VILLAGE COUNCIL
AGENDA FOR WORK SESSION OF FEBRUARY 14, 2017
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA

4:30 P.M.

1. Call to Order.

2. Presentation by Bob Klug and Gene Maples on the Midland Road Corridor Study.

3. Discussion on downtown parking in the Village of Pinehurst.

4. Presentation of Quarterly Financial Statements for the Quarter Ended December 31, 2016

5. Presentation of Mid-Year Financial Projections and Budget Amendment

6. Village Council's work session discussion.

7. Review the preliminary list of items for the 2/28 Regular Meeting agenda.

8. Adjournment.

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: Competent, Courteous, Professional, and Responsive.

PRESENTATION BY BOB KLUG AND GENE MAPLES ON THE MIDLAND ROAD CORRIDOR STUDY.

ADDITIONAL AGENDA DETAILS:

FROM:
Lauren Craig

CC:
Jeff Sanborn

DATE OF MEMO:
2/10/2017

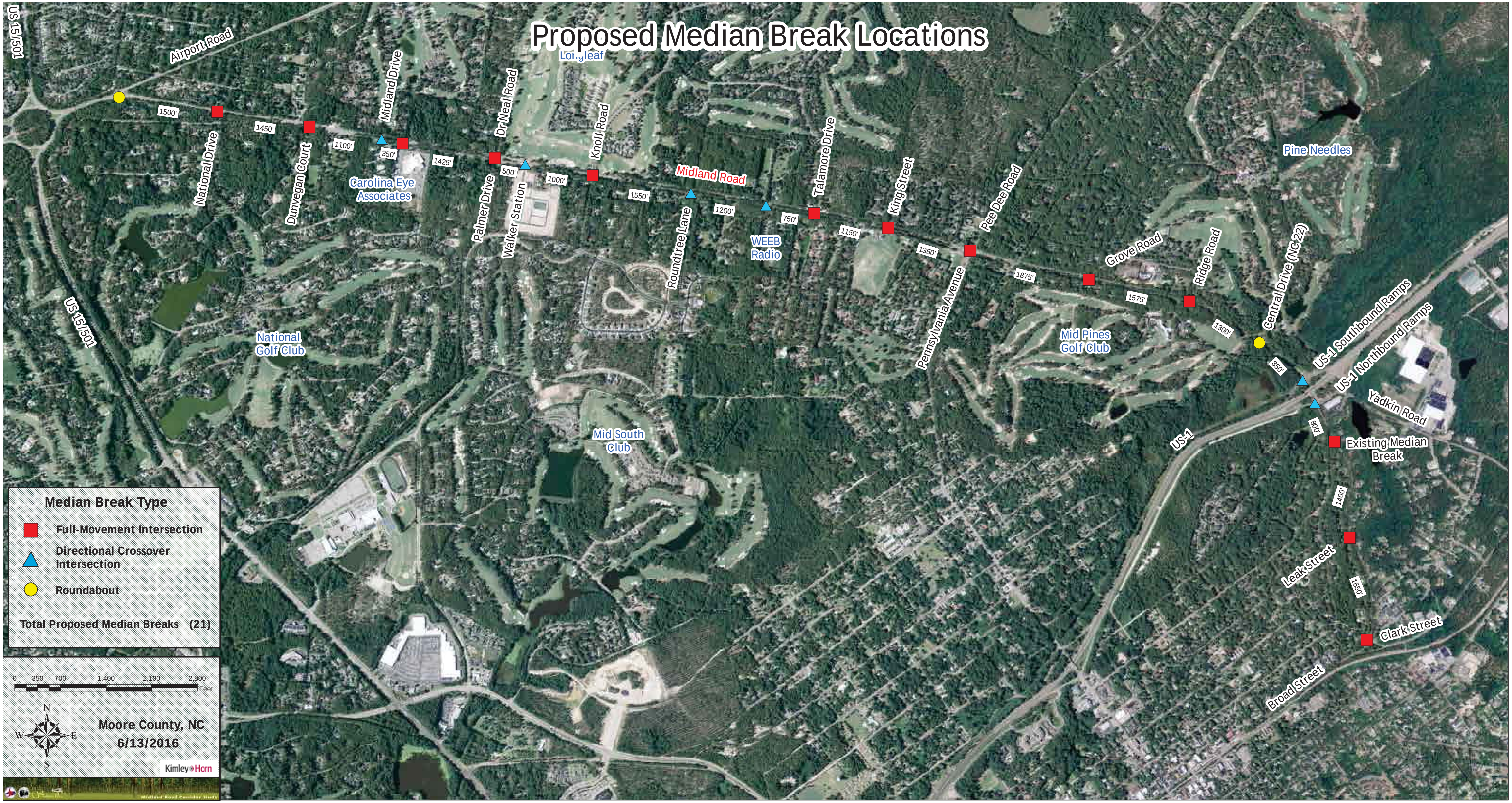
MEMO DETAILS:
Attached are items related to the presentation.

ATTACHMENTS:

Description

- Midland Road Corridor- DOT Proposed Median Breaks
- Midland Road Citizens Group Notes Report
- SP Council Ponders Midland ChangesLaura Douglass

Figure 4.1



Proposed Median Break Locations
US 15/501
Airport Road
Midland Drive
Dr Neal Road
Longleaf
Knoll Road
Talamore Drive
King Street
Pee Dee Road
Pine Needles
National Drive
Dunvegan Court
Carolina Eye Associates
Palmer Drive
Walker Station
Midland Road
Roundtree Lane
WEEB Radio
Pennsylvania Avenue
Grove Road
Ridge Road
Central Drive (NC-22)
US-1 Southbound Ramps
US-1 Northbound Ramps
Yadkin Road
US-1
Existing Median Break
Mid Pines Golf Club
National Golf Club
Mid South Club
Leak Street
Clark Street
Broad Street
1500'
1450'
1100'
350'
1425'
500'
1000'
1550'
1200'
750'
1150'
1350'
1875'
1575'
1300'
850'
800'
1400'
1650'
Median Break Type
Full-Movement Intersection
Directional Crossover Intersection
Roundabout
Total Proposed Median Breaks (21)
0 350 700 1,400 2,100 2,800 Feet
N
W E
S
Moore County, NC
6/13/2016
Kimley»Horn

Midland Road Citizen's Group Notes & Report
to the Southern Pines Town Council Work Session
January 23, 2017

Citizen's Group recommendations & comments are as follows:

Phase 1

Build the roundabouts at NC 22 ● and at Airport Road ● as designed

Improve the US 1 ramps at Midland Road ▲▲ as designed

Lower the speed limit to 35 mph. Midland Road is a scenic and natural treasure for this area. Lowering the limit for the area from US Hwy 1 to the area east of Airport Road where the speed limit is 35 mph is 3.5 miles. At 35 mph this distance can be covered in 6 minutes while at 45 mph it takes 4.40 minutes. In other words dropping the speed limit to 35 mph only adds less than a minute and a half to the trip.

There are seven speed limit signs to change.

Even with only occasional deterrent enforcement, motorists tend to drive within about 10 mph over the posted limit according to law enforcement

Then study the resulting safety data for 2-3 years to see the improvement.

It is also important to note that the Kimley-Horn report seems to do little to address the car vs tree crash data which is about half of all the crashes. Did you know that if a car traveling at 45 crashes, the same car traveling at 35 could have avoided the same crash by at least 15 feet? Do the math.

Authorize and place a corridor overlay.........

Phase 2

Authorize and place a corridor overlay to prevent any additional median crossovers and tree loss other than the crossovers listed below.

Strongly endorse converting Clark Street to US Hwy 1 to a two lane cross section with bike-ped lanes as designed

Strongly endorse closing all of the individual median "cut throughs" whether paved or unpaved Doing so however will require a series of authorized crossovers not to exceed those shown here:

Each of the median breaks noted on page 13 of the K-H report represents the median being cleared of trees for 500 or more feet and the addition of left turn lanes.

■Red spots (squares) designate Full Movement Intersections
▲Blue spots (triangles) designate Directional Crossover Intersections ('left over' movement)
●Yellow spots (circles) designate Roundabouts

At this point we will be navigating from East to West with the aid of Google Earth "driving" at street level.......

Clark Street - 150' existing median opening is adequate if re-paved to 150' for full movement (no turning lanes) - just re-pave it.

An important part of closing all of the individual "cut throughs", in effect creating a "super street" of sorts, is the time in seconds it will take to pull out - right only - and travel to the nearest crossover if wishing to turn left and proceed in the opposite direction. After leaving the Methodist Church area, our first experience like that would be at Clematis Road. The turn-back time to the Leak Street crossover is 24 seconds.

Leak Street - 150' paved crossover, no turning lanes added
Westbound to the Crestview turn-back 32 seconds

Crestview Road - existing paved crossover OK - take out 4 trees for sight distance

Ridge Road @ Pine Needles - 150' paved crossover; or 200' to include Mid Pines east driveway

Grove Road & Fairway Drive - Leave as-is for now. Or combine them into one intersection

Pee Dee Road & Pennsylvania Avenue - OK as-is. But study the merit of a roundabout here

King Street - eliminate

Knollwood Driving Range - one 150' paved consolidated crossover, no turning lanes added

Talamore Drive - eliminate

WEEB - eliminate

Pinefield Court - (new) 150' paved crossover, no turning lanes added

Roundtree Lane - eliminate

The longest turn-back time I found was from Cardinal Rd. to turn back at Pinefield - 37 seconds

Knoll Road - OK as-is - it has over 500' of big highway type clearing

Walker Station - eliminate

Palmer Drive & Dr. Neal Road - 150' paved crossover existing . OK as-is.

Carolina Eye/Midland Bistro/Ironwood Café - This one is very complex, should be consolidated somehow and will require multiple property owners cooperating. This one is a must-see on the ground

Midland Drive - eliminate

Broadhurst Gallery & Pinehurst Area Realty - leave existing extended paved crossover as-is

Dunvegan Court - eliminate

National Drive - OK as-is

Phase 3

It should be mentioned that the recommended sidewalk or paved path would lead to the removal of even more trees than are currently slated with the roadway suggestions made by Kimley Horn. To suggest a ten foot wide sidewalk for the four mile study area seems excessive for a non-urban setting. A path similar to the others in the area's Greenway System would seem more appropriate and save numerous trees.

Better still would be to consider at some future time the two lane concept recommended for the eastern most roadway section.

Final Thoughts

Midland Road is a significant treasure like no other. Its historical and scenic importance cannot be overstated - but can easily be destroyed forever - simply by trying to move more traffic faster.

The phased approach suggested here allows a timely, deliberate approach that includes safety and a level of service, of course....but also allows an opportunity to evaluate wise, conservative improvements....while minimizing negative effects.

Finally and most importantly, please keep in mind that Midland Road was conceived, designed, and built to be a parkway - not a speedway. From us to you: May it forever be!

SP Council Ponders Midland Changes
Laura Douglass, Staff Writer The Pilot Wed., Jan. 25, 2017

The future appearance and flow of Midland Road — the subject of intense scrutiny for two years — is not about to be resolved anytime soon.

Known as the state's first divided highway, Midland is a key connector between Southern Pines and Pinehurst, and the tall longleaf pines that line and overstretch the road hearken to a bygone era. Were it built today, Midland wouldn't have a tree near it, and certainly not in an unprotected median.

On Monday, the Southern Pines Town Council considered — but did not act on — a plan developed by a citizens committee. This plan was presented as an alternative to recommendations offered in November by local transportation planners.

The goal these past few years has been to improve safety on the four-lane road while also maintaining the aesthetic of its scenery. Consulting firm Kimley-Horn was hired in 2015 by the state Department of Transportation (DOT) to evaluate the road, meet with interested stakeholders, and develop potential improvements.

Engineers recommended a mix-and-match approach for problem areas along the four-mile stretch between the Pinehurst Traffic Circle and Clark Street in Southern Pines. That 51-page study and map of proposed changes is available online at
http://nc-southernpines.civicplus.com/DocumentCenter/View/4173

Following the engineers' November presentation, Southern Pines resident Gene Maples marked every tree in the Midland corridor's median that would be removed if the recommended intersections, crossovers and roundabouts proposed by the Kimley-Horn plan were approved. In total, he flagged 328 trees.

"We want to offer you some examples of creative thinking. We are not engineers. We are constructive, creative-thinking citizens who are concerned about the integrity of Midland Road," Maples said. "What you will hear is not consensus of our group but various ideas from our working group."

Maples said any effort on Midland Road will require a coordinated effort between Pinehurst and Southern Pines and cautioned the town leaders that they will need courage to make the hard decisions ahead.

"You're not going to make everybody happy but we want to be a part of your creative thinking," he said.

The group proposed a phased plan that provides ample time between decisions. The idea is to first establish priority improvements and then a period of analysis to consider what positive impact these changes have made. A secondary phase would not automatically kick in, but rather only if deemed necessary.

Phase one priorities include lowering the speed limit to 35 mph — much of it is currently 45 — for a consistent, slower pace along the entire road length; developing a corridor overlay to protect the median from future crossovers; and building two roundabouts and U.S. 1 ramp improvements as recommended by Kimley-Horn.

Construction is anticipated to begin in 2018 on a roundabout at the intersection of N.C. 22/Central Avenue and Midland Road. At the same time, another project will add directional crossovers — also known as synchronized streets — at the northbound and southbound exit ramps for U.S. 1. Estimated to cost $1.3 million, the projects were prioritized for funding because of heightened safety concerns at these locations.

Kimley-Horn also recommends a second roundabout at the intersection of Airport Road and Midland Road, though specific plans, timelines and funding have not been approved yet.

“The first real impact is lowering the speed limit to 35. A lot of people agree with us on that,” Maples said. “There are also a fair number of people in the public meetings and on the committee that just want to move more people faster. I would say, in my personal opinion, that is not what Midland Road was designed to do. It is a scenic and natural treasure.”

Maples said the reduction in speed would add less than two minutes of travel time from end-to-end. The proposed improvement would also be low cost: Only seven signs would need to be changed.

Creating a corridor overlay to protect the median was also urged.

“We see this as an extraordinary creeping danger. You must find a way to prevent future crossovers that are a result of future development. There are large tracts for sale right now on Midland. As those are developed, the real problem will be that every one will be asking for or granted another crossover,” Maples said. “If allowed, there goes another stretch of trees.”

Changes in a second phase would include new limitations on turning to key intersections and reducing median openings.

Engineers and the citizens committee differ on the locations for several turn-around points, and the plan presented on Monday would preserve more trees.

“You have to be really careful what you wish for,” Maples said. “This is a work in progress but our committee wanted to give the council a place to begin thinking.”

Maples will present the alternative plan to the Pinehurst Village Council on Tuesday, Feb. 14.

DISCUSSION ON DOWNTOWN PARKING IN THE VILLAGE OF PINEHURST.

ADDITIONAL AGENDA DETAILS:

FROM:
Jeff Sanborn

DATE OF MEMO:
2/9/2017

MEMO DETAILS:
Staff will lead a discussion regarding downtown parking in the Village of Pinehurst.

ATTACHMENTS:

	Description
🗋	2008 Parking Memo
🗋	2008 Cost Benefit
🗋	Downtown Parking Availability Map-aerial
🗋	Downtown Parking Spaces Available

Village of Pinehurst

Memo

To: Andy Wilkison

From: John Frye

CC: Natalie Dean; Ronnie Davis; Becky Jensen

Date: February 8, 2008

Re: Overtime Parking in the Village Core

The Municipal Code Section 7-3.5 establishes parking time limitations on selected streets, primarily in the downtown or Village Core area. Over the past few weeks, Becky Jensen has reviewed the process of issuing overtime parking tickets and prepared the attached cost benefit analysis.

The analysis outlines the process from the monitoring of time that vehicles are parked in the designated areas by the Police Department to the billing and collection of the fines by Financial Services. The costs associated with these activities are accumulated in the report as well.

If a cost benefit analysis were the only measure applied to the practice, we would definitely recommend abandoning the practice, however, there are other concerns and stakeholders to consider. Merchants in the Village Core are the most directly affected by the practice. They may view the practice as positive since it keeps parking spaces near their businesses open for their customers or they may view it negatively if they or their customers are the one's receiving the majority of the citations. Visitors to the area and our residents are also affected. Although the original intent of this ordinance is not known, we currently want to ensure that visitors to the area have a memorable experience and that residents and merchants find the parking facilities functional.

We now are seeking your advice on how best to pursue the study of this issue with the Council, merchants and other stakeholders. Our staff is available to assist in any way you see fit. Whatever course of action we take should have the full support of the Village Core merchants and the Village Council.

Thank you for your time and consideration.

VILLAGE OF PINEHURST
PARKING TICKET PROCESS

In the spirit of continuous process improvement, the Financial Services department and the Police department evaluated the parking ticket process and together recommend that the practice of issuing tickets for overtime parking in the Core Village be discontinued. Our evaluation reveals that the cost associated with issuing overtime parking tickets far exceeds the benefits derived from this practice.

HISTORY

The Village of Pinehurst issues overtime parking tickets in the Core Village based on Village parking ordinances. According to the ordinances, parking is limited to 2 hours and only one ticket can be issued a day per vehicle. The current fee for overtime parking is $5.

PROCESS

1. VOP Police Officers walk the Core Village three times a day Monday through Friday to check parking and mark tires. Each round takes approximately one hour of an officer's time.

2. The original ticket is sent to Financial Services and a copy is retained by the Police Department (PD).

3. Financial Services has to look up the plate number to identify the correct customer account and input the parking ticket as a receivable in the accounting system. If the plate number does not already exist in the system, a request is sent to the PD to obtain the driver information based on the plate number. Under either scenario, the parking ticket is filed in an accordion file waiting for payment. Once the PD returns the driver information, a new customer account is set up in the system and a receivable is created.

4. Statements are mailed by Financial Services every other month.

5. To process a payment, the paper ticket has to be retrieved and the receivable transaction has to be cleared from the system. If a payment is received for a ticket that has not been entered in the system (see step 3 above), the payment is posted directly to revenue. The original parking ticket is filed along with the payment information in the cash receipts file.

6. On a monthly basis, Financial Services evaluates the total outstanding balance by customer. When the amount exceeds $50.00, a letter is sent to the customer informing them that their state income tax return will be garnished for the outstanding balance. If the balance is not paid, the Financial Services department has to pay an outside party to get the customer's social security number and then send the information to the NC Debt

Set-Off program for collection. Financial Services has to continually monitor the customer's account for payments and notify the NC Debt Set-Off program if a payment is received so that a duplicate payment will not be made.

7. At the end of each month, Financial Services balances the receivable account to a deferred revenue account and posts the difference to parking ticket revenue. This difference represents the payments received during the month. In addition, the receivable general ledger balance is verified against the outstanding customer sub-ledger to insure that they are in balance.

8. At the end of each quarter, Financial Services sends a check to Moore County Schools for 90% of the total revenue collected during the quarter. In addition, they verify that there is a paper ticket that matches up with an outstanding customer receivable in the system.

STATISTICS

Average number of tickets issued annually	768
Average number of payments received annually	415
Average number of tickets outstanding	474
Average receivable balance	$ 2,370
Average percent of receivable balance greater than 60 days old	87%
Plate numbers requested from PD each month	20+
New customer accounts established each month	20+
Average number of statements mailed every two months	130
Current number of accounts in Debt Set-off	5
Total number of Debt Set-off accounts collected	2
Total amount collected through Debt Set-Off	$ 245

COST

Fiscal Year	Revenue Collected	Disbursed to Schools	Net Revenue to VOP
2004	$ 5,145	$ 4,631	$ 514
2005	$ 4,800	$ 4,320	$ 480
2006	$ 3,630	$ 3,267	$ 363
2007	$ 4,793	$ 4,314	$ 479

Fiscal Year	Labor	Supplies	Total Expenditure
2004	$ 14,735	$ 125	$ 14,860
2005	$ 14,735	$ 125	$ 14,860
2006	$ 14,735	$ 125	$ 14,860
2007	$ 14,735	$ 125	$ 14,860

Labor includes:	108 hours annually by two Finance Technicians and one cashier
	260 hours annually by a Sr. Patrol Officer
	22 hours annually by a Dispatcher

Supplies include violation books and statements.

Besides the monetary cost to issuing overtime parking tickets, there is a subjective cost. The Village of Pinehurst is perceived as nickel and diming the Merchants and their customers to death and that our employees need to find something more important to do with their time than issuing and processing tickets.

BENEFIT

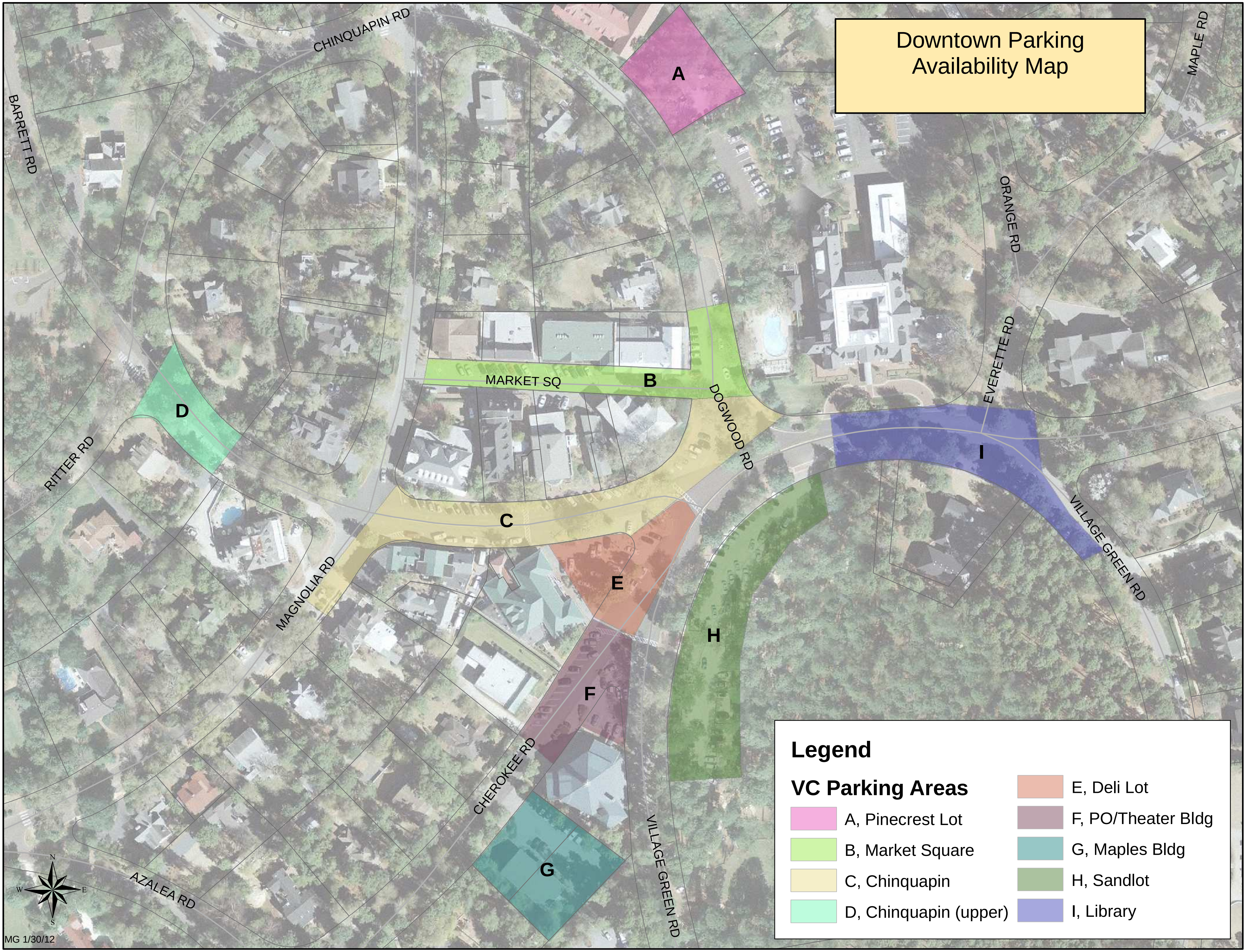
There is only one quantifiable benefit derived from issuing parking tickets which is the amount of money disbursed to Moore County Schools.

One could argue that the Merchants receive a benefit of increased customer traffic and therefore revenue because they have a place to park. However, the Merchants are receiving parking tickets on a regular/repeated basis so the availability of parking spots near their store fronts doesn't really appear to be an enticement or impediment to their business.

CONCLUSION

In order to foster a positive relationship with the Merchants in the Core Village, create an environment where residents enjoy a wonderful quality of life and visitors have a memorable experience, and save between $14,350 and $ 14,500 annually, we recommend that the issuance of overtime parking tickets in the Core Village be discontinued.

In order to advance this recommendation, we suggest that the idea be brought to the attention of the Merchants to get their feedback on the possibility of discontinuing the issuance of overtime parking tickets or implementing another more efficient and customer friendly method to promote commerce in the Core Village.



Downtown Parking Availability Map
CHINQUAPIN RD
MAPLE RD
BARRETT RD
ORANGE RD
EVERETTE RD
MARKET SQ
DOGWOOD RD
RITTER RD
VILLAGE GREEN RD
MAGNOLIA RD
CHEROKEE RD
AZALEA RD
A
B
C
D
E
F
G
H
I
N
S
E
W
MG 1/30/12
Legend
VC Parking Areas
A, Pinecrest Lot
B, Market Square
C, Chinquapin
D, Chinquapin (upper)
E, Deli Lot
F, PO/Theater Bldg
G, Maples Bldg
H, Sandlot
I, Library

A Pinecrest Lot

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	16	14	12	12	13	15	13	11	12	16	17
Clear / Warm											
Tuesday 2/7	18	12	9	9	10	10	11	11	10	8	9
Clear / Warm											
Wednesday 2/8	12	10	5	[redacted]	[redacted]	1	0	8	9	[redacted]	8
Overcast											
Thursday 2/9	12	12	8	[redacted]	[redacted]	0	11	12	18	11	[redacted]
Windy / Cold											
Friday 2/10	19	15	12	3	2	0	12	13	11	7	2
Overcast AM / Sunny PM											
Saturday 2/11	16	18	15	14	13	12	14	14	10	6	4
Clear / Warm											
Sunday 2/12	18	15	14	14	15	15	14	15	12	14	12
Weather											
Weekly Average	**16**	**14**	**11**	**10**	**11**	**8**	**11**	**12**	**12**	**10**	**9**
Weekday Average	**15**	**13**	**9**	**8**	**8**	**5**	**9**	**11**	**12**	**11**	**9**

B Market Square

Day ⬇ Time	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	26	12	14	9	11	11	8	9	8	11	12
Clear / Warm											
Tuesday 2/7	23	11	10	9	9	10	5	6	6	15	17
Clear / Warm											
Wednesday 2/8	21	24	7			2	2	8	11		11
Overcast											
Thursday 2/9	24	17	8			2	2	8	11	4	
Overcast / Cold											
Friday 2/10	26	10	4	5	2	1	10	12	13	11	9
Overcast AM / Sunny PM											
Saturday 2/11	36	34	27	14	7	8	12	19	12	6	5
Clear / Warm											
Sunday 2/12	26	21	19	11	9	10	17	15	18	14	12
Weather											
Weekly Average	**26**	**18**	**13**	**10**	**8**	**6**	**8**	**11**	**11**	**10**	**11**
Weekday Average	**24**	**15**	**9**	**8**	**7**	**5**	**5**	**9**	**10**	**10**	**12**

C Chinquapin

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	33	25	16	7	9	6	10	13	12	14	22
Clear / Warm											
Tuesday 2/7	38	31	8	3	7	3	13	7	6	9	15
Clear / Warm											
Wednesday 2/8	23	16	21			2	0	3	6		13
Overcast											
Thursday 2/9	23	15	9			0	7	2	2	12	
Overcast / cold											
Friday 2/10	30	18	5	5	2	1	4	11	8	8	3
Overcast AM / Sunny PM											
Saturday 2/11	24	13	12	5	6	8	6	9	18	15	21
Clear / Warm											
Sunday 2/12	36	30	23	14	17	12	12	22	18	12	15
Weather											
Weekly Average	**30**	**21**	**13**	**7**	**8**	**5**	**7**	**10**	**10**	**12**	**15**
Weekday Average	**29**	**21**	**12**	**5**	**6**	**2**	**7**	**7**	**7**	**11**	**13**

D Chinquapin

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	14	12	9	12	7	10	12	9	10	9	14
Clear / warm											
Tuesday 2/7	14	11	9	9	7	8	7	6	6	9	8
Clear / warm											
Wednesday 2/8	18	10	7			5	6	6	6		13
Overcast											
Thursday 2/9	23	15	9			4	7	5	2	12	
Overcast / cold											
Friday 2/10	20	4	0	5	2	2	1	7	1	2	7
Overcast AM / Sunny PM											
Saturday 2/11	0	0	0	1	0	0	1	9	7	2	6
Clear / warm											
Sunday 2/12	14	9	9	9	10	10	9	9	8	6	9
Weather											
Weekly Average	**15**	**9**	**6**	**7**	**5**	**6**	**6**	**7**	**6**	**7**	**10**
Weekday Average	**18**	**10**	**7**	**9**	**5**	**6**	**7**	**7**	**5**	**8**	**11**

E Deli Lot

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	15	7	3	8	7	3	3	8	8	15	12
Clear / Warm											
Tuesday 2/7	18	8	11	5	4	1	8	13	13	14	13
Clear / Warm											
Wednesday 2/8	9	12	15			2	2	6	10		6
Overcast											
Thursday 2/9	8	9	7			0	3	6	4		
Overcast / cold											
Friday 2/10	8	9	7	5	2	1	2	9	1	9	7
Overcast AM / Sunny PM											
Saturday 2/11	8	6	7	7	2	0	4	5	3	5	7
Clear / Warm											
Sunday 2/12	16	9	7	6	9	6	8	7	11	12	9
Weather											
Weekly Average	**12**	**9**	**8**	**6**	**5**	**2**	**4**	**8**	**7**	**11**	**9**
Weekday Average	**12**	**9**	**9**	**6**	**4**	**1**	**4**	**8**	**7**	**13**	**10**

F PO Theatre Bldg

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	19	10	5	1	6	1	6	5	3	6	15
Clear / Warm											
Tuesday 2/7	16	12	9	9	4	1	7	5	3	6	11
Clear / Warm											
Wednesday 2/8	17	4	3	[redacted]	[redacted]	6	4	10	4	[redacted]	12
Overcast											
Thursday 2/9	20	3	3	[redacted]	[redacted]	0	1	0	5	5	[redacted]
Overcast / cold											
Friday 2/10	16	3	1	5	2	2	2	6	4	13	13
Overcast AM / Sunny PM											
Saturday 2/11	21	1	2	2	1	2	4	3	6	4	5
Clear / Warm											
Sunday 2/12	22	14	11	11	7	14	12	14	9	12	10
Weather											
Weekly Average	**19**	**7**	**5**	**6**	**4**	**4**	**5**	**6**	**5**	**8**	**11**
Weekday Average	**18**	**6**	**4**	**5**	**4**	**2**	**4**	**5**	**4**	**8**	**13**

G Maples Bldg

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	16	11	11	5	3	10	10	8	8	6	14
Clear / warm											
Tuesday 2/7	15	10	3	4	7	4	3	8	7	6	5
Clear / warm											
Wednesday 2/8	14	8	8	[redacted]	[redacted]	10	10	8	7	[redacted]	12
Overcast											
Thursday 2/9	11	4	4	[redacted]	[redacted]	5	4	4	[redacted]	[redacted]	[redacted]
Overcast Cold											
Friday 2/10	20	13	9	5	2	0	9	9	9	15	19
Overcast AM / Sunny PM											
Saturday 2/11	21	18	15	12	10	4	6	8	7	7	9
Clear / warm											
Sunday 2/12	17	16	14	14	15	14	12	12	13	15	15
Weather											
Weekly Average	**16**	**11**	**9**	**8**	**7**	**7**	**8**	**8**	**9**	**10**	**12**
Weekday Average	**15**	**9**	**7**	**5**	**4**	**6**	**7**	**7**	**8**	**9**	**13**

H Sand Lot

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	81	65	51	49	44	41	36	48	53	61	83
Clear / Warm											
Tuesday 2/7	82	59	53	46	45	40	51	58	51	65	74
Clear / Warm											
Wednesday 2/8	69	60	54	[redacted]	[redacted]	46	50	62	40	[redacted]	65
Overcast											
Thursday 2/9	50	48	50	[redacted]	[redacted]	44	48	56	60	59	[redacted]
Overcast / cold											
Friday 2/10	80	73	54	51	41	40	45	55	56	60	87
Overcast AM / Sunny PM											
Saturday 2/11	83	76	66	53	42	51	47	53	59	76	83
Clear / Warm											
Sunday 2/12	87	78	80	79	73	75	80	83	85	86	86
Weather											
Weekly Average	**76**	**66**	**58**	**56**	**49**	**48**	**51**	**59**	**58**	**68**	**80**
Weekday Average	**72**	**61**	**52**	**49**	**43**	**42**	**46**	**56**	**52**	**61**	**77**

I Library

Day ⬇ Time ➡	8:00 AM	9:00 AM	10:00 AM	11:00 AM	12:00 PM	1:00 PM	2:00 PM	3:00 PM	4:00 PM	5:00 PM	6:00 PM
Monday 2/6	9	10	6	7	4	7	6	8	5	6	9
Clear / Warm											
Tuesday 2/7	13	10	5	7	3	3	9	9	9	13	10
Clear / Warm											
Wednesday 2/8	5	11	8	[redacted]	[redacted]	4	1	5	5	[redacted]	2
Overcast											
Thursday 2/9	15	12	10	[redacted]	[redacted]	2	11	12	10	10	[redacted]
Overcast / cold											
Friday 2/10	15	15	9	5	1	2	5	14	11	8	0
Overcast AM / Sunny PM											
Saturday 2/11	18	14	13	11	6	1	3	3	2	3	1
Clear / Warm											
Sunday 2/12	9	9	8	6	7	9	9	8	5	5	5
Weather											
Weekly Average	**12**	**12**	**8**	**7**	**4**	**4**	**6**	**8**	**7**	**8**	**5**
Weekday Average	**11**	**12**	**8**	**6**	**3**	**4**	**6**	**10**	**8**	**9**	**5**

PRESENTATION OF QUARTERLY FINANCIAL STATEMENTS FOR THE QUARTER ENDED DECEMBER 31, 2016

ADDITIONAL AGENDA DETAILS:

FROM:
John Frye

CC:
Jeff Sanborn & Natalie Hawkins

DATE OF MEMO:
1/30/2017

MEMO DETAILS:
The financial statements for the six months ended December 31, 2016 are presented for your information and review.

Highlights and details are provided in the accompanying memo.

ATTACHMENTS:

	Description
🗋	Financial Statements Memo FY2017 Q2
🗋	Quarterly Financial Statements 12-31-16

John G. Frye, CPA
395 Magnolia Road
Pinehurst, NC 28374
Phone: 910-295-8646
Fax: 910-295-4434
e-mail: jfrye@vopnc.org

Village of Pinehurst

Memo

To: Village Council

From: John G. Frye

CC: Jeff Sanborn & Senior Leadership

Date: January 30, 2017

Re: Financial Statements for the Quarter Ended December 31, 2016

The Village remains in a very good financial position through the first half of the fiscal year. Revenues exceeded expenditures by a larger margin than anticipated in our forecast for the first two quarters. In addition, our operating expenditures are below expected levels and our revenue outlook is on target. These results should position us well to carry out the objectives outlined in the FY 2017 Strategic Operating Plan.

Financial Position:

The Village's General Fund is showing $4.7 million in income for the first six months of the year, which is comparable to $4.6 million the prior year. The Village budgeted for revenues to exceed expenditures by roughly $2.1 million for the first two quarters. In terms of fund balance, the Village's fund balance is currently 74% of expenditures, which is higher than the 70% level seen the previous year at December 31.

The Village's total cash and investment balances increased by $1,311,743, or 12%, compared with the previous year. The majority of this variance is due to the addition to fund balance in the previous fiscal year. The remainder of the increase is due to revenues that are higher than expected and expenditures that are lower than expected at this point in the fiscal year.

Of the $12.1 million in cash and investments at December 31, 2016, $8.9 million was invested in the North Carolina Capital Management Trust money market mutual funds. An additional $3.0 million was held in high-quality certificates of deposit. Our long-term debt balances continue to decline. The Village currently owes a total of $1.2 million in notes payable.

Revenues & Expenditures:

General fund revenues were $357,000, or 3%, above the year-to-date budget projections. Property tax revenues were $107,000, or 1.2%, above the quarterly revenue estimate. This increase is due to growth in the tax base from new construction and increases in motor vehicle valuations.

The real and personal base grew by 1%, which is dead-even with the budget forecast. Also, although the 89% real and personal property tax collection rate is 1.6% is lower than this time last year, it is in line with the historical trend. The motor vehicle tax base grew by 4% over the prior year.

For local option sales taxes, the adopted budget forecast a 3% increase over the previous year. So far, the actual collections for the first four months of the year received are running exactly 3% ahead of the previous year's collections. Growth in telecommunications and electricity sales taxes are trending slightly below our forecast. I have recommended amending the budget downward for these two revenues in our mid-year review.

Strong construction activity in the first two quarters of the fiscal year has generated additional permitting and inspection fees. The $90,000 in fees from two major multi-family projects were not included in the FY 2017 forecast and have also been adjusted in the mid-year budget amendment.

General fund operating expenditures were $1,090,000, or 13%, below the quarterly budget overall. This variance is well below the expected expenditure variance of 5%. Approximately 40% of the expenditure variance is due to lapsed salaries. A number of positions in the Police department were vacant during the first half of the fiscal year as the department underwent a major reorganization. We have also had a fair amount of other employee turnover this fiscal year in other departments.

For capital outlay, only 28% of the capital outlay budgeted in the first two quarters was actually expended. The variance is due to several projects that were planned for the first two quarters but not yet completed. These projects include the neighborhood sidewalks, greenway trails, Fleet bay addition, and Harness Track water truck. All of these projects are expected to be completed by the end of the fiscal year.

Financial Outlook:

The Village issued 69 single-family residential building permits valued at $15,171,000 during the first two quarters compared to 48 the previous year. Both the number of homes permitted and the total value of the homes are significantly higher than the previous year. Based on this, we have adjusted our estimated number of homes to be constructed this year to 130. To put this in perspective, these 30 additional homes, if valued at $300,000 each, will generate approximately $27,000 in new property tax revenue per year.

The amount of fund balance appropriated this fiscal year is $1,786,000. This is comparable to the $1,827,000 appropriated last year. Based on our mid-year estimates, we anticipate the Village's fund balance will increase by approximately $100,000 by the end of FY 2017. This is in line with our estimate when the budget was adopted in May of 2016. This result will leave the ending fund balance for the General Fund at 49.6% of expenditures. This level is above our policy target range but is in line with our five-year financial forecast.

Other Items:

During the first two quarters, the Fair Barn covered 100% of operating expenditures with operating revenues. This is slightly lower than the 102% achieved at this point the previous year but exceeds the balanced scorecard target of 92%. Based on anticipated operating expenditures, we believe the Fair Barn will achieve its balanced scorecard target of 92% by year end.

The Harness Track covered 105% of its operating expenditures compared to 109% the previous year. This can be misleading as most stall rental income for the season is recognized at the beginning of the season, while expenditures are incurred across the entire season. Their performance target for expenditure coverage for the year is 57%. As the season moves along, the ratio will decline and become more comparable to the annual target.

Conclusion:

The Village Council and Village managers are to be commended for meeting or exceeding all of the Village's financial targets. As we begin preparing our budget for the upcoming year, we should continue to maintain expenditure growth that is in line with available revenues. As I have said before, the Village continues to remain in a solid financial position as a result of our conservative financial policies, good financial planning, and diligent budget oversight. Should you have any questions about these quarterly statements, please feel free to contact me.

VILLAGE OF PINEHURST

FINANCIAL STATEMENTS

FOR THE SIX MONTHS ENDED
DECEMBER 31, 2016

Village of Pinehurst
Financial Statements
Table of Contents

Village of Pinehurst
Combined Balance Sheet - All Fund Types
December 31, 2016

	Governmental Fund Type	Account Groups			
	General Fund	General Capital Assets	General Long - Term Debt	Totals December 31 2016	Totals December 31 2015
ASSETS					
Cash & investments	$ 12,090,190	$ -	$ -	$ 12,090,190	$ 10,778,447
Taxes receivable	1,005,296	-	-	1,005,296	861,662
Assessments receivable	122,417	-	-	122,417	173,103
Due from other governmental agencies	2,171,215	-	-	2,171,215	2,200,713
Interest receivable	1,123	-	-	1,123	788
Other receivables	398,054	-	-	398,054	352,449
Inventory	39,768	-	-	39,768	36,038
Capital assets	-	40,551,230	-	40,551,230	38,806,674
Amounts to be provided for retirement of general long-term debt	-	-	2,634,306	2,634,306	2,506,447
TOTAL ASSETS	$ 15,828,063	$ 40,551,230	$ 2,634,306	$ 59,013,599	$ 55,716,321
LIABILITIES AND FUND EQUITY					
Accounts payable	$ 6,534	$ -	$ -	$ 6,534	$ 38,235
Withholdings & accrued expenses	210,544	-	-	210,544	108,497
Accrued vacation	-	-	643,277	643,277	631,747
Net pension obligation (LEO)	-	-	268,823	268,823	235,014
Net pension liability (LGERS)	-	-	490,982	490,982	-
Deposits	105,848	-	-	105,848	109,788
Unavailable revenues	1,412,785	-	-	1,412,785	1,311,242
Residential assurance deposits	-	-	-	-	-
Long-term debt	-	-	1,231,224	1,231,224	1,639,686
Total Liabilities	1,735,711	-	2,634,306	4,370,017	4,074,209
EQUITY					
Investment in general capital assets	-	40,551,230	-	40,551,230	38,806,674
Fund Balance:					
Nonspendable:					
Inventory	39,768	-	-	39,768	36,038
Prepaid items	-	-	-	-	448
Restricted:					
Stabilization by state statute	4,308,753	-	-	4,308,753	3,982,733
Transportation	147,541	-	-	147,541	65,096
Committed:					
Capital Project fund expenditures	-	-	-	-	-
Special Revenue fund expenditures	-	-	-	-	-
Assigned:					
Designated for expenditures	1,786,430	-	-	1,786,430	1,827,290
Unassigned	7,809,860	-	-	7,809,860	6,923,833
Total equity	14,092,352	40,551,230	-	54,643,582	51,642,112
TOTAL LIABILITIES & EQUITY	$ 15,828,063	$ 40,551,230	$ 2,634,306	$ 59,013,599	$ 55,716,321

Village of Pinehurst
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Six Months Ended December 31, 2016

	Annual Budget as of 12/31/2016	Quarterly Budget as of 12/31/2016	YTD as of 12/31/2016	YTD as of 12/31/2015	Current Year Over (Under) Prior Year	% of 2017 Budget Spent / Received YTD
Revenues						
Ad valorem taxes & penalties	$ 9,923,000	$ 8,591,740	$ 8,698,811	$ 8,568,020	$ 130,791	87.66%
Assessments	29,000	-	8,945	4,000	4,945	30.84%
Other taxes and licenses	500	125	995	2,660	(1,665)	199.00%
Intergovernmental revenues:						
Unrestricted	5,326,200	2,255,267	2,394,655	2,374,494	20,161	44.96%
Restricted	505,200	500,046	498,487	495,781	2,706	98.67%
Permits & fees	583,800	291,900	426,404	289,105	137,299	73.04%
Sales & service	652,400	460,225	422,448	446,608	(24,160)	64.75%
Other revenues	172,800	97,874	90,183	83,814	6,369	52.19%
Interest earned on investments	25,400	3,990	16,820	3,620	13,200	66.22%
TOTAL REVENUES	17,218,300	12,201,167	12,557,748	12,268,102	289,646	72.93%
Operating Expenditures						
Governing Body	209,400	122,225	67,395	97,742	(30,347)	32.18%
Administration	1,109,410	589,183	566,178	529,751	36,427	51.03%
Financial Services	609,540	386,402	356,678	369,906	(13,228)	58.52%
Human Resources	430,060	243,732	157,232	143,170	14,062	36.56%
Police	2,962,174	1,552,558	1,341,608	1,301,057	40,551	45.29%
Fire	2,739,874	1,429,206	1,275,543	1,206,665	68,878	46.55%
Inspections	215,955	111,128	103,192	86,153	17,039	47.78%
Public Services Administration	413,715	213,424	174,124	174,626	(502)	42.09%
Streets & Grounds	1,333,364	714,949	670,130	608,108	62,022	50.26%
Powell Bill Funds	900,300	400,300	348,119	182,470	165,649	38.67%
Solid Waste	1,372,690	670,273	613,458	598,733	14,725	44.69%
Recreation	1,451,114	745,878	631,083	598,462	32,621	43.49%
Library	200,000	150,000	150,000	175,000	(25,000)	75.00%
Harness Track	513,400	273,909	219,331	234,218	(14,887)	42.72%
Fair Barn	329,570	167,686	113,879	122,108	(8,229)	34.55%
Planning	642,150	329,728	269,601	251,101	18,500	41.98%
Community Development	273,167	136,863	93,860	86,179	7,681	34.36%
Debt Service	412,722	207,245	228,043	233,286	(5,243)	55.25%
Contingency	50,000	25,000	-	-	-	0.00%
Total Operating Expenditures	16,168,605	8,469,689	7,379,454	6,998,735	380,719	45.64%
Capital Outlay Expenditures						
Administration	69,829	59,829	14,077	9,433	4,644	20.16%
Financial Services	1,760	1,760	1,580	-	1,580	89.77%
Human Resources	2,200	2,200	1,974	-	1,974	89.73%
Police	87,715	64,715	45,431	-	45,431	51.79%
Fire	690,706	55,006	19,061	32,220	(13,159)	2.76%
Inspections	882	882	763	-	763	86.51%
Public Services Administration	435,829	435,829	161,785	111,273	50,512	37.12%
Streets & Grounds	459,281	150,281	114,018	161,045	(47,027)	24.83%
Solid Waste	3,936	3,936	3,059	-	3,059	77.72%
Recreation	700,897	488,397	38,974	110,708	(71,734)	5.56%
Harness Track	282,831	282,831	45,077	132,779	(87,702)	15.94%
Fair Barn	92,046	82,046	13,708	6,149	7,559	14.89%
Planning	27,348	27,348	2,094	-	2,094	7.66%
Community Development	10,865	10,865	7,175	140,050	(132,875)	66.04%
Total Capital Outlay Expenditures	2,866,125	1,665,925	468,776	703,657	(234,881)	16.36%
TOTAL EXPENDITURES	19,034,730	10,135,614	7,848,230	7,702,392	145,838	41.23%
REVENUES OVER (UNDER) EXPENDITURES	(1,816,430)	2,065,553	4,709,518	4,565,710	143,808	

Village of Pinehurst
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Six Months Ended December 31, 2016

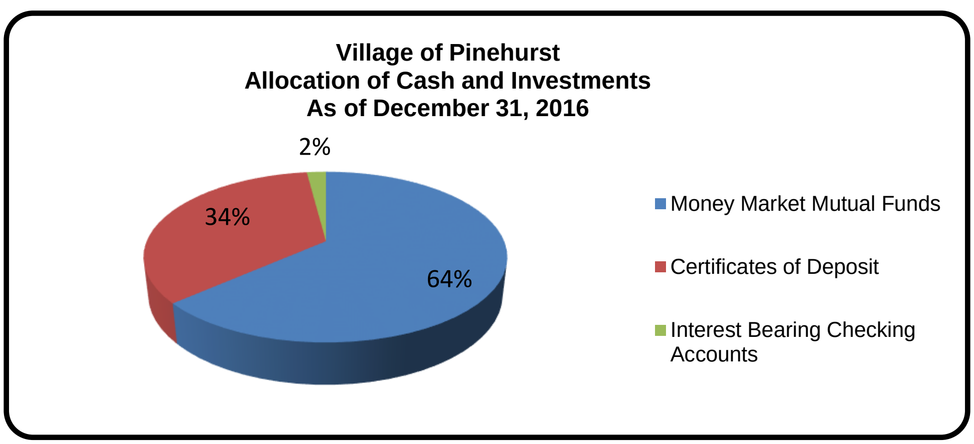
	Annual Budget as of 12/31/2016	Quarterly Budget as of 12/31/2016	YTD as of 12/31/2016	YTD as of 12/31/2015	Current Year Over (Under) Prior Year	% of 2017 Budget Spent / Received YTD
Other Financing Sources (Uses)						
Sales of capital assets	$ 30,000	$ 15,000	$ 57,490	$ 44,625	$ 12,865	191.63%
Total Other Fin. Sources (Uses)	30,000	15,000	57,490	44,625	12,865	191.63%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXP AND OTHER FINANCING USES	(1,786,430)	2,080,553	4,767,008	4,610,335	156,673	
Appropriated Fund Balance	1,786,430	784,745	-	-	-	
EXCESS OF REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE APP. OVER (UNDER) EXP AND OTHER FIN. USES	$ -	$ 2,865,298	4,767,008	$ 4,610,335	$ 156,673	
FUND BALANCE, JULY 1			9,325,344			
FUND BALANCE, JUNE 30			$ 14,092,352			

Village of Pinehurst
Schedule of Cash and Investment
As of December 31, 2016

Investment	Bond/Bank Ratings	Purchase Date	Maturity Date	Cost
Money Market Mutual Funds				
North Carolina Capital Management Trust - Term Portfolio	AAAm (S&P)			$ 7,009,971
North Carolina Capital Management Trust - Government Portfolio	AAAm (S&P)			1,933,533
Certificates of Deposit				
First Bank	5 star *	01/19/16	01/19/17	503,004
First Bank	5 star	07/28/16	07/28/17	1,536,100
First Tennessee Bank	5 star	08/04/16	08/04/17	1,000,000
Interest Bearing Checking Accounts				
PNC Bank Operating				106,382
Petty Cash				1,200
Total Cash and Investments				$ 12,090,190
Total Cash and Investments (same quarter previous year)				$ 10,778,447

Summary of Cash and Investments

Money Market Mutual Funds	$ 8,943,504
Certificates of Deposit	3,039,104
Interest Bearing Checking Accounts	106,382
Petty Cash	1,200
	$ 12,090,190

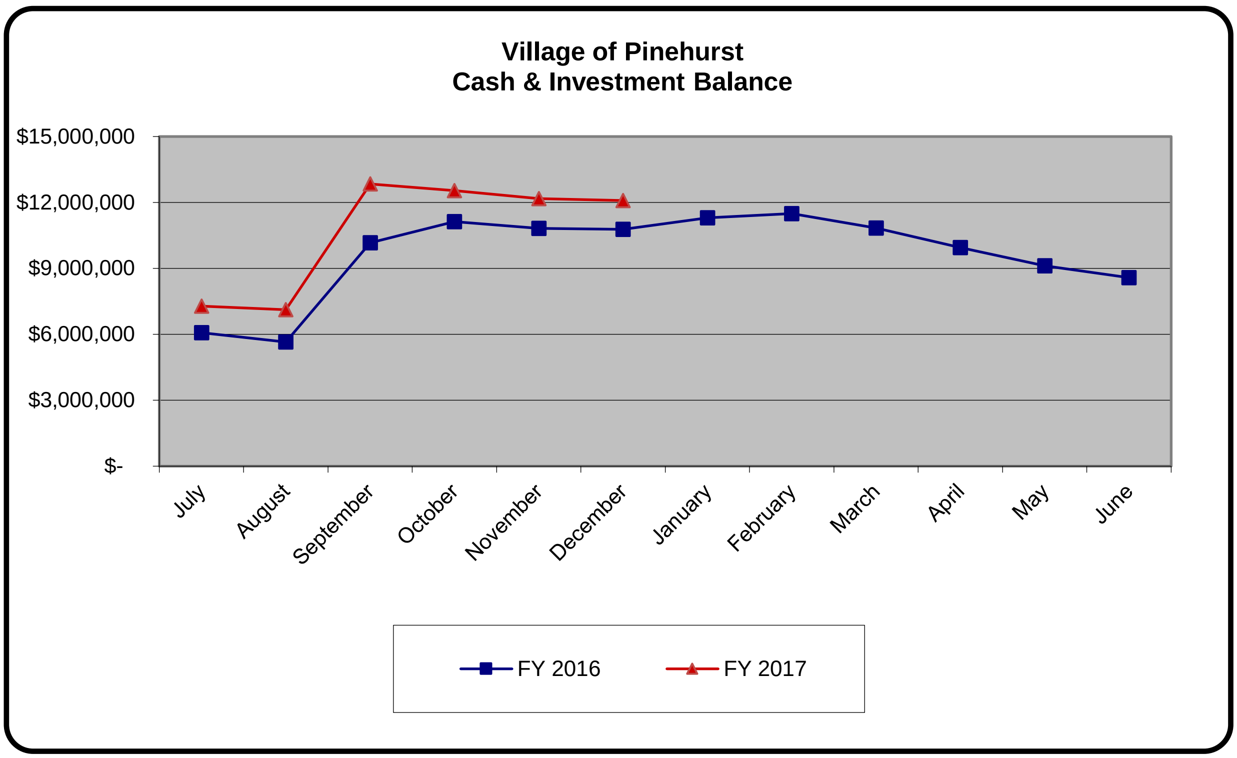


* Bank star ratings provided by Bauerfinancial.com

Village of Pinehurst
Investment Yield Summary

	FY 2016			FY 2017		
	Cash Balance	Investment Earnings	Investment Yield*	Cash Balance	Investment Earnings	Investment Yield*
July	$ 6,074,972	$ 591	0.11%	$ 7,278,218	$ 1,281	0.20%
August	5,649,499	362	0.08%	7,118,369	1,598	0.27%
September	10,169,143	244	0.04%	12,841,329	1,257	0.15%
October	11,126,089	513	0.06%	12,536,811	3,226	0.31%
November	10,822,604	665	0.07%	12,173,106	4,516	0.44%
December	10,778,447	1,244	0.14%	12,090,190	4,942	0.50%
January	11,303,280	2,899	0.32%			
February	11,494,468	2,159	0.23%			
March	10,831,791	2,530	0.28%			
April	9,953,035	2,180	0.26%			
May	9,112,676	1,948	0.25%			
June	8,578,105	1,556	0.21%			
Average	$ 9,657,842	$ 16,891	0.17%	$ 10,673,004	$ 16,820	0.31%

* Investment yield is presented on an accrual basis.



Village of Pinehurst
Schedule of Fund Balance - General Fund
December 31, 2016

	Fund Balance at 12/31/2016	Fund Balance at 12/31/2015
General Fund		
Nonspendable:		
Inventory	$ 39,768	$ 36,038
Prepaid Items	-	448
Restricted:		
Stabilization by State Statute	4,308,753	3,982,733
Transportation	147,541	65,096
Assigned		
Subsequent year's expenditures	1,786,430	1,827,290
Unassigned	7,809,860	6,923,833
	$ 14,092,352	$ 12,835,438

Village of Pinehurst
Schedule of Capital Outlay by Function and Activity
Six Months Ended December 31, 2016

	Annual Budget	YTD Budget	YTD Expenditures	Remaining Balance
Land				
Administration	$ 6,000	$ 6,000	$ -	$ 6,000
Streets & Grounds	140,000	-	-	140,000
Recreation	589,342	389,342	27,708	561,634
Harness Track	49,500	49,500	4,216	45,284
Fair Barn	55,000	55,000	336	54,664
	839,842	499,842	32,260	807,582
Buildings and Grounds				
Administration	26,000	26,000	7,971	18,029
Fire	8,200	8,200	10,870	(2,670)
Public Services	385,958	385,958	161,040	224,918
Recreation	50,000	50,000	1,610	48,390
Harness Track	37,000	37,000	39,869	(2,869)
Fair Barn	30,000	20,000	12,450	17,550
	537,158	527,158	233,810	303,348
Equipment and Furniture				
Administration	37,829	27,829	6,106	31,723
Financial Services	1,760	1,760	1,580	180
Human Resources	2,200	2,200	1,974	226
Police	87,715	64,715	45,431	42,284
Fire	82,506	46,806	8,190	74,316
Inspections	882	882	763	119
Public Services Administration	49,871	49,871	746	49,125
Streets & Grounds	30,881	30,881	23,916	6,965
Solid Waste	3,936	3,936	3,059	877
Recreation	33,555	21,055	9,656	23,899
Harness Track	11,331	11,331	992	10,339
Fair Barn	7,046	7,046	922	6,124
Planning	2,348	2,348	2,094	254
Community Development	10,865	10,865	7,175	3,690
	362,725	281,525	112,604	250,121
Vehicles				
Fire	600,000	-	-	600,000
Streets & Grounds	186,000	52,000	51,302	134,698
Recreation	28,000	28,000	-	28,000
Harness Track	185,000	185,000	-	185,000
Planning	25,000	25,000	-	25,000
	1,024,000	290,000	51,302	972,698
Infrastructure				
Streets & Grounds	102,400	67,400	38,800	63,600
	102,400	67,400	38,800	63,600
Total	$ 2,866,125	$ 1,665,925	$ 468,776	$ 2,397,349

% of Capital Outlay Budget Expended	16.36%

Note: This Schedule includes Fleet Maintenance, Buildings & Grounds and Information Technology Capital Outlay.

Village of Pinehurst
Schedule of General Long Term Debt
Fiscal Year Ended December 31, 2016

	Balance at 12/31/2016	Balance at 12/31/2015	Increase (Decrease)
Fire Station			
$2,500,000; due in 30 semi-annual payments of fixed principal of $83,334 plus interest @ 3.44%; collateralized by Fire Station bldg; final payment due on 3/15/2020.	$ 583,333	$ 750,000	$ (166,667)
Fair Barn			
$1,000,000; due in 40 semi-annual payments consisting of fixed principal of $25,000 plus interest @ 4.60%; collateralized by Fair Barn bldg; final payment due on 3/11/22.	275,000	325,000	(50,000)
67.04 Acres (Chicken Plant Road)			
$500,000; due in 30 semi-annual payments consisting of fixed principal of $16,667 plus interest @ 3.98%; collateralized by 67.04 acres of land; final payment due 4/17/18.	50,000	83,333	(33,333)
2009 Firetruck			
$500,000; due in 14 semi-annual payments of $42,037 beginning on 6/1/10; final payment due on 12/1/16; interest @ 4.43% with a 35% interest rebate on each payment; collateralized by firetruck.	-	81,043	(81,043)
2013 Firetruck			
$550,000; due in 14 semi-annual payments of $41,917 beginning on 2/1/14; final payment due on 8/1/20; interest @ 1.75%; collateralized by firetruck.	322,891	400,310	(77,419)
	1,231,224	1,639,686	(408,462)
Unfunded Pension Benefit Obligation (LEO)	268,823	235,014	33,809
Pension Liability (LGERS) *	490,982	-	490,982
Accumulated Vacation	643,277	631,747	11,530
	1,403,082	866,761	536,321
	$ 2,634,306	$ 2,506,447	$ 127,859

* Based on an actuarial valuation, the LGERS pension plan had a net pension liability during FY 2017; the plan had a net pension asset during FY 2016.

Village of Pinehurst
Schedule of Budget Amendments - General Fund
For the Fiscal Year Ended December 31, 2016

As of December 31, 2016

	ORIGINAL 2016-2017 BUDGET	Amended * Qtr Ended 09/30/16	Amended Qtr Ended 12/31/16	Amended Qtr Ended 03/31/17	Amended Qtr Ended 06/30/17	Total Amendments	Amended 2016-2017 Budget
REVENUES							
Ad valorem taxes	$ 9,923,000	$ -	$ -	$ -	$ -	$ -	$ 9,923,000
Unrestricted Intergov't Revenues	5,326,700	-	-	-	-	-	5,326,700
Restricted Intergov't Revenues	505,200	-	-	-	-	-	505,200
Permits & Fees	583,800	-	-	-	-	-	583,800
Sales & Services	652,400	-	-	-	-	-	652,400
Assessments	29,000	-	-	-	-	-	29,000
Other Revenues	202,800	-	-	-	-	-	202,800
Investment Income	25,400	-	-	-	-	-	25,400
Appropriated Fund Balance	1,001,685	444,745	340,000	-	-	784,745	1,786,430
TOTAL REVENUES	**$ 18,249,985**	**$ 444,745**	**$ 340,000**	**$ -**	**$ -**	**$ 784,745**	**$ 19,034,730**
OPERATING EXPENDITURES							
Governing Body	209,400	-	-	-	-	-	209,400
Administration	1,102,910	6,500	-	-	-	6,500	1,109,410
Financial Services	609,540	-	-	-	-	-	609,540
Human Resources	430,060	-	-	-	-	-	430,060
Police	2,953,938	8,236	-	-	-	8,236	2,962,174
Fire	2,731,540	8,334	-	-	-	8,334	2,739,874
Inspections	215,955	-	-	-	-	-	215,955
Public Services Administration	405,440	8,275	-	-	-	8,275	413,715
Streets & Grounds	1,323,600	2,164	7,600	-	-	9,764	1,333,364
Powell Bill	900,300	-	-	-	-	-	900,300
Solid Waste	1,372,690	-	-	-	-	-	1,372,690
Planning	635,650	6,500	-	-	-	6,500	642,150
Community Development	267,590	6,177	(600)	-	-	5,577	273,167
Recreation	1,448,980	2,134	-	-	-	2,134	1,451,114
Library	200,000	-	-	-	-	-	200,000
Harness Track	513,400	-	-	-	-	-	513,400
Fair Barn	329,570	-	-	-	-	-	329,570
Contingency	50,000	-	-	-	-	-	50,000
Debt Service	412,722	-	-	-	-	-	412,722
Total Operating Expenditures	16,113,285	48,320	7,000	-	-	55,320	16,168,605
CAPITAL EXPENDITURES							
Administration	45,829	24,000	-	-	-	24,000	69,829
Financial Services	1,760	-	-	-	-	-	1,760
Human Resources	2,200	-	-	-	-	-	2,200
Police	77,715	10,000	-	-	-	10,000	87,715
Fire	675,706	15,000	-	-	-	15,000	690,706
Inspections	882	-	-	-	-	-	882
Public Services Administration	97,871	182,958	155,000	-	-	337,958	435,829
Streets & Grounds	466,881	-	(7,600)	-	-	(7,600)	459,281
Solid Waste	3,936	-	-	-	-	-	3,936
Planning	2,348	25,000	-	-	-	25,000	27,348
Community Development	440	9,825	600	-	-	10,425	10,865
Recreation	571,255	129,642	-	-	-	129,642	700,897
Harness Track	97,831	-	185,000	-	-	185,000	282,831
Fair Barn	92,046	-	-	-	-	-	92,046
Total Capital Expenditures	$ 2,136,700	$ 396,425	$ 333,000	$ -	$ -	$ 729,425	$ 2,866,125
TOTAL EXPENDITURES	**$ 18,249,985**	**$ 444,745**	**$ 340,000**	**$ -**	**$ -**	**$ 784,745**	**$ 19,034,730**

* Includes $444,745 that was reappropriated from FY 2015-16.

Village of Pinehurst
Schedule of Ad Valorem Property Tax Collections
Six Months Ended December 31, 2016

Real and Personal

Tax Year	Six Months Ended December 31, 2016			Six Months Ended December 31, 2015		
	Budgeted Collections	Gross Collections	% Collected Through 12/31/2016	Budgeted Collections	Gross Collections	% Collected Through 12/31/2015
Third Prior Year	$ -	$ 2	100.00%	$ -	$ 537	100.00%
Second Prior Year	-	-	100.00%	-	509	100.00%
First Prior Year	5,000	862	17.24%	5,000	1,917	38.34%
Current Year	9,359,000	8,398,187	89.73%	9,073,000	8,286,019	91.33%
	$ 9,364,000	$ 8,399,051	89.70%	$ 9,078,000	$ 8,288,982	91.31%

Motor Vehicles

Tax Year	Six Months Ended December 31, 2016			Six Months Ended December 31, 2015		
	Budgeted Collections	Gross Collections	% Collected Through 12/31/2016	Budgeted Collections	Gross Collections	% Collected Through 12/31/2015
Third Prior Year	$ -	$ 38	100.00%	$ -	$ 397	100.00%
Second Prior Year	-	-	100.00%	-	155	100.00%
First Prior Year	2,000	-	0.00%	2,000	-	0.00%
Current Year	557,000	299,728	53.81%	493,000	280,109	56.82%
	$ 559,000	$ 299,766	53.63%	$ 495,000	$ 280,661	56.70%

Village of Pinehurst
Schedule of Ad Valorem Property Tax Levy
Six Months Ended December 31, 2016

Property Valuation

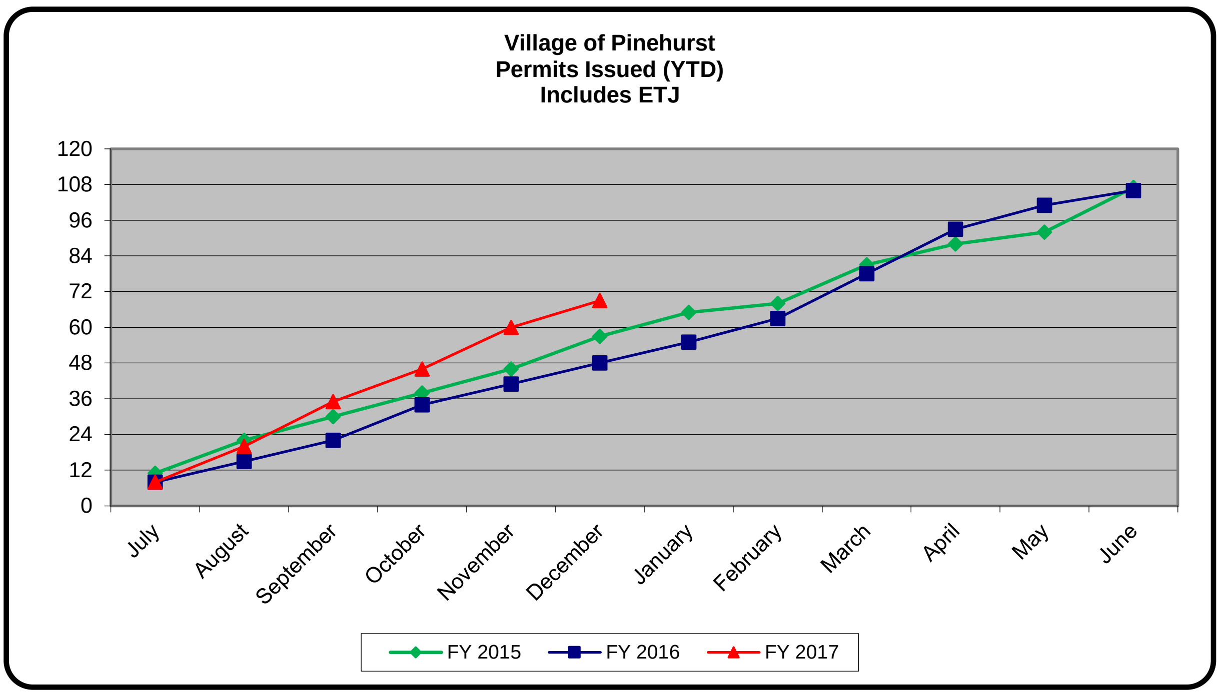
	Six Months Ended December 31, 2016	Six Months Ended December 31, 2015	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 3,180,761,819	$ 3,147,870,014	$ 32,891,805	1.04%
Motor Vehicles	102,032,405	97,995,018	4,037,387	4.12%
	$ 3,282,794,224	$ 3,245,865,032	$ 36,929,192	1.14%

Levy

	Six Months Ended December 31, 2016	Six Months Ended December 31, 2015	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal	$ 9,384,731	$ 9,132,056	$ 252,675	2.77%
Motor Vehicles	298,970	278,937	20,033	7.18%
	$ 9,683,701	$ 9,410,993	$ 272,708	2.90%

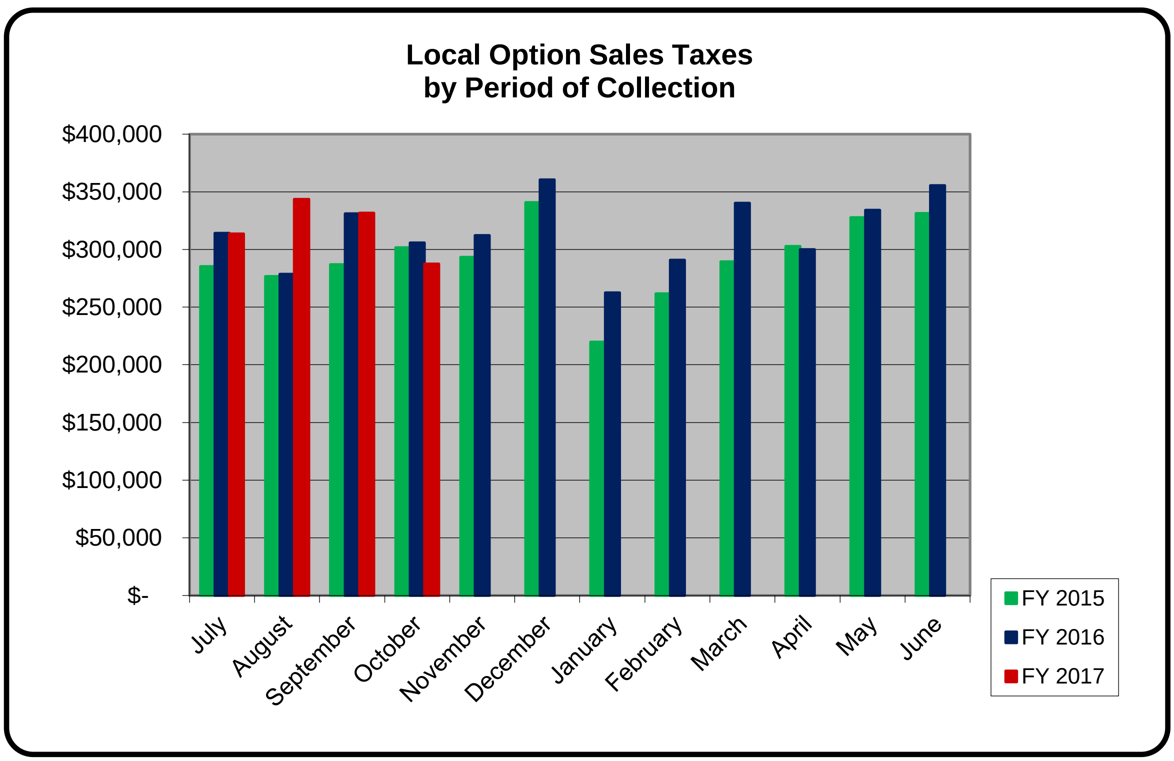
Village of Pinehurst
Residential Building Permits - Includes ETJ

	FY 2015		FY 2016		FY 2017		Construction
	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	# of Permits Issued	Est. Construction Costs	Costs Percentage Change YTD
July	11	$ 2,106,000	8	$ 1,497,225	8	$ 1,645,500	9.90%
August	11	2,470,488	7	1,595,098	12	2,054,017	19.64%
September	8	1,998,500	7	1,585,920	15	2,822,730	39.42%
October	8	1,543,000	12	3,457,175	11	2,910,900	15.95%
November	8	1,472,000	7	1,995,662	14	3,596,000	28.61%
December	11	2,667,725	7	1,367,888	9	2,142,068	31.94%
January	8	2,628,440	7	1,839,725	-	-	
February	3	579,000	8	2,121,563	-	-	
March	13	2,913,250	15	3,970,930	-	-	
April	7	1,804,545	15	2,201,278	-	-	
May	4	1,064,841	8	1,605,750	-	-	
June	15	3,985,669	5	1,175,966	-	-	
YTD	107	$ 25,233,458	106	$ 24,414,180	69	$ 15,171,215	



Village of Pinehurst
Local Option Sales Taxes

		FY 2015		FY 2016		FY 2017	Same Month Change From Prior Year
July	$	285,352	$	314,280	$	313,585	-0.22%
August		276,790		278,768		343,487	23.22%
September		287,107		331,186		331,600	0.13%
October		301,580		305,904		287,484	-6.02%
November		293,421		312,234		-	
December		340,776		360,390		-	
January		219,819		262,661		-	
February		261,597		290,756		-	
March		289,556		340,157		-	
April		302,660		299,982		-	
May		327,882		334,120		-	
June		331,369		355,389		-	
YTD	$	3,517,909	$	3,785,827	$	1,276,156	



Village of Pinehurst
Schedule of Fair Barn Revenues and Expenditures
Six Months Ended December 31, 2016

	Annual Budget as of 12/31/2016	Quarterly Budget as of 12/31/2016	Actual 12/31/2016	YTD as of 12/31/2015	Current Year Over (Under) Prior Year	% of 2017 Budget Spent / Received YTD
Fair Barn						
Revenues	$ 218,000	$ 148,775	$ 131,796	$ 142,182	$ (10,386)	60.46%
Expenditures						
Operating	329,570	167,686	113,879	122,108	(8,229)	34.55%
Capital	92,046	82,046	13,708	6,149	7,559	14.89%
Debt Service	63,225	31,613	31,901	33,051	(1,150)	50.46%
	484,841	281,345	159,488	161,308	(1,820)	32.89%
Net Before Discounts	(266,841)	(132,570)	(27,692)	(19,126)	(8,566)	10.38%
Event Revenue Discounts			(17,445)	(17,354)	(91)	
Net After Discounts	$ (266,841)	$ (132,570)	$ (45,137)	$ (36,480)	$ (8,657)	16.92%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	66%	89%	116%	116%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	66%	89%	100%	102%		
Target			92%			

Village of Pinehurst
Schedule of Harness Track Revenues and Expenditures
Six Months Ended December 31, 2016

	Annual Budget as of 12/31/2016	Quarterly Budget as of 12/31/2016	Actual 12/31/2016	YTD as of 12/31/2015	Current Year Over (Under) Prior Year	% of 2017 Budget Spent / Received YTD
Harness Track						
Revenues	$ 278,400	$ 232,700	$ 232,823	$ 258,203	$ (25,380)	83.63%
Expenditures						
Operating	513,400	273,909	219,331	234,218	(14,887)	42.72%
Capital	282,831	282,831	45,077	132,779	(87,702)	15.94%
	796,231	556,740	264,408	366,997	(102,589)	33.21%
Net Before Discounts	(517,831)	(324,040)	(31,585)	(108,794)	77,209	6.10%
Event Revenue Discounts			(2,845)	(2,070)	(775)	
Net After Discounts	$ (517,831)	$ (324,040)	$ (34,430)	$ (110,864)	$ 76,434	6.65%
Operating Revenues as a % of Operating Expenditures - **Before Discounts**	54%	85%	106%	110%		
Operating Revenues as a % of Operating Expenditures - **After Discounts**	54%	85%	105%	109%		
Target			57%			

PRESENTATION OF MID-YEAR FINANCIAL PROJECTIONS AND BUDGET AMENDMENT

ADDITIONAL AGENDA DETAILS:

FROM:
John Frye

CC:
Jeff Sanborn & Natalie Hawkins

DATE OF MEMO:
1/30/2017

MEMO DETAILS:
Financial Services has projected the year-end financial results for FY 2017. Details are provided in the accompanying memo and budget amendment summary. A budget amendment ordinance is also included for your review and consideration.

ATTACHMENTS:

Description

- Memo on Mid-Year Financial Projections & Budget Amendment
- Mid-Year Budget Amendment Summary
- Ordinance 17-01 Mid-Year Budget Adjustments

Village of Pinehurst
395 Magnolia Road
Pinehurst, NC 28374
Phone: 910-295-8646
Fax: 910-295-4434

Village of Pinehurst

Memo

To: Village Council

From: John Frye

CC: Village Managers

Date: January 30, 2017

Re: Projected Year-End Financial Results and Budget Amendment

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Projected Year-End Financial Results

Based upon my review of the quarterly financial statements through the end of December and discussions with Senior Management and Department Heads, I have formulated my estimate of the Village's projected year-end financial results. At this time, I estimate that the Village's revenues will exceed its expenditures at year-end by approximately $100,000. This amount is in line with our estimates when the budget was adopted in May of last year.

Total fund balance for the General Fund at the beginning of this fiscal year was $9,325,000. I am projecting that fund balance will increase to $9,444,000 by the close of this fiscal year. This estimate will leave the ending fund balance for the General Fund at 49.6% of expenditures. This remains above our policy range, as previously outlined in our five-year financial forecast.

Budget Amendment

When evaluating our projected actual amounts compared to the current budget, I identified a few of the more significant items that have deviated from our original budget projections. We propose the Village revise the budget estimates for these items in an effort to get the budgeted amounts closer to expected levels. The details of the proposed changes are explained below:

Revenues

- Growth in telecommunication and electricity sales taxes are trending slightly below our forecast. We recommend decreasing these revenues by $15,000 and $35,000, respectively.

- Investment income is higher than forecast due to the interest rate increase by the Federal Reserve in December and our utilization of the N.C. Capital Management Term Portfolio. We recommend increasing this revenue by $15,000.

- To date, the Village has incurred $8,700 in direct expenditures related to Hurricane Matthew. These direct expenditures, along with other salary and equipment use costs, have been filed with FEMA under the Public Assistance program. We recommend establishing a revenue and an expenditure appropriation of $9,000 to cover these costs until funds are reimbursed by the federal government.

- Building permit and inspections fees need to be adjusted upward by $90,000 to account for fees associated with The Greens at the Arboretum and Pinehurst Senior Apartments projects. Due to the uncertainty of the timing of these projects, the associated fees were not included in the original revenue projections.

- Planning and zoning fees are recommended to be increased by $10,000 due to increased single-family home construction activity. The Village is currently on track to permit around 130 homes this year.

- Recreation fees are higher due to the impact of previous fee increases. We recommend increasing this revenue by $10,000.

- Facility rentals continue to grow faster than our projections. We recommend increasing this revenue by $9,500.

- We have received approximately $5,000 in insurance proceeds that were not budgeted.

- Sales of surplus assets have also netted the Village additional revenue this year. We recommend increasing this revenue source by $30,000.

Expenditures

- In Human Resources, $50,000 was originally appropriated for salary market adjustments. When the market adjustments for FY 2017 were implemented, it was determined that they could be absorbed within the affected departments. We are recommending removing the $50,000 appropriation from the budget.

- In Streets & Grounds, we are requesting the $9,000 appropriation increase for Hurricane Matthew explained above be added.

- In Fleet Maintenance, gas prices continue to be lower than anticipated although repairs are higher than expected. We recommend transferring $25,000 in fuel funding to the vehicle repair account. We also recommend increasing equipment repairs by $10,000. This results in a net expenditure increase in Fleet Maintenance of $10,000, which will be allocated to the Fire Department budget.

In total, these adjustments will decrease the Village's FY 2017 Budget by $31,000 and will reduce fund balance appropriated by $159,500. Adopting the above adjustments within the revenue and expenditure accounts will enable the Village to prepare more accurate budget estimates for the next fiscal year and maintain statutory compliance required by the Local Government Budget and Fiscal Control Act.

As we enter the strategic planning and budgeting season, the Village is well positioned to carry out the objectives in our Strategic Operating Plan. As I have said before, the Village continues to remain in a solid financial position as a result of our conservative financial policies, good financial planning, and diligent budget oversight. Should you have any questions, please feel free to contact me.

Village of Pinehurst

Mid-Year Budget Review FY 2016-2017
Budget Amendment Summary

Revenues	Increase/(Decrease)		
Telecommunications Sales Tax	$ (15,000)	10-00-100-3230	Estimate revision
Electricity Franchise Tax	(35,000)	10-00-100-3231	Estimate revision
Investment Income	15,000	10-00-120-3890	Higher interest rates/earnings
FEMA Disaster Relief Funds	9,000	10-00-170-3370	Hurricane Matthew Revenues
Building Permits/Insp. Fees	90,000	10-10-130-3402	Greens and Sr. Apts. Fees
Planning and Zoning Fees	10,000	10-40-130-3400	Inc. residential construction activity
Recreation Fees	10,000	10-80-130-3410	Estimate revision
Facility Rental	9,500	10-80-130-3411	Increased event rentals
Insurance Proceeds	5,000	10-00-120-3805	Claims received
Sale of Fixed Assets	30,000	10-00-120-3820	Higher surplus sale revenue
Fund Balance Appropriated	(159,500)	10-00-190-3905	Reduce fund balance appropriated
Net Revenue Increase/(decrease)	$ (31,000)		

Expenditures	Increase/(Decrease)		
Human Resources-Salary Adjustments	$ (50,000)	10-00-240-4990	Reduction in salary market adjustments
Streets & Grounds-Disaster Recovery	9,000	10-20-420-5350	Hurricane Matthew Direct Exp
Fleet-Gas	(25,000)	10-00-960-5600	Lower fuel prices
Fleet-R&M Vehicles	25,000	10-00-960-5902	Vehicle repairs
Fleet-R&M Furniture & Equipment	10,000	10-00-960-5901	Equipment repairs
Charges to other departments	(10,000)	10-00-960-3560	Allocation account
Fire-Fleet Maint ISF	10,000	10-10-320-5903	Allocation account
Net Expenditure Increase/(Decrease)	$ (31,000)		

ORDINANCE #17-01:

AN ORDINANCE AMENDING THE ORDINANCE APPROPRIATING FUNDS FOR OPERATIONS OF THE VILLAGE OF PINEHURST, REGARDING REVENUES AND EXPENDITURES OF THE GENERAL FUND FOR THE VILLAGE OF PINEHURST, NORTH CAROLINA (MID-YEAR BUDGET ADJUSTMENTS).

THAT WHEREAS, the Village budgeted for revenues and expenditures in FY 2017 for the General Fund; and

WHEREAS, the estimates for FY 2017 revenues and expenditures have been calculated and there are some variations between the amounts budgeted and the amounts expected;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina, in the work session assembled this 14th day of February 2017, as follows:

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

Account No.	Account Name	Debit	Credit
Revenues:			
10-00-100-3230	Telecommunications Sales Tax	$ 15,000	
10-00-100-3231	Electricity Sales Taxes	35,000	
10-00-120-3890	Investment Income		$ 15,000
10-00-170-3370	FEMA Disaster Relief Funds		9,000
10-10-130-3402	Building Permits/Insp. Fees		90,000
10-40-130-3400	Planning and Zoning Fees		10,000
10-80-130-3410	Recreation Fees		10,000
10-80-130-3411	Facility Rental		9,500
10-00-120-3805	Insurance Proceeds		5,000
10-00-120-3820	Sale of Fixed Assets		30,000
10-00-190-3905	Fund Balance Appropriated	159,500	
Expenditures:			
10-00-240-4990	Salary Adjustment Funds-HR		$ 50,000
10-20-420-5350	Disaster Recovery-S&G	$ 9,000	
10-00-960-5600	Gas-Fleet Maintenance		25,000
10-00-960-5902	Vehicle R&M-Fleet	25,000	
10-00-960-5901	Equipment R&M-Fleet	10,000	
10-00-960-3560	Charges to Other Depts.-Fleet		10,000
10-10-320-5903	Fleet Maintenance ISF-Fire	10,000	

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

THIS ORDINANCE passed and adopted this 14th day of February 2017.

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

VILLAGE COUNCIL'S WORK SESSION DISCUSSION.
ADDITIONAL AGENDA DETAILS:

FROM:
Lauren Craig

DATE OF MEMO:
2/8/2017

MEMO DETAILS:
Council will hold a work session discussion.