MINUTES FOR WORK SESSION OF APRIL 10, 2018
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA

IMMEDIATELY FOLLOWING REGULAR MEETING

The Pinehurst Village Council held a Work Session at 6:04 p.m., Tuesday, April 10, 2018 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 R. Cashion, Mayor Pro Tem
Mr. John Bouldry, Treasurer
Ms. Judy Davis, Councilmember
Mr. Kevin Drum, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 13 attendees, including 3 staff and 1 press.

1. Call to Order.
Mayor Nancy Roy Fiorillo called the meeting to order.

2. Consider road dedication request from Spring Lake Hills Condominiums
Jeff Batton, Assistant Village Manager, explained Spring Lake Hills Condominium homeowners association has requested the Village consider accepting their roads into the Village network. The complex is located across the street from the north entrance to the Number 6 neighborhood. Mr. Batton explained the roads look to be built in a reasonable standards and would meet our standards but they have not been resurfaced since they were built. Mr. Batton asked Council if this is something they would like to consider in the future or other information they wish to have to deliberate. Bill Wood from the condo association said they would be happy to give the easements to the right of way needed and the speed bumps are for the water diversion. He said this is a small subdivision and not in a position to maintain these roads to the standards for Pinehurst. Council held a discussion on this request. Brenda Hiscott explained she and her husband built this development in 1998 and have sold them all. Council determined to have Jeff Batton continue looking into the storm water issues and other questions and bring options back to the Village Council at a future meeting.

3. Work Session Business.

- Manager Jeff Sanborn shared the recommended Moore County prioritization of transportation projects for STI funding. He shared the methodology for division, regional, and TARPO eligibility. The group reviewed the prioritization order and briefly discussed each proposed project.
- Manager Jeff Sanborn reminded Council the Village entered into an agreement with the CVB on the Welcome Center. The CVB has proposed for the Village to hire a part-time staff person but they pay for it. Council formed a consensus to continue this discussion with the CVB.
- Councilmember Bouldry said there is a development on Highway 211 being proposed for rezoning. He said this is in the area of the county's jurisdiction. Council held a discussion about this proposed rezoning and shared concerns with what could be used in that area. Council discussed the suggestion to write to the county commissioners about the concern with this project and to look at the B2 list of allowable uses and come back with suggestions to enhance the gateway of the Village.

4. Motion to Adjourn.

Upon a motion by Councilmember Davis, seconded by Councilmember Bouldry, Council approved to adjourn the Work Session by a vote of 5-0 at 7:35pm.

Respectfully Submitted,

Lauren M. Craig
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

VILLAGE COUNCIL
MINUTES FOR REGULAR MEETING OF APRIL 10, 2018
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, April 10, 2018 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 R. Cashion, Mayor Pro Tem
Mr. John Bouldry, Treasurer
Ms. Judy Davis, Councilmember
Mr. Kevin Drum, Councilmember
Mr. Jeffrey M. Sanborn, Village Manager
Ms. Lauren M. Craig, Village Clerk

And approximately 32 attendees, including 5 staff and 1 press.

1. Call to Order.
Mayor Nancy Roy Fiorillo called the meeting to order.

2. Reports:

Manager

- Jeff Sanborn noted we held our first Tri Cities Partnership Meeting with Southern Pines and Aberdeen.
- He also shared John Bouldry, John Cashion and the Manager met with representatives from other communities in Moore Co. to review and develop a recommendation for TARPO with prioritizing transportation projects to compete for NC DOT funding.

Council

- Mayor Fiorillo shared the Matinee Races was very successful again this year.
- Councilmember Drum noted he serves on the BPAC and the Tri Cities work group. The last BPAC meeting was canceled and he couldn't attend the Tri Cities meeting, but he is excited for the benefits of this group.
- Councilmember Bouldry shared on April 17 from 6:30-8:30pm NC DOT will be in Assembly Hall to receive public comments on the Moore Co. Comprehensive Transportation Plan. April 18 at the Senior Enrichment Center, the County will review the scoring to rank the 25 projects across Moore County.
- Councilmember Davis said the working group for the library has been working on a plan and they hope to receive public comments as part of this discussion in the near future.
- Councilmember Cashion said the Partners in Progress meeting today was all about the school.
- Councilmember Cashion and Mayor Fiorillo attended the Sister Cities concert in Southern Pines last week led by Denise Baker. Council noted the need to find a new liaison to this group.

3. 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.

A. Approval of Draft Village Council Meeting Minutes.
March 27 Regular Meeting
March 27 Work Session

B. Budget Amendments Report

End of Consent Agenda.

Upon a motion by Councilmember Bouldry, seconded by Councilmember Cashion, Council unanimously approved the Consent Agenda by a vote of 5-0.

4. Presentation of the May 8, 2018 bond referendum to build new schools.

Helena Wallin-Miller, Chair of the Moore County Board of Education, gave a presentation on the May 8 bond referendum to build new schools in Moore County. She represented the YES! Campaign for Moore County Education Bonds. She noted she is a Pinehurst resident and feels it is important for the Council to support this. She explained this referendum includes $103 million for elementary schools in Aberdeen, Southern Pines, and Pinehurst and $20 million for a nursing education facility at Sandhills Community College. She explained the purpose to consolidate and replace aging and overcrowded facilities. Ms. Wallin-Miller shared pictures of current school conditions and renderings of the proposed school sites. She explained the limited obligation bond for the new area 1 elementary school that is going up on Camp Easter Road which will open in 2019. She said North Moore is also looking into possible updates to their facility. She said the bond would create a range of impact from 5-8 cents per $100 valuation on property tax. She explained ways to connect with this campaign and reminded everyone that early voting starts April 19 and the primary election is May 8.

An audience member asked about additional security cameras and measures that will be added to these schools and Ms. Wallin-Miller assured these would be updated with modern safety measures. Lynn Goldhammer asked when the added tax would begin and it was answered that probably in 2019. She suggests every new home built should be taxed $10,000 to pay for these schools. She also suggested FirstHealth to help fund this as they are benefitting from the college. Emily Richardson PTO President of Pinehurst Elementary School thanked the Council for their help to keep the school in the Village in the current location. Ms. Wallin-Miller explained there are two issues that will be voted for separately on the ballot, one for the elementary schools and one for the college.

Upon a motion by Councilmember Drum, seconded by Councilmember Davis, Council unanimously approved Resolution 18-09 supporting the bond referendum for new schools in Moore County by a vote of 5-0.

5. Consider a request for sponsorship for the 2019 Spring Matinee Race.

Manager Jeff Sanborn and Mark Wagner, Director of Parks and Recreation, explained staff received a request from Garth Henry, President of the Pinehurst Driving and Training Club, to have an exemption from paying rental fees for use of the Fair Barn for the 2019 Spring Matinee Race as well as future races. They also requested to move this event in the future from Sunday to Saturday. Garth Henry explained the history of holding this on a Sunday due to the Stoneybrook Steeplechase typically held on Saturday prior. Now that Stoneybrook is no longer the competition for the weekend, they would request to move this to a Saturday to be the primary local horse race event. Council formed a consensus to approve the usage for two days for 2019 and full support of the Driving and Training Club.

6. FY 2019 Strategic Operating Plan (SOP) Preview.

Jeff Sanborn presented a preview of the FY 2019 Strategic Operating Plan (SOP) including the more significant items currently being proposed in the five-year plan. Mr. Sanborn explained he is seeking Council's input to determine if there are any significant modifications needed before staff prepares the budget document for submission to Council in early May. Mr. Sanborn noted the FY 2019 SOP addresses the strategic opportunities and challenges indicated by the Village Council in January 2018. He also noted Council identified four areas of focus (AOF): to ensure quality residential development, ensure quality business development, maintain high quality streets, and provide recreation programs and events for all ages. Mr. Sanborn shared a list of Initiative Action Plans (IAP) being proposed for the FY 2019 SOP and how they address strategic opportunities and challenges and how they align with Balanced Scorecard goals. Mr. Sanborn shared detailed descriptions of the IAPs and the financial impact of these to the budget and the five year plan. Council discussed the opportunity to review the financial details of the Community Center and its ongoing cost at the next work session. He also shared the Village plans to conduct 15 evaluations in FY 2019-2023 (3 BIRDIEs and 12 ACEs) to identify ways to improve processes and service delivery. He shared key highlights in the FY 2019-2023 financial plan including the proposed tax rate, community center financing, street maintenance funding, full-time positions, merit raises, library support, and pedestrian facilities. Mr. Sanborn shared the preliminary five-year financial forecast. Council held a discussion on this preview.

7. Other Business.

John Bouldry asked for the Village to use social media tools to broadcast the transportation meetings on April 17 and April 18.

8. Comments from Attendees.

- Lynn Goldhammer asked what would be in the recreation center and she asked why we are moving the EMS to the fire station. She also asked about the Baldrige Award and the reason to submit this application. Council held a discussion about the need to pursue the Baldrige Award.

9. Motion to Adjourn.

Upon a motion by Councilmember Bouldry, seconded by Councilmember Cashion, Council approved to adjourn the Regular

Meeting by a vote of 5-0 at 6:26pm.

Respectfully Submitted,

Lauren M. Craig
Village Clerk

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Council Member to Report	Partners & Collaborators
Nancy Fiorillo	Triangle J. COG
	Neighborhood Advisory Committee
John Cashion	Moore County Schools
	Partners in Progress
John Bouldry	NCDOT/MCTC/TARPO
	Beautification Committee
Judy Davis	Pinehurst Business Partners
	Given Memorial Library
Kevin Drum	Tri-Cities Work Group (Pinehurst, So. Pines, Aberdeen)
	Bicycle and Pedestrian Advisory Committee

ORDINANCE #18-05:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2018, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (ST. ANDREWS DRIVE RAILWAY CROSSING)

THAT WHEREAS, the North Carolina Department of Transportation (NCDOT) notified the Village of an opportunity to partner with the NCDOT to receive federal funding for a highway-rail grade crossing improvement project to increase safety at the intersection of St. Andrews Drive and the Aberdeen Carolina & Western Railroad; and

WHEREAS, the Village Council desires to participate in the proposed project to improve safety conditions at this crossing and authorizes the Village Manager to enter into all related project agreements on their behalf; and

WHEREAS, the funds for this purpose were not included in the FY 2018 Budget when it was originally adopted;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in a regular meeting assembled this 8th day of May, 2018, as follows:

SECTION 1. To amend the FY 2018 General Fund budget with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:

Account No.	Account Name	Debit	Credit
10-20-420-7700	Capital Outlay: Infrastructure	$30,000	
10-00-190-3905	Fund Balance Appropriated		$30,000

SECTION 2. Copies of this budget amendment shall be furnished to the Clerk to the Village Council, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 8th day of May, 2018.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

_____
Lauren M. Craig, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

ORDINANCE #18-06:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST FOR FISCAL YEAR 2018, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (INSURANCE PROCEEDS)

THAT WHEREAS, during the fiscal year, Police and Fire vehicles have been damaged in accidents and the damages were subsequently covered by insurance; and

WHEREAS, the damaged vehicles are considered essential to public safety operations; and

WHEREAS, the Village's property insurance reimbursed the Village for a portion of the cost of the repairing the damaged vehicles and these funds were not included in the FY 2018 Budget when it was originally adopted;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, a regular meeting assembled this 8th day of May, 2018, as follows:

SECTION 1. To amend the FY 2018 General Fund budget with regard to revenues and expenditures, the revenue and expenditure accounts are to be changed as follows:

Account No.	Account Name	Debit	Credit
10-10-310-5903	Police: Fleet Maintenance ISF	$ 8,000	
10-10-320-5903	Fire: Fleet Maintenance ISF	5,000	
10-00-120-3805	Insurance Proceeds		$ 13,000
10-00-960-5902	R&M: Vehicles	13,000	
10-00-960-3560	Charges to Other Depts.		13,000

SECTION 2. Copies of this budget amendment shall be furnished to the Clerk to the Village Council, Village Manager, and Financial Services Director for their direction and implementation.

THIS ORDINANCE passed and adopted this 8th day of May, 2018.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

_____
Lauren M. Craig, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

Letter from the Mayor

The Village Council is committed to ensuring Pinehurst is a charming, vibrant community which reflects our rich history and traditions. Each year, you give us feedback on our services through the annual Community and Business Surveys. The Council and staff have used that feedback, along with other relevant data, to prepare the 2019 Strategic Operating Plan that includes the FY 2019 Budget.

Mayor Nancy R. Fiorillo

The Village Council has identified nine strategic goals, supported by 15 strategic objectives on the Balanced Scorecard (BSC). The nine strategic goals of the Village for FY 2019 are to:

1. Safeguard the community,
2. Ensure an attractive residential community,
3. Ensure a thriving business community,
4. Provide multimodal transportation systems,
5. Protect the environment,
6. Maintain an active, healthy community,
7. Professionally manage a high performing organization,
8. Attract & retain an engaged workforce, and
9. Maintain a healthy financial condition.

The $22.6 million FY 2019 Budget contains the same $0.295 per $100 valuation property tax rate as last year. The Council's four Areas of Focus for the Village for FY 2019 include: 1) ensuring quality residential development, 2) ensuring quality business development, 3) maintaining high quality streets, and 4) providing recreation programs and events for all ages.

In support of our goals and objectives, we have several Initiative Action Plans (IAPs) included in the five-year planning period of FY 2019–2023. This *Budget in Brief* describes those action plans and other key items included in the FY 2019 Budget. For more information on action plans, please see the *Strategic Priorities* section of the 2019 Strategic Operating Plan, which may be found on our website at www.vopnc.org.

This year, the budget includes $4.1 million in funding for the construction of a new 19,555 square foot community center at Cannon Park that is currently in the design phase. Construction is planned to commence in the fall of 2018 and the center is scheduled to open in the fall of 2019. This project is funded with existing Village funds and no debt will be issued to finance the project. The Village will also significantly engage the community in FY 2019 to develop the 2035 Long-Range Comprehensive Plan and I hope you will provide your input.

With diligent financial oversight, the Village's professional staff and Council have been effective stewards of our tax dollars, ensuring the delivery of quality services that our residents, businesses, and visitors require and expect. As in the past, the FY 2019 Budget is prepared utilizing sound financial policies and reflects the Council's thoughtful consideration of the services provided and priorities identified by residents and businesses.

Several great initiatives and projects are planned for FY 2019, and I encourage you to read further about those in the 2019 Strategic Operating Plan.

Nancy Roz Fiorillo

Nancy Fiorillo, Mayor
Village of Pinehurst, NC

Fiscal Year (FY) 2019 Initiative Action Plans

The FY 2019 Budget includes eight (8) Initiative Action Plans (IAPs) at a cost of $4.6 million to address the Village's nine strategic goals, four of which are designated as an Area of Focus (AOF). In the five-year planning period there are a total of ten (10) IAPs at a cost of $7.3 million. Additional information on action plans can be found in the *Strategic Priorities* section of the 2019 Strategic Operating Plan. Initiative Action Plans in the FY 2019 Budget and their cost are as follows:

Customer Perspective

Safeguard the Community ($18,450)

1. **Police Department Accreditation** – Implement law enforcement standards of the Commission on Accreditation for Law Enforcement Agencies (CALEA)- ***$18,450***
2. **Emergency Medical Services (EMS) Facility Relocation** – Partner with Moore County to develop a plan for an EMS base at Fire Station 91 in Rassie Wicker Park - ***$0***

Ensure an Attractive Residential Community ($205,000)

3. **Long-Range Comprehensive Plan** AOF – Prepare the 2035 Long-Range Comprehensive Plan - ***$205,000***

Provide multimodal transportation systems ($3,610)

4. **Street Lighting** AOF – Install approximately 20 street lights within Village neighborhoods - ***$3,610***

Maintain an active, healthy community ($4,355,880)

5. **Recreation & Cultural Facilities** AOF – Construct a *NEW* Community Center at Cannon Park, renovate the Rassie Wicker Park playground, and improve parking facilities at Cannon Park - ***$4,355,880***

Balanced Scorecard (BSC)

The BSC contains goals, objectives, and Key Performance Indicators (KPIs) in four perspectives to ensure a balanced approach to the evaluation of achievement of organizational strategy. These four perspectives are:

1. Customer
2. Internal
3. Employee
4. Financial

Internal Perspective

Professionally manage a high performing organization ($41,400)

6. **Planning & Inspection Process Improvements** – Implement new Planning & Inspections software and other process improvements to enhance the efficiency and effectiveness of services - ***$36,400***
7. **National Baldrige Application** – Begin preparing an application for the nation's highest quality award for submittal in FY 2020 - ***$5,000***

Workforce Perspective

Attract and retain an engaged workforce ($0)

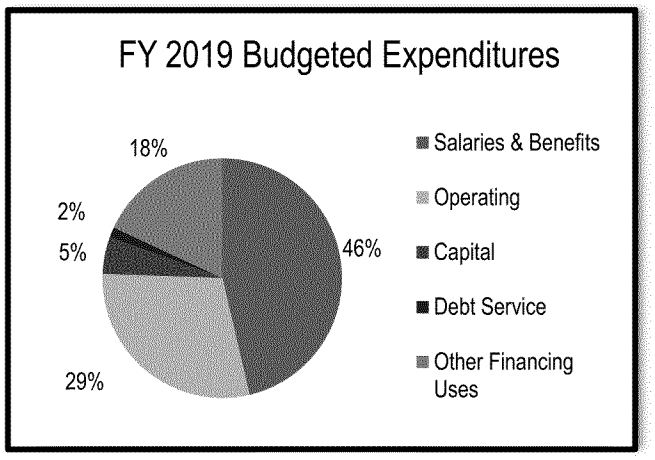
8. **Workforce Development & *Succession Planning*** – Train and develop Village employees and develop a formal Village-wide succession plan - ***$0***

Note: The costs outlined above are only for IAPs that begin in FY 2019. For the five-year cost for these IAPs and the other IAPs included in the five-year period, see the *Strategic Priorities* section.

Fiscal Year (FY) 2019 General Fund Expenditures

The FY 2019 Budget for salaries and wages, excluding benefits, for the Village's 141 full-time equivalents (FTEs) accounts for 46% of total expenditures, or $10.5 million. Funding for average merit raises of 3% available to employees are funded at $158,000. Also, the FY 2019 Budget includes the third year of a five-year phase out of the dependent coverage health insurance premium subsidy provided by the Village. The Village currently subsidizes 10% of dependent coverage insurance premiums for employees and will continue to pay for 100% of health insurance premiums for employees.

This budget includes an increase of 2 full time equivalents (FTEs) for 2 positions. A full time Maintenance Technician and a new Performance Management Director are included.

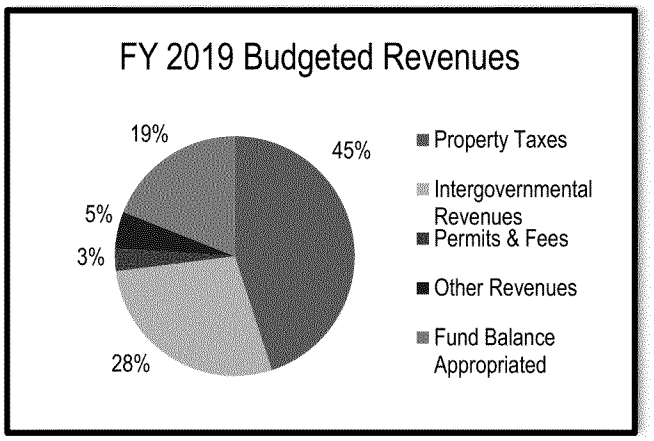


In FY 2019, the recommended budget includes $1.1 million in capital investment, or 5% of total expenditures. In addition, the budget also includes a transfer of $4.1 million from the General Fund to a capital project fund to cover the construction cost for the new Community Center. This Other Financing Use represents 18% of total expenditures.

In addition, the Village will increase its spending on annual road resurfacing and maintenance by $270,000, or 26% in FY 2019. This $1.3 million investment in street resurfacing and patching is devoted to improving the quality of Village streets.

Overall, the FY 2019 Budget totals $22,552,000 or 12% above the prior year's amended General Fund budget at December 31, 2017. The recommended budget as presented results in a per capita expenditure of $1,353 based on a projected population of 16,669.

Fiscal Year (FY) 2019 General Fund Revenues



The primary revenue source for the Village is property taxes, accounting for 45% of total revenues, or $10.2 million. In FY 2019, the Village will maintain the current $0.295 per $100 valuation property tax rate.

At $6.2 million, intergovernmental revenues are the second largest revenue category, making up 28% of total General Fund revenues. These revenues include local option sales taxes, utility sales taxes, and other state-collected revenues. Of these, local option sales taxes (or 2 cents of the 6 ¾ cents paid in sales tax) are the largest intergovernmental revenue source for the Village, representing 15% of the total budget.

The Village is also budgeting to use $4.2 million of appropriated fund balance (or Village savings), which represents 19% of total revenues. Because revenues historically come in at 101% of budget and expenditures typically fall 5% below budget, we estimate the Village will actually only use $3.2 million of appropriated fund balance in FY 2019. This will result in an ending fund balance of approximately 32%, which is within the Council's target fund balance policy range of 30%-40%.

Long Term Debt

The Village continues to pay down its debts and currently has only $738,000 in long-term debt outstanding. Total required principal and interest payments for FY 2019 amount to $320,000, or 2% of the total annual budget, bringing outstanding debt down to $418,000 at the end of FY 2019. The Village does not plan to issue any new debt in FY 2019 and will pay off the only significant remaining debt for the fire station in FY 2020.

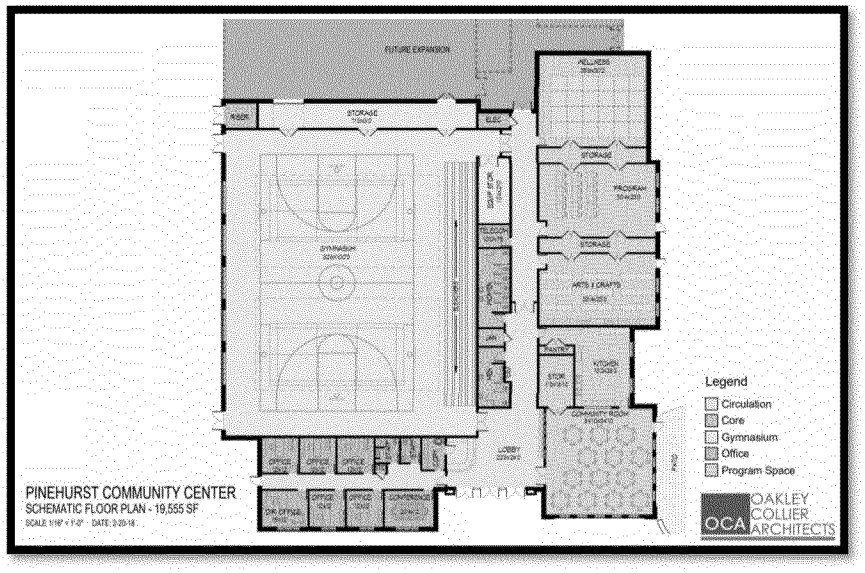
Capital Expenditures

Capital expenditures total $1.1 million in FY 2019, or 5% of the annual budget. In addition to routine vehicle and equipment replacements, significant capital expenditures include:

- Wicker park playground equipment ($95,000)
- Paving of Cannon Park parking lot ($100,000)
- Sewer jet and vacuum trailer ($121,000)
- Storm drainage projects ($190,000)

NEW! Community Center

In FY 2019, the Village will begin construction of a new 19,555 square feet community center located in Cannon Park. Construction will commence in the fall of 2019, and the center will open in the fall of 2020. The new facility will contain a gymnasium, office space, a kitchen, and four activity rooms of varying sizes.



Viewing the Budget Online

To view the FY 2019 Budget online, go to www.vopnc.org.

On the Budget "launch" page, citizens can open the entire FY 2019 Budget and Strategic Operating Plan document or an individual section, with a linked table of contents.

STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

JAMES H. TROGDON, III
SECRETARY

April 25, 2018

Mr. Jeff Sanborn
Village Manager
Village of Pinehurst
395 Magnolia Road
Pinehurst, NC 28374

Dear Mr. Sanborn:

Subject: Highway - Railroad Crossing Signals in Village of Pinehurst

NCDOT's Rail Division is pleased to inform you that your municipality has an opportunity to partner with NCDOT to receive federal funding for a highway-rail grade crossing improvement project to increase safety along the below referenced municipal street. Each year the Federal Highway Administration provides funds to state transportation agencies for disbursement on highway-rail grade crossing signalization projects. Accordingly, NCDOT investigates all public crossings in the State annually and ranks them according to the need for safety improvements. Rankings are data-driven, based on existing train volumes and speeds, vehicle volumes, past crash experience, and existing crossing protection.

To secure Federal funding for the proposed project, a municipality is required to participate in the costs. If your municipality accepts the proposed project, Federal funding will be used by NCDOT to fund 90% of eligible project expenses on behalf of the municipality. All expenses which are not reimbursed will remain the responsibility of the municipality. In addition, under North Carolina General Statute 160A-298, the municipality will also be liable for payment directly to the railroad company for one-half the total railroad signalization annual maintenance costs after completion of the project.

The table below identifies the location which has been determined to be eligible for Federal funding participation. The table also shows the Department's opinion of probable cost for the project and the municipality's share of the annual maintenance costs using current rates.

LOCATION	PROPOSED IMPROVEMENT	ESTIMATED PROJECT COST	ESTIMATED MUNICIPAL SHARE OF PROJECT	ESTIMATED MUNICIPAL SHARE OF ANNUAL MAINTENANCE COST
St. Andrews Drive and Aberdeen Carolina & Western Railway; Crossing No. 465770G	Install Signals and Gates	$283,300	$28,330	$1,214.00

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
RAIL DIVISION
1556 MAIL SERVICE CENTER
RALEIGH, NC 27699-1556

Telephone: (919) 707-4100
Fax: (919) 707-4193
Customer Service: 1-877-368-4968

Website: www.ncdot.gov
www.ncbytrain.org

Location:
862 CAPITAL BLVD
RALEIGH, NC 27603

If you accept this opportunity, NCDOT's Rail Division will prepare a Municipal Agreement for execution between the municipality and NCDOT for preliminary engineering and construction of the project. Based on expected funding levels for our Highway-Railroad Safety Program, the Department proposes to schedule the project for construction during Federal Fiscal Year 2018 which began October 1, 2017.

Detailed plans and cost estimates will be prepared during the preliminary engineering phase of the project. Specific highway-rail, grade crossing treatment (flashing light signals only, combination of flashing light signals and gates, etc.) will be identified at that time. Unfortunately, preliminary engineering cannot begin until a municipal's participation is secured through the Municipal Agreement. However, the municipality is afforded the opportunity to review and approve the plans and cost estimates prior to the project being authorized for construction. If at that time the municipality decides not to proceed with the project, the project will be cancelled from the current program and the municipality will be subject to reimbursement to NCDOT for expenses incurred for the preliminary engineering to date.

Obviously, eliminating a crossing and thus the potential for train/vehicle collisions is the safest treatment. Therefore, an alternative to installation of grade crossing signalization is to simply close a crossing to vehicle traffic. Closing a crossing, whether it is the location identified herein or an approved alternate, could be more cost effective for the municipality as it would create the possibility for the use of incentive funds by the railroad company and NCDOT in lieu of all or a portion of the municipality's financial share in the project. Also if a crossing is closed, any future annual crossing maintenance costs associated with signalization of that crossing would be eliminated, a portion of which the municipality would be liable for under NC General Statutes. Therefore, a crossing could be considered for closure under this project as mutually agreed between the Department and the municipality.

It is solely the municipality's option to accept or decline this project. However, in evaluating participation, the municipality may want to assess the impact, if any, of the crossing's identification for possible improvement. In the event of a request pursuant to the North Carolina's Public Records Act for information related to this crossing or to crossing safety evaluations statewide, the Department may be required to disclose pertinent information, including the ranking and related correspondence.

Please notify this office in writing within 60 days on the municipality's decision to participate in this proposed project. If you should require additional time for consideration of accepting this project, please provide a written request within 60 days. If a response is not received within 60 days, we will consider this failure to respond as a decision by the municipality to decline the project.

If I can be of any further assistance, please contact me at (919) 707-4123 or remullinax@ncdot.gov.

Sincerely,

Richard E. Mullinax, PE, PTOE, CPM
Rail Signals Manager

REM/lw

cc: Mr. B. H. Jones, PE
Mr. J. T. Orthner, PE

Village of Pinehurst
Strategic Operating Plan Update
Q3 - FY 2018

VILLAGE OF PINEHURST | www. vopnc.org

1895
VILLAGE OF
PINEHURST

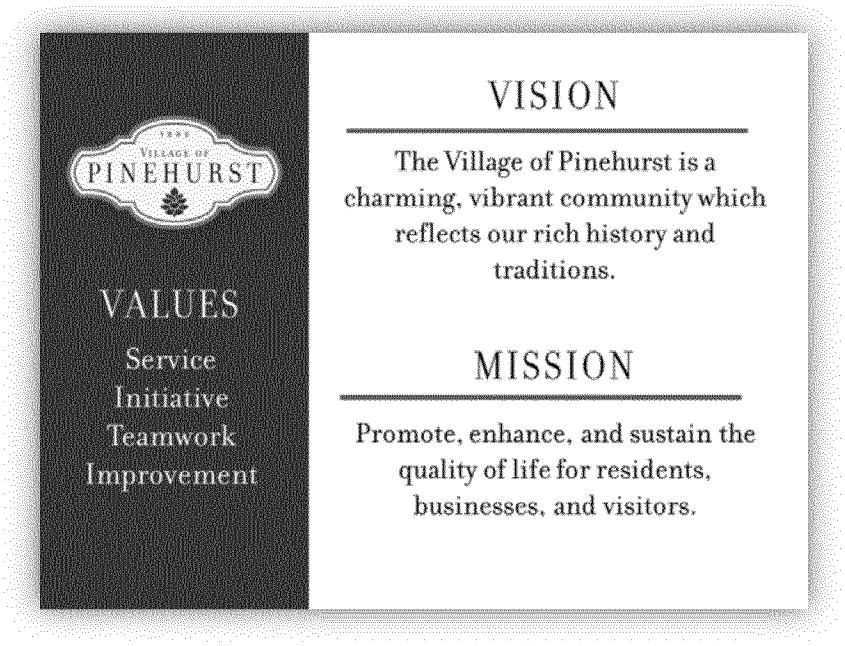
FY 2018 Strategic Operating Plan Overview

Village Council

Each year, the Pinehurst Village Council adopts a Strategic Operating Plan which indicates the Village's plans to achieve our vision and mission. The Strategic Operating Plan covers the fiscal year that begins on July 1 and also includes a five-year financial plan.

Vision, Mission, and Values

The vision is what the Village intends to be and the mission is what the Village must do to achieve that vision. The Village's core values are the guiding principles and behaviors that embody how Village employees and volunteers are expected to operate as they provide services.



Balanced Scorecard

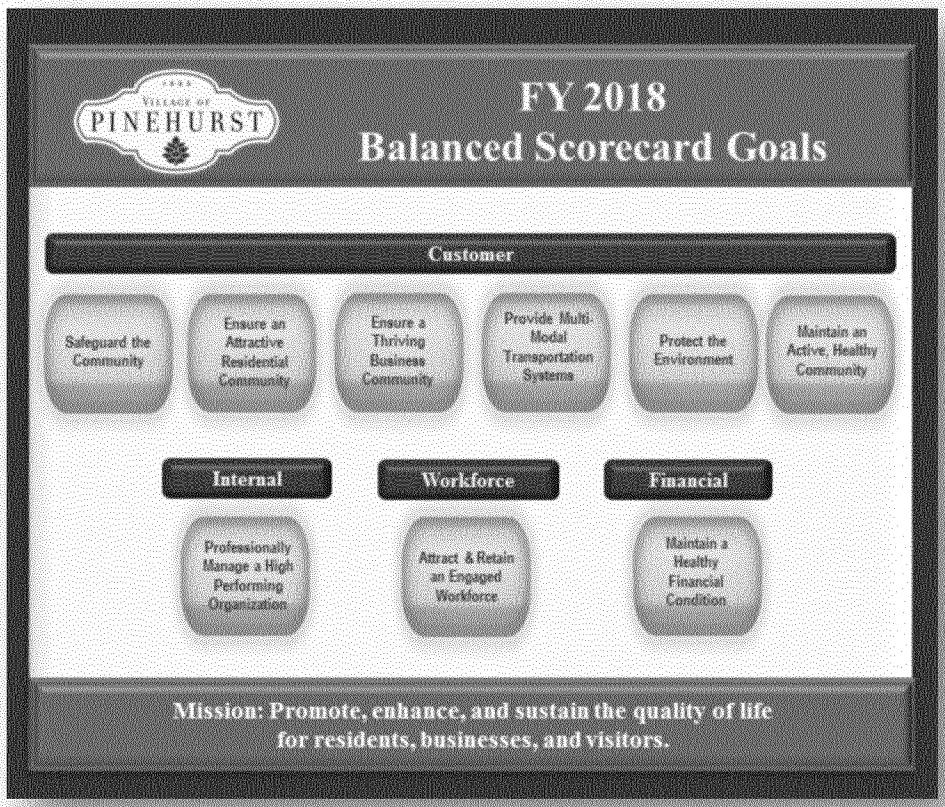
The Village uses a Balanced Scorecard (BSC) to integrate strategic planning and resource allocation. The BSC contains goals, objectives, and key performance indicators in four perspectives to ensure a balanced approach to evaluating the achievement of organizational strategy:

1. Customer
2. Internal
3. Workforce
4. Financial

FY 2018 Balanced Scorecard

FY 2018 Goals

The FY 2018 Balanced Scorecard contains 9 strategic goals in the four perspectives.



FY 2018 Areas of Focus

Each balanced scorecard goal has one or more strategic objectives. Strategic objectives indicate how we will achieve the Village goals. In FY 2018, the Village Council identified four strategic objectives as Areas of Focus AOF:

1. Guide appropriate growth and redevelopment,
2. Provide interconnected greenway trails, bike paths, and sidewalks,
3. Maintain high quality streets, and
4. Provide recreation programs, leisure activities, and cultural arts events for all ages.

FY 2018 Initiative Action Plans (IAPs)

Status of FY 2018 Initiative Action Plans at December 31, 2017

The 2018 Strategic Operating Plan originally included 13 Initiative Action Plans (IAPs) for FY 2018. Initiative Action Plans are those defined and measurable activities needed to accomplish our strategic objectives that involve a significant amount of financial and/or staff resources or have a significant community impact over the five-year period. The status of FY 2018 IAPs and indication if metrics projections were achieved in Q3, including one IAP that was carried forward from the previous year are indicated in the table below:

			Q3 FY 2018 IAP Status		
	Goal	IAP Description	IAP Status	Q3 Comments	Metrics Proj. Met
Customer	Safeguard the community	Traffic Pre-emption Program		District office is working with the vendor to determine a timeframe to complete installation planned pre-emption devices.	
	Ensure Pinehurst is a premier residential community	Community Aesthetics		Work with NCDOT on multi-phased landscaping plan for Hwy 211 is on schedule.	
		Long range Comprehensive Plan and Land Use Analysis (Combined) AOF		Council awarded and executed a contract with Town Planning and Urban Design Collaborative to facilitate the Long-Range Comprehensive Plan in Q3.	
	Ensure a thriving business community	Commercial Streetscape Enhancements		Completed streetscape enhancements on Magnolia and McIntyre Roads as scheduled.	
	Provide multi-modal transportation systems	Transportation Improvements		Collaborated with NCDOT in Q3 on Moore County Comprehensive Transportation Plan.	
	Maintain an active, healthy community	Recreation Facilities AOF		Community Center preliminary site plan and exterior elevations were presented to the public & Council for review; Held a public Input meeting on 3/22/18.	
Internal	Professionally manage a high performing organization	Transparent Operations		Due to staff workloads and higher priority initiatives, this IAP to post public performance dashboards on the Village website will be postponed to FY 2019.	
		Permitting & Inspections Process Improvements		Conducted permit and inspection software evaluations and finalized BIRDIE team recommendations in Q3.	
		Civic Engagement (CARRYFORWARD)		Created and published the Getting Involved Learning Guide in Q3; Two more guides are planned by the end of FY18.	
Workforce	Attract & retain an engaged workforce	Learning and Development System		Village Managers did not complete identification of key knowledge, skills, and abilities of Department Head positions and conduct skills gap analysis for identified successors. Plan to complete in Q4.	
		Incentive Reward		Incentive reward funding for FY19 has been removed as a result of Council not approving in January. Staff will reevaluate and amend proposal in FY19 for implementation in FY20.	

IAPs listed in red are FY 2018 Village Council Areas of Focus.

This quarter, Village staff is proposing to remove the Incentive Reward IAP. Based on Council discussions in January, Village staff propose to reevaluate the incentive reward proposal as part of an overall review of compensation policies in FY 2019. Because this will be classified as a project in FY 2019 instead of an IAP, staff recommends deleting the IAP at this time. The IAP status table below excludes this IAP.

Of the three IAPs that are not on schedule at the end of Q3, two have been delayed primarily due to a lack of staff capacity to complete the IAPs as scheduled. The other is not on scheduled due to delays in NC Department of Transportation (NCDOT) responding to the Village's request to install traffic pre-emption devices.

IAP Status at 03/31/17		# of IAPs	% of IAPs
In progress; NOT on schedule		3	30%
In progress; on schedule		6	60%
Completed		1	10%
	TOTAL	10	100%
Metrics Projections Met at 03/31/17		**# of IAPs**	**% of IAPs**
Achieved projected performance		5	50%
Did not achieve projected performance		5	50%
	TOTAL	10	100%

Initiative Action Plans Metrics at March 31, 2018

Of the 10 remaining IAPs for FY 2018, the Village did not achieve the metrics goals for half of them in Q3. The results presented below are only for Q3 and are not year to date results.

IAP Description	IAP Metric	Q3 Projection	Q3 Actual
Traffic Pre-emption	% of emergency calls with a response time of 6 minutes and 30 seconds for first due apparatus	71%	66%
Long Range Comprehensive Plan and Land Use Analysis	$ value of non-residential development permitted	$1,915,000	$1,303,000
Recreation Facilities	Residents recreation program participants as a % of population	14.3%	13.4%
Transparent Operations	Action plan status on schedule	Yes	No
Learning and Development System	% of vacancies filled with internal candidates	35%	0%

Village Managers and Department Heads reviewed the status of FY 2018 IAPs and metrics at their Quarterly Strategy Session on May 2nd to help ensure the Village's projected performance is achieved in FY 2018. Some observations from this quarterly review include:

1. Based on Council direction received in January, staff recommends removing the Incentive Reward IAP for FY 2018 and handling it as a project in FY 2019.
2. Staff proposes to postpone or delay the implementation of public performance dashboards on the Village website that was planned for FY 2018 to FY 2019 due to limited staff capacity. This is included in the Transparent Operations IAP.
3. Staff expects all other IAPs to be completed on schedule by year end, with the exception of Traffic Pre-Emption installation planned due to delays of NCDOT.

RESOLUTION #18-12:

A RESOLUTION REGARDING RE-APPOINTMENTS TO THE PINEHURST HISTORIC PRESERVATION COMMISSION.

THAT WHEREAS, the Village of Pinehurst has established an Historic Preservation Commission as authorized by North Carolina General Statutes, Chapter 160A, Article 19; and

WHEREAS, the terms of Mr. Jim McChesney and Ms. Molly Gwinn expire on May 31, 2018; and

WHEREAS, Mr. McChesney, Ms. Gwinn, and the Village Council of Pinehurst are desirous of them continuing to serve as members of the Historic Preservation Commission.

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a regular meeting assembled this 8th day of May, 2018, as follows:

SECTION 1. That the following re-appointments are hereby made to the Historic Preservation Commission for the term indicated:

Mr. Jim McChesney is re-appointed as a member of the Historic Preservation Commission, effective May 31, 2018, said term to expire May 31, 2020.

Ms. Molly Gwinn is re-appointed as a member of the Historic Preservation Commission, effective May 31, 2018, said term to expire May 31, 2020.

SECTION 2. That the appointees shall continue serving until a replacement is appointed and qualified.

THIS RESOLUTION passed and adopted this the 8th day of May, 2018.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

_____
Lauren M. Craig, Village Clerk

Approved as to Form:

_____
Michael J. Newman, Village Attorney

DRAFT

OCA

DEVELOPMENTAL DATA BLOCK

CURRENT ZONING: PC

STRUCTURE SHALL BE A 19,574 SF COMMUNITY CENTER

SITE IS NOT LOCATED IN A FEMA FLOOD AREA PER FEMA MAP 3710856200J, EFFECTIVE ON 10/17/2006.

REQUIRED PARKING:
RECREATION FACILITIES, INDOOR
1 PER 200 SF OF GROSS FLOOR AREA PLUS 1 PER EMPLOYEE OF LARGEST SHIFT.
19574/200 = 98 SPACES
LARGEST SHIFT = 16 (PER VILLAGE OF PINEHURST)
TOTAL REQUIRED = 114 SPACES

PROPOSED PARKING:
5 HANDICAP SPACES
109 REGULAR SPACES
TOTAL 114 SPACES (44,135 SF ASPHALT PAVEMENT)

EXISTING PAVEMENT ON SITE SHALL BE REMOVED. PROPOSED PAVING AS PER PLAN.

PRELIMINARY DRAWING
NOT FOR CONSTRUCTION

NO.	DATE	BY	REVISION DESCRIPTION

McGill ASSOCIATES
ENGINEERING·PLANNING·FINANCE
5 REGIONAL CIRCLE, SUITE A PINEHURST, NC 28374 PH: (910) 295-3159 FIRM LICENSE # C-0459

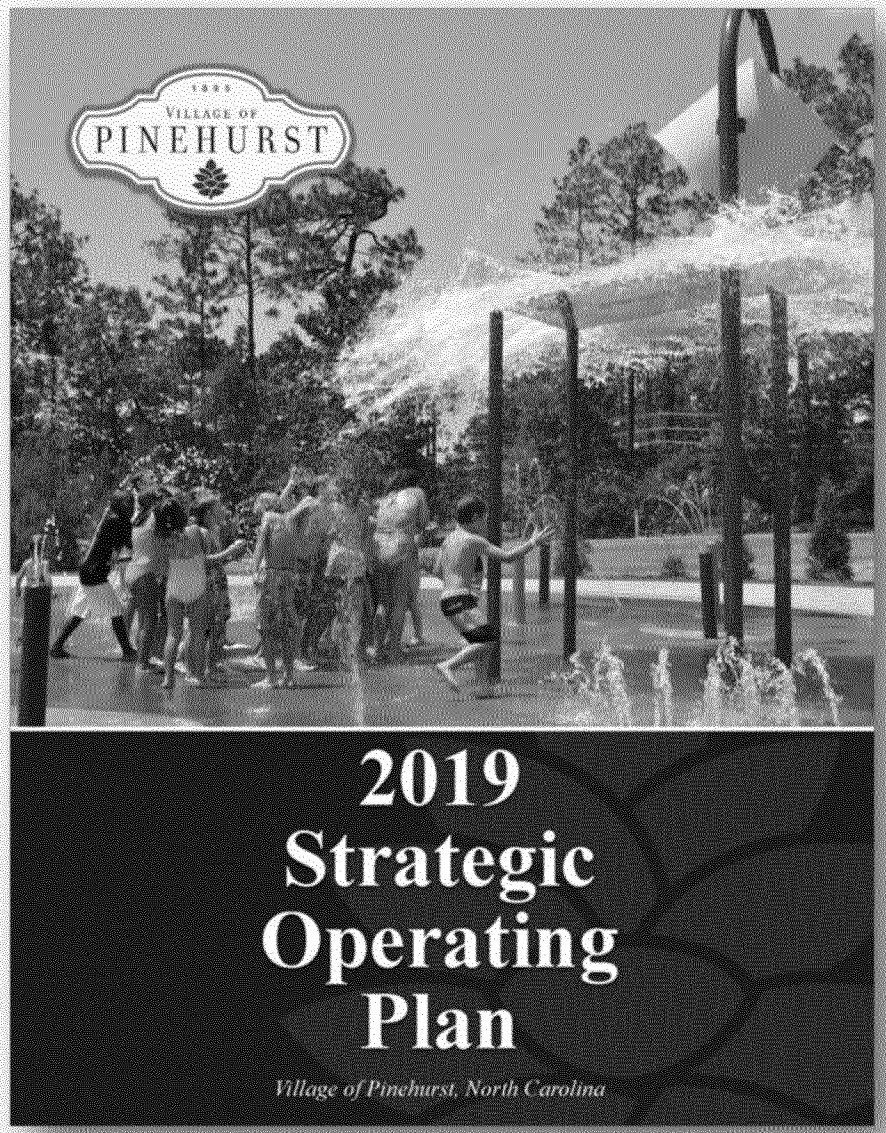
PINEHURST COMMUNITY CENTER
CANNON PARK
PINEHURST, NORTH CAROLINA

JOB NO.: 17.04028
DATE: APRIL 2018
DESIGNED BY: MSA
CADD BY: WW
DESIGN REVIEW: ____
CONST. REVIEW: ____
17.04028 Prelim Concept Plan.dwg

PRELIMINARY CONCEPTUAL PLAN

SHEET
C-101

L:\Drawings\2017\17.04028\Design\Civil\Drawings\17.04028 Prelim Concept Plan.dwg 5/3/2018 10:55 AM WYNN WILSON



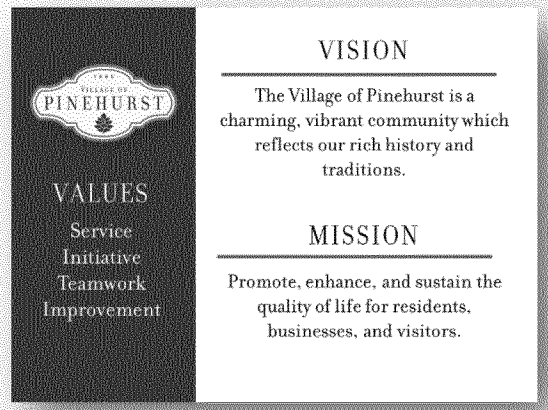
Presentation of the

FY 2019
Strategic Operating Plan

May 8, 2018

What we will cover:

1. Council's strategic direction
2. Key components of the Strategic Operating Plan (SOP)
3. FY 2019 Budget
4. FY 2019-2023 Financial Forecast for
5. Next steps



Council’s Strategic Direction

Council's Strategic Direction

- Discussed in *Strategic Priorities* Section (pgs. 36-62)
- Indicates:
  - Strategic planning process
  - FY 2019 Balanced Scorecard (BSC), with Areas of Focus (AOF)
  - Initiative Action Plans (IAPs) to address strategic goals & objectives
  - Key process evaluations planned
  - Historical and projected performance, given resources allocated in the SOP

FY 2019 Strategic Operating Plan

FY 2019 Strategic Operating Plan addresses the strategic opportunities and challenges indicated by the Village Council in January 2018.

Strategic Opportunities (In Order of Priority)	Strategic Challenges
1. Plan for the long term future of the Village 2. Create a vibrant retail center in the Village 3. Expand cultural & recreational programs and activities 4. Partner and collaborate with others on regional issues 5. Utilize technology to improve services 6. Create a pedestrian friendly community 7. Develop future leaders	1. Responding to increased demand for services and changing needs due to growth 2. Managing the impact of growth on the character of the Village 3. Financial pressures for library support and potential school relocation 4. Changes in the housing market 5. Attracting and retaining workforce members 6. Create a walkable community

FY 2019 Strategic Operating Plan

The Village Council identified four (4) Areas of Focus (AOF) in January 2018 that are addressed in the FY19 Strategic Operating Plan.

Areas of Focus
1. Ensure quality residential development 2. Ensure quality business development 3. Maintain high quality streets 4. Provide recreation programs and events for all ages

Key Components of the Strategic Operating Plan

Key Components of the Strategic Operating Plan

- Budget in Brief
- Budget Message
- Strategic Operating Plan Guide
- Strategic Priorities
- General Fund
- Capital Project Fund (Community Center Project)
- Five-Year Financial Forecast
- Capital Improvement Plan

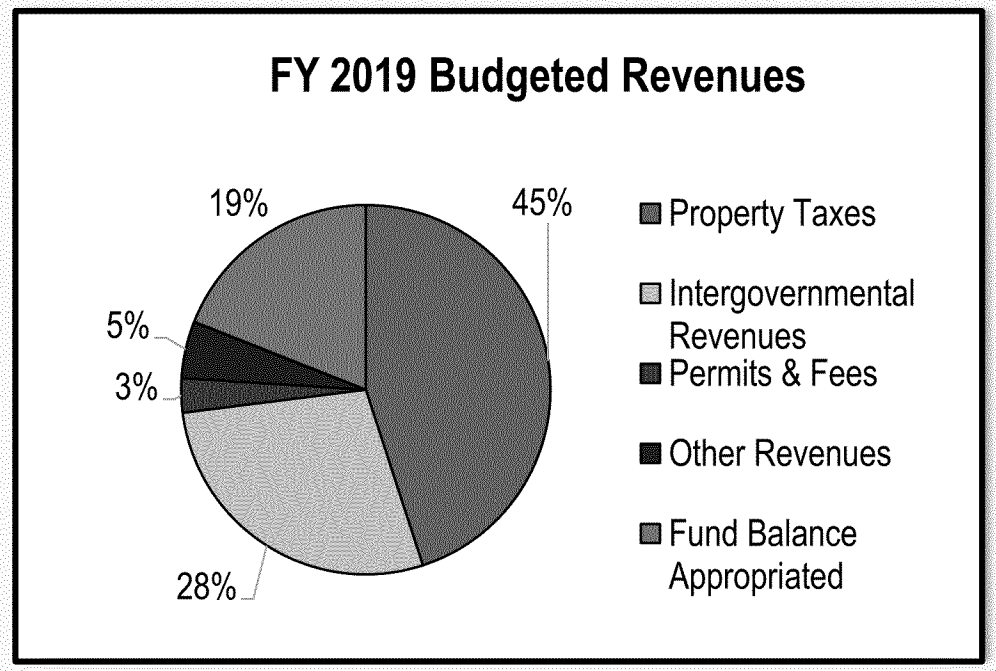
FY 2019 Budget

FY 2019 General Fund Budget Overview:

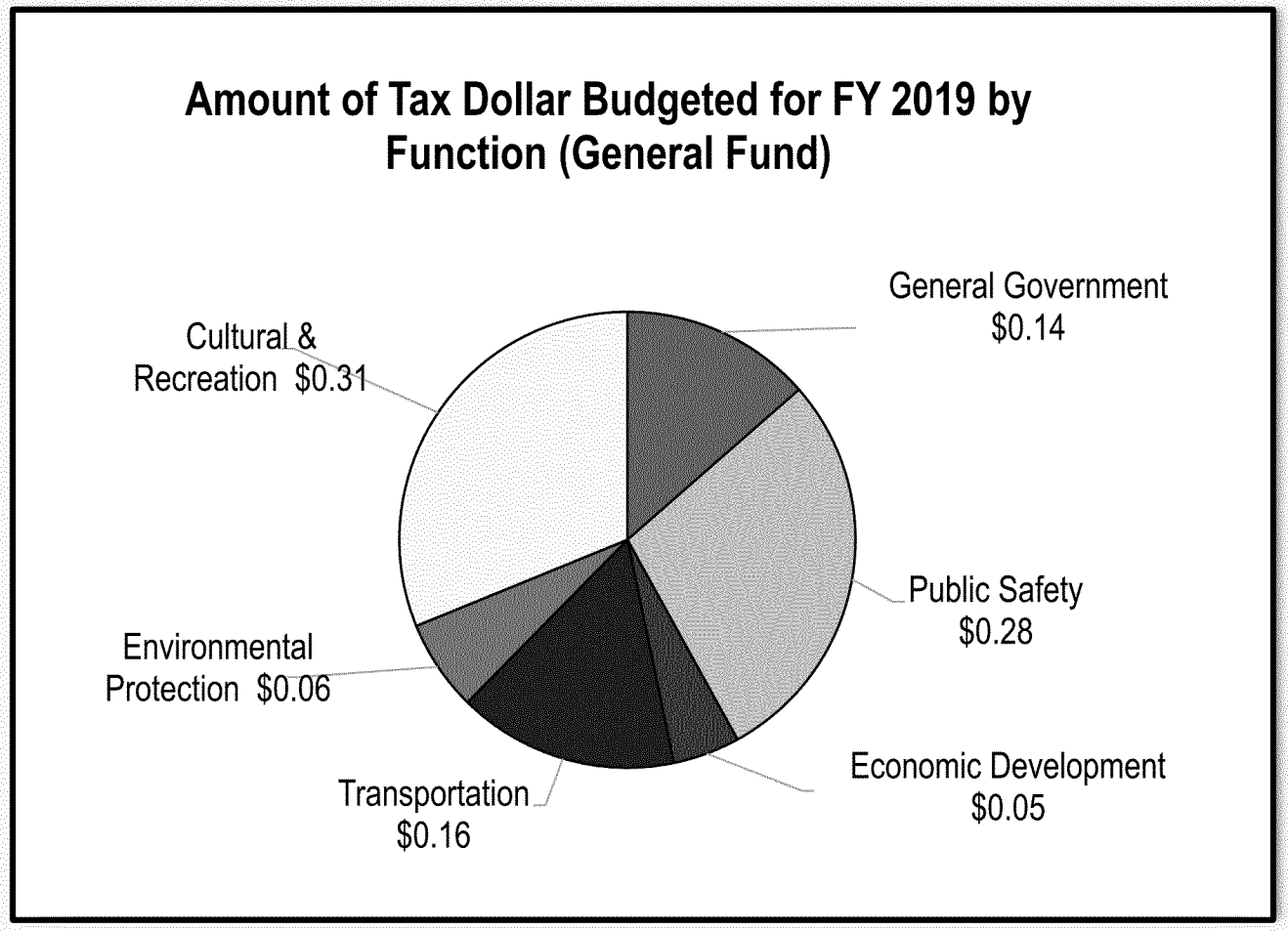
- $22.5 million budget, 12% higher than the amended FY 2018 Budget
- Consistent property tax rate of $0.295
- Includes $4.2 million of appropriated fund balance (savings) - $4 million is to fund construction of the Community Center so no financing is needed
- Expect ending fund balance of 32.3% of expenditures
- Eight (8) Initiative Action Plans (IAPs) at a cost of $4.6 million

FY 2019 General Fund Revenues:

- Assumes 120 new homes and a 1.55% growth in the real property tax base
- Assumes 4.3% growth in sales tax receipts over FY18 budget

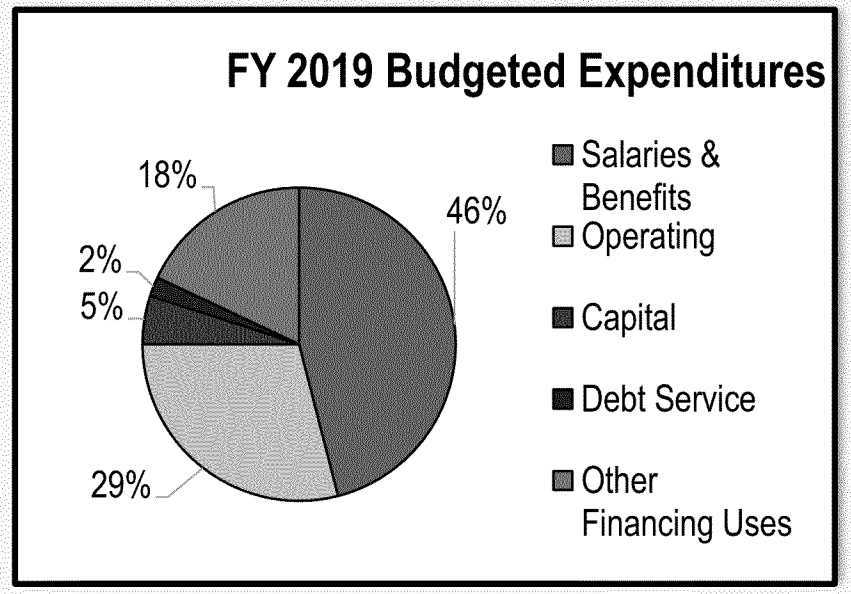


FY 2019 Strategic Operating Plan



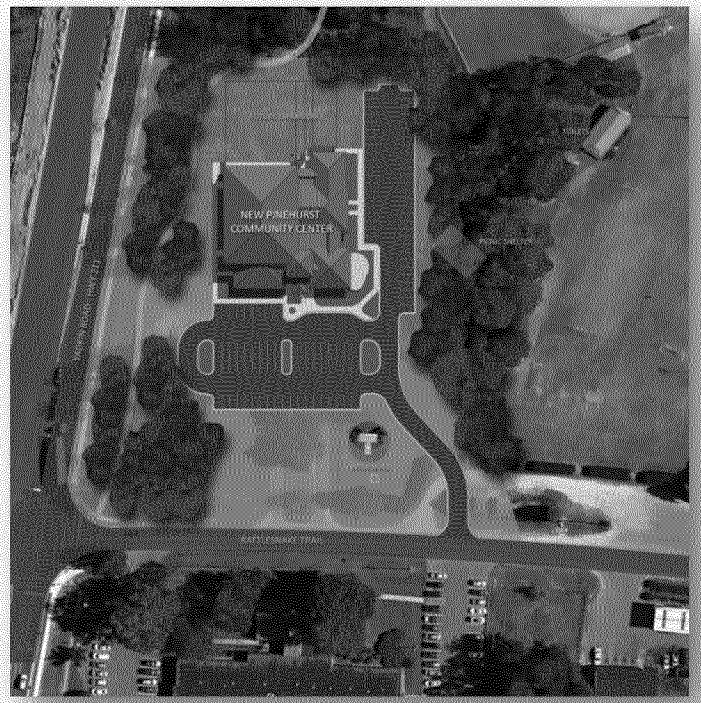
FY 2019 General Fund Expenditures:

- Merit pay raises at 3% average
- 2 new full-time equivalents (FTEs): Maintenance Technician (1.0) and Performance Management Director (1.0)
- VOP pays 100% of employee health/dental insurance
- Continue 5-year phase out of dependent care health insurance subsidy; Estimated 10% increase in premiums
- Increased street maintenance funding by 26%, or $270,000
- $100,000 contingency for potential increase in Library support
- $4,068,000 transfer to Community Center Capital Project Fund



Significant FY 2019 Capital ($1.1 million)

- $160,000 – Storm drainage projects
- $121,000 – Sewer jet and vacuum trailer
- $105,000 – 3 Police vehicles
- $100,000 – Paving of Cannon Park parking lot
- $95,000 – Wicker Park playground equipment
- $72,900 – Skid-steer loader and mower



Capital Project Fund

- $4,068,000 transfer for Community Center construction

FY 2019–2023 Five-Year Financial Forecast

Five Year Financial Forecast (pgs. 136-142)

Includes:

- Staffing forecast
- Inflationary increases in operating costs
- Capital improvement plan
- Projected impact of significant capital expenditures on future operating costs

Key Highlights of FY 2019-2023 Financial Plan:

1. Tax rate of $0.295 in FY 2019; Revenue neutral rate of $0.28 in FY 2020-2023
2. No financing needed for $4.1 million Community Center construction
3. Increased annual street maintenance funding by 26%, or $270,000
4. 4.0 new FTEs in the five-year period
5. $1.2 million included in FY 2020-2023 for pedestrian facilities

FY 2019 Strategic Operating Plan

Five Year Financial Forecast					
	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023
Tax Rate per $100 valuation	**$0.295**	**$0.28**	**$0.28**	**$0.28**	**$0.28**
General Fund Operating Revenues	$18,302,680	$19,627,000	$18,928,000	$19,151,000	$19,449,000
General Fund Operating Expenditures	17,364,660	17,695,596	18,110,191	18,467,168	18,961,272
Operating Income(Loss)	$ 938,020	$1,931,404	$ 817,809	$ 683,832	$ 487,728
Transfer to Community Center Capital Fund	4,068,900	-	-	-	-
Capital Expenditures	1,118,500	1,632,000	2,346,500	1,344,500	1,290,500
Total Expenditures	$22,552,060	$19,327,596	$20,456,691	$19,881,668	$20,251,772
Budget to Actual Variance *	1,035,252	1,065,450	1,089,990	1,112,268	1,142,554
Projected Actual Gain/(Loss)	**$(3,214,128)**	**$1,364,854**	**$(438,701)**	**$451,601**	**$339,781**
Projected GF Balance as a % of Total Exp.	**32.3%**	**44.8%**	**40.1%**	**43.7%**	**44.5%**

FY 2019 Strategic Operating Plan

BSC Goal	Initiative Action Plan (IAP) Name	Initiative Action Plan (IAP) Description	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
Safeguard the Community	Police Department Accreditation	Seek national accreditation for the Police Department by FY 2022	$18,450	$3,300	$3,300	$3,300	$7,365	$35,715
	EMS Facility Relocation	Partner with Moore Co. to relocate EMS to Rassie Wicker Park		$380,000	($33,000)	($33,000)	($33,000)	$281,000
Ensure and Attractive Residential Community	**Long-Range Comprehensive Plan AOF**	**Prepare the 2035 Long-Range Comprehensive Plan**	**$205,000**	**$5,000**				**$210,000**
Ensure a Thriving Business Community	**Streetscape Enhancements AOF**	**Install streetscape enhancements on McCaskill and Magnolia Roads**		**$115,000**	**$46,000**	**$76,500**	**$131,500**	**$369,000**
Provide Multimodal Transportation Systems	Pedestrian Connectivity	Construct pedestrian facilities in the Village			$440,000	$400,000	$400,000	$1,240,000
	Street Lighting AOF	**Increase neighborhood street lighting**	**$3,610**	**$12,630**	**$13,700**	**$16,580**	**$19,460**	**$65,980**
Maintain an Active, Healthy Community	**Recreation Facilities AOF**	**Construct a Community Center, renovate Rassie Wicker Park playground, improve Cannon Park parking, and update P&R masterplans**	**$4,355,880**	**$103,460**	**$167,170**	**$111,180**	**$115,280**	**$4,852,970**
Professionally Manage a High Performing Organization	Permit & Inspection Process Improvements	Acquire new permitting and inspections software and implement other BIRDIE team recommendations	$36,400	$37,500	$38,600	$39,800	$41,000	$193,300
	National Baldrige Award	Submit an application for the National Baldrige Award in FY 2020	$5,000	$16,000	$35,000			$56,000
Attract & Retain an Engaged Workforce	Succession Planning	Implement a formalized Village-wide succession plan						-
AOF – Addresses Council Areas of Focus		**TOTAL NET COST**	**$4,624,340**	**$672,890**	**$710,770**	**$614,360**	**$681,605**	**$7,303,965**

FY 2019-2023 Planned Capital Expenditures

	FY 2019	FY 2020	FY 2021	FY 2022	FY 2023	TOTAL
Capital Projects	$ 4,068,900	$ -	$ -	$ -	$ -	$ 4,068,900
Fleet	380,900	708,000	1,482,000	584,000	593,000	3,747,900
Information Technology	42,000	64,000	92,000	135,000	17,000	350,000
Other Capital Improvements	695,600	860,000	772,500	625,500	680,500	3,634,100
Total Capital Exp. Paid with Cash	**$ 5,187,400**	**$ 1,632,000**	**$ 2,346,500**	**$ 1,344,500**	**$ 1,290,500**	**$ 11,800,900**
Additional Debt Service	-	-	-	-	-	-
Net Annual Operating Impact	16,980	103,460	75,170	79,680	83,780	359,070
General Fund Impact	**$ 5,204,380**	**$ 1,735,460**	**$ 2,421,670**	**$ 1,424,180**	**$ 1,374,280**	**$ 12,159,970**

FY 2019 Strategic Operating Plan

- Based on employee, volunteer, & Council input, identified 104 different **Opportunities for Innovation & Improvement** that are scheduled for FY 2019-2023
- Plan to conduct 15 evaluations in FY 2019-2023 (3 BIRDIEs and 12 ACEs) to ID ways to improve processes and service delivery
- Also in FY19, will implement Permitting & Inspections BIRDIE recommendations and evaluate the PD Staffing BIRDIE results

BIRDIE

- **B** Bring the opportunity forward
- **I** Investigate the opportunity
- **R** Review potential solutions
- **D** Determine the solution
- **I** Implement the solution
- **E** Evaluate the solution

BIRDIEs	
FY19-20	Fire Department Staffing
FY20	Insourcing Solid Waste
FY21	Document Imaging

ACEs	
FY19-FY20	Maintenance of diesel vehicles
FY20	Police dispatch processes
FY20	Fair Barn part-time staffing
FY20	Solid waste return pickups
FY20	Automated timesheets
FY20	Insourcing road patching
FY20	Agenda software
FY21	Meeting facility rentals
FY21	Purchasing processes
FY22	Mobile technology for Public Services
FY22	Automation of accounts payable
FY22	Performance management system

Next Steps

Next Steps:

KEY Dates	
May 14th	Budget Work Session at 2:00 pm in Council Conference Room
May 16th	Budget Work Session at 2:00 pm in Council Conference Room
May 22nd	Budget Public Hearing
June 12th	Adopt the Budget

When would Council like to post an Open Village Hall topic on the Strategic Operating Plan?

OCA

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