



**VILLAGE COUNCIL
AGENDA FOR REGULAR MEETING OF FEBRUARY 9, 2016
ASSEMBLY HALL
395 MAGNOLIA ROAD
PINEHURST, NORTH CAROLINA
4:30 PM**

1. Call to Order.

2. Reports:

- Manager
- Council

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. Consider a resolution reappointing a member to the Planning and Zoning Board and the Board of Adjustment for one additional year (Snyder).

End of Consent Agenda.

4. Motion to Recess Regular Meeting and Enter Into a Public Hearing.

5. Public Hearing No. 1

The purpose of the public hearing is to consider an Official Text Amendment to the Pinehurst Development Ordinance (PDO) specifically Section 9.7.1.4, "Permitted Signage by Category". The amendment would allow for: (1) larger wall signs on certain structures in the Hospital Development (HD) Zoning District; and, (2) additional ground signs in the HD District. The applicant is FirstHealth of the Carolinas.

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

7. Consider Ordinance 16-02 amending the Pinehurst Development Ordinance Sections 9.7.1.4 (C) and 9.7.1.4 (D).

8. Discuss Potential Railroad Siding in the Village of Pinehurst.

9. Presentation from the Beautification Committee on Gateway Signs.

10. Presentation of the FY 2016 Strategic Operating Plan Q2 Status Update.

11. Presentation of Quarterly Financial Statements for the Quarter Ended December 31, 2015.

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

13. Review and Approve the Proposed FY 2017 BSC Target Performance Levels.

14. Other Business.

15. Comments from Attendees.

16. Motion to Adjourn.

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.



**CONSIDER A RESOLUTION REAPPOINTING A MEMBER TO THE PLANNING
AND ZONING BOARD AND THE BOARD OF ADJUSTMENT FOR ONE
ADDITIONAL YEAR (SNYDER).
ADDITIONAL AGENDA DETAILS:**

FROM:

Natalie Dean

CC:

Jeff Sanborn

DATE OF MEMO:

2/3/2016

MEMO DETAILS:

This item is to consider the re-appointment of Jay Snyder to the Board of Adjustment/Planning & Zoning Board. This re-appointment would extend Mr. Snyder's service on the board from 2/28/2016 to 2/28/2017.

A resolution for this appointment is attached to this agenda item.

ATTACHMENTS:

Description

- Resolution 16-03 Reappt. BOA and PandZ (Snyder)

RESOLUTION #16-03:

**A RESOLUTION REGARDING A RE-APPOINTMENT TO THE PINEHURST
PLANNING AND ZONING BOARD AND BOARD OF ADJUSTMENT.**

THAT WHEREAS, the Village of Pinehurst has established a Planning and Zoning Board and a Board of Adjustment as required by its Development Ordinance and authorized by North Carolina General Statutes 160A-361 and 160A-388; and

WHEREAS, on the 13th day of March, 2012, the Pinehurst Village Council adopted Ordinance #12-10 to amend Chapter 31 of the Pinehurst Municipal Code to combine the Planning and Zoning Board and the Board of Adjustment; and

WHEREAS, the term of Mr. Jay Snyder will expire on February 28, 2016; and

WHEREAS, Mr. Snyder and the Village Council of Pinehurst are desirous of his continuing to serve as a member of the Board of Adjustment and the Planning and Zoning Board for one additional year to fulfill the term limit;

NOW, THEREFORE, BE IT RESOLVED by the Village Council of the Village of Pinehurst, North Carolina in a regular meeting assembled this 9th day of February, 2016 as follows:

SECTION 1. That the following appointment is hereby made to the Board of Adjustment and the Planning and Zoning Board for the term indicated:

Mr. Snyder is re-appointed as a member of the Board of Adjustment and the Planning and Zoning Board, effective February 28, 2016, said term expiring on February 28, 2017.

SECTION 2. That this appointee shall continue serving until a replacement is appointed and qualified.

THIS RESOLUTION passed and adopted this 9th day of February, 2016.

(Municipal Seal)

VILLAGE OF PINEHURST
VILLAGE COUNCIL

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Natalie Dean, Interim Village Clerk

Michael J. Newman, Village Attorney



PUBLIC HEARING NO. 1
ADDITIONAL AGENDA DETAILS:

The purpose of the public hearing is to consider an Official Text Amendment to the Pinehurst Development Ordinance (PDO) specifically Section 9.7.1.4, "Permitted Signage by Category". The amendment would allow for: (1) larger wall signs on certain structures in the Hospital Development (HD) Zoning District; and, (2) additional ground signs in the HD District. The applicant is FirstHealth of the Carolinas.

FROM:

Kevin B. Reed, Director of Planning and Inspections

CC:

Jeff Sanborn, Village Manager and Bruce Gould, Principal Planner

DATE OF MEMO:

1/29/2016

MEMO DETAILS:

Please see the attached staff report for this public hearing.

ATTACHMENTS:

Description

- ☐ Staff Report PDO HD Sign Amendment
- ☐ Application for PDO Amendment
- ☐ Letter from FirstHealth Moore Regional Hospital
- ☐ Photo of Reid Heart Center



PLANNING AND INSPECTIONS DEPARTMENT STAFF REPORT

To: Mayor Fiorillo and Village Council

From: Kevin B. Reed, Director of Planning and Inspections

Cc: Jeff Sanborn, Village Manager
Bruce Gould, Principal Planner

Date: January 29, 2016

Subject: **Public Hearing and Staff Report for Request by FirstHealth of the Carolinas for Proposed Amendments to Section 9.7.1.4, “Permitted Signage by Category”, of the Pinehurst Development Ordinance (PDO) for Signs Located in the Hospital Development (HD) Zoning District.**

Request

FirstHealth of the Carolinas has requested amendments to the signage section of the Pinehurst Development Ordinance (PDO). The purpose of these amendments is to allow for additional signage on the FirstHealth Moore Regional Hospital Campus. The specific amendments would allow 3 story structures or taller to have up to 225 square feet of wall signage. The current regulations in the PDO limits these structures to 12 square feet of wall signage. The primary structures impacted by this change would be the main tower of the Hospital and the Reid Heart Center. Additionally, these amendments would allow for additional ground signage at each entrance to the hospital. The catalyst for these amendments is to allow for appropriate sized wall signage on the larger structures within the Hospital Development (HD) Zoning District and to allow for better way finding at the driveways and entrances of the hospital campus. Another benefit would be to make the existing signage on the main hospital tower and entrance conforming. The potential amendments, with text being added shown in an underlined format, read as follows:

Amend Section 9.7.1.4(C) to read as follows:

- C. Attached Sign Standards

Signage shall be permitted subject to the standards in the tables below.
Additional standards for specific signage types are outlined in Section 9.7.1.5.

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
Wall Signs	VC, VCP, VMX	6 sq ft	Shall not extend above roofline of building	Signs shall only contain name and nature of business	1 sign per street frontage per tenant
	HD, NC, OP	12 sq ft <u>225 sq. ft. In the HD on Buildings 3 stories or taller</u>		Signs shall be professionally etched, or printed When 6 inch maximum protrusion, bottom of sign shall be no less than 8 ft above grade Additional standards and allowances apply for multi-tenant developments according to provisions of Section 9.7.1.5	
	H, PC, RD	24 sq ft			
	HC	32 sq ft			

Amend Section 9.7.1.4(D) to read as follows:

D. Freestanding Sign standards

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
Ground Signs	R5 – R210, RMF	16 sq ft total area (including border and molding)	4 ft	May not be used in conjunction with other permanent subdivision signage Border or molding shall not exceed 6 inch width Signs with border shall be at least 2 ft in either horizontal or vertical direction	1 or 2 sides of major entrance
	VR	6 sq ft total area (including border and molding)	3 ft	Mulched, turfed, or grassed area of 50 sq ft required at base of all signs without obscuring the sign message Additional standards and allowances apply to the residential care facilities and religious institutions (see Section 9.7.1.5)	
	PC, RD, NC, HC, H, HD, VCP, OP, VMX, VC	16 sq ft 12 sq ft – single-tenant commercial	5 ft In H, VC districts and in single-tenant	Border or molding shall not exceed 3 inch width Sign may be double sided. Additional standards and allowances	1 per street frontage, but no more than 2 per lot. (The Village Council may

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
			commercial development – 4 ft	apply for multi-tenant developments according to provisions of Section 11.6.2	allow for additional ground signs per lot in the VC zoning district.) <u>In the HD District up to 2 ground signs may be placed at each vehicular entrance.</u>

Comprehensive Plan Consistency Statement

Page 2 of the 2010 Comprehensive Long range Plan acknowledges that FirstHealth Moore Regional Hospital is a nationally recognized facility offering sophisticated medical capabilities usually found only in much larger metropolitan areas.

Page 3 of the 2010 Village of Pinehurst Comprehensive Plan indicates that the Village of Pinehurst intends to address community needs in the most efficient and cost-effective manner.

The Enhance Character/Ambience Section of the 2010 Comprehensive Long-Range Plan indicates that Pinehurst should continue to guide and promote positive changes that will help meet the current needs of the community, make Pinehurst a better place for residents and visitors, and maintain and enhance the character of the community.

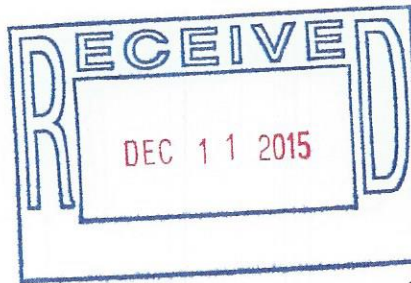
Conclusion

The proposed text amendments will allow for better way finding for residents and visitors to the FirstHealth Moore Regional Campus and allow for the appropriate signage of building that also recognizes major donors to the hospital. The aforementioned references indicate that this proposed amendment is consistent with the 2010 Comprehensive Long-Range Village Plan. Achieving goals in accordance with the Comprehensive Plan is considered reasonable and in the best interest of the public.

Recommendation

The Planning & Zoning (P&Z) Board discussed these potential amendments at its meeting held on January 7, 2016. Following its discussion of the amendment to PDO, the P&Z Board voted unanimously to recommend to the Village Council that the amendments be approved

I look forward to discussing the proposed amendments with the Mayor and Village Council at its January 9, 2016 meeting. Please let me know if you have any questions regarding this matter.



Application For
Pinehurst Development Ordinance Amendment

Fee: \$400.00

Applicant Information

Name: FirstHealth of the Carolinas - Michael Martin, Corporate Communications
Address: PO Box 3000 155 Memorial Drive Pinehurst, NC 28374
Phone Number: (910) 715-1979 E-mail: mmartin@firsthealth.org

Type of Change: New Addition ☐ Revision ☒ Ordinance Section (s): 9.7.1.4C & 9.7.1.4D

Current Text:

9.7.1.4C Wall Signs > HD, NC, OP > Maximum Area 12 sq ft
9.7.1.4D Ground signs > PC, RD, NC, HC, H, HD, VCP, OP, VMX, VC > ... > Maximum number > 1 per street frontage, but no more than 2 per lot...

Proposed Text (attach additional sheets if necessary):

9.7.1.4C Wall Signs > HD, NC, OP > Maximum Area 12 sq ft; ~~125~~ sq ft in the HD on buildings 3 stories or taller
9.7.1.4D Ground signs > PC, RD, NC, HC, H, HD, VCP, OP, VMX, VC > ... > Maximum number > 1 per street frontage, but no more than 2 per lot...In the HD district, the number of allowable signs may be doubled to allow for better way finding

Reason for requested change (attach additional sheets if necessary):

More than half of FirstHealth Moore Regional Hospital's patients and guests live outside of Moore County. Finding the appropriate building for their medical appointments continues to be a challenge. Larger wall signs will help patient distinguish between the Reid Heart Center, main hospital entrance, and patient tower. This will also help identification as the hospital grows and new buildings are built.

I hereby certify that the information presented by me in this application is accurate to the best of my knowledge, information, and belief.

Signature: Michael G. Martin

Date: December 10, 2015

From its beginning nearly 90 years ago, FirstHealth Moore Regional Hospital has relied on the wisdom and generosity of individuals who could look beyond the needs of the present to anticipate the needs of generations to come.

The hospital's founders, many of them accustomed to the health care available in major East Coast cities, wanted a hospital that could accommodate their specialty medical needs as well as provide for their general health care. They wouldn't be satisfied with anything less, and because of them – and hundreds of others who came afterward – Moore County has been enriched by a medical facility that provides services that are generally found in much larger hospitals or teaching facilities.

In recent years, two of those forward-thinking people have been Walter and Betty Reid, who purchased property in Pinehurst in the mid-1960s. Before he retired, Walter Reid spent 54 years in the candy business after joining Tropical Charms, the New Jersey-based company his father founded shortly after the beginning of the 20th century. When he returned to the business after World War II service, he took the company to even greater heights, renaming it the Charms Candy Company and leading it to its position as one of the largest producers of hard candy in the world.

Not content to limit himself to the business world, Mr. Reid assumed a legacy of community service and philanthropy that he continued with his retirement to Pinehurst. He became involved with Moore Regional Hospital in 1986 and personally experienced some of the state-of-the-art medical equipment, technology, facilities, treatments and services the hospital had to offer.

Thanks in part to their friendship with John F. Krahner Jr., M.D., who started Moore Regional's open-heart surgery program in 1990, both Mr. and Mrs. Reid took a great interest in The Foundation of FirstHealth's Stepping Stones campaign to build – among other facilities – a designated heart hospital for the Moore Regional campus. Their generous \$10 million gift to that campaign was the largest in Moore Regional's then-78-year history. In recognition of their generosity, the FirstHealth of the Carolinas Board of Directors voted unanimously to name the new heart hospital the Reid Heart Center.

Subsequent gifts from Mr. and Mrs. Reid and then from Mrs. Reid after her husband's death in November 2011 have significantly increased their contribution total to more than \$22 million, assuring that the Reid Heart Center offers a number of cardiac care services that are unique to the mid-Carolinas.

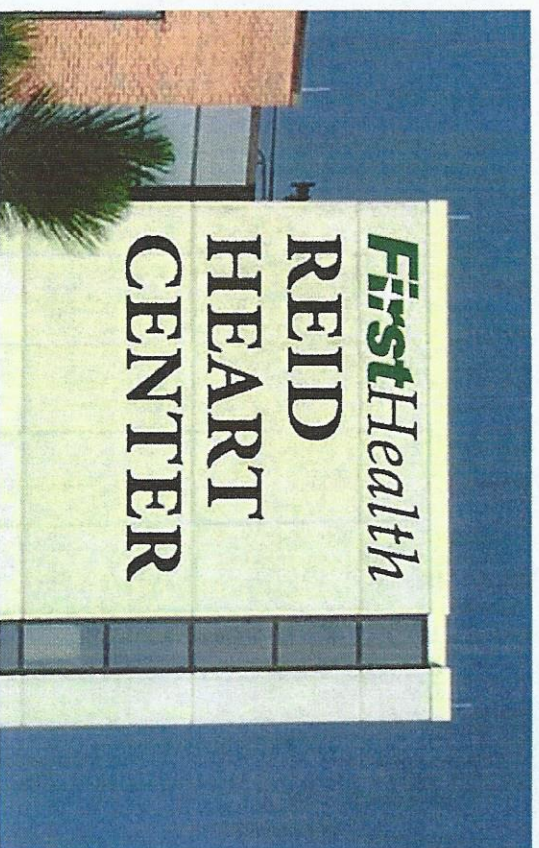
When the Reids established the Walter and Betty Reid Fund to recognize the outstanding care Moore Regional and Reid Heart Center provide not only to Moore County but also to a 15-county referral area covering most of central North Carolina, Mr. Reid incorporated FirstHealth's core purpose when he said the following:

"This gift has given me as much pleasure as anything I have done. It may go into bricks and mortar, but it won't end when the last brick is laid. The income from the fund will be there forever for FirstHealth to use as it wishes 'to care for people.'"

FirstHealth Moore Regional Hospital would like to recognize the Reid gifts with an externally lighted sign on the Heart Center wall facing Page Road. In addition to the public recognition, the sign will help improve way finding for patients and guests – many of whom live outside of Moore County – as they navigate to the building on the hospital campus.

Because the size of this sign exceeds what is allowed in the UDO, the hospital is submitting a text amendment application seeking a total square footage increase for hospital district wall signs on buildings three stories or taller. The hospital also seeks additional ground signs to help with way finding. The hospital is ready to order the sign today, but the approval process may take up to three months. Given the historical significance and long-term impact of the Reid's generous gifts, FirstHealth Moore Regional Hospital asks the Village of Pinehurst to consider approving the wall sign under UDO section 9.7.1.6 E (1) Historical markers, monuments or signs approved by the Village Council.









**CONSIDER ORDINANCE 16-02 AMENDING THE PINEHURST
DEVELOPMENT ORDINANCE SECTIONS 9.7.1.4 (C) AND 9.7.1.4 (D).
ADDITIONAL AGENDA DETAILS:**

ATTACHMENTS:

Description

- ▣ Ordinance 16-02 PDO Amendment HD Signage

ORDINANCE #16-02:

AN ORDINANCE AMENDING THE PINEHURST DEVELOPMENT ORDINANCE AS IT PERTAINS TO SECTION 9.7.1.4, “PERMITTED SIGNAGE BY CATEGORY”.

THAT WHEREAS, the Village Council of the Village of Pinehurst adopted a new Pinehurst Development Ordinance on the 8th day of October, 2014, for the purpose of regulating planning and development in the Village of Pinehurst and the extraterritorial area over which it has jurisdiction; and

WHEREAS, said Ordinance may be amended from time to time as circumstances and the best interests of the community have required; and

WHEREAS, a public hearing was held at 4:30 p.m. on February 9, 2016, in the Assembly Hall of the Pinehurst Village Hall, Pinehurst, North Carolina after due notice in the Pilot, a newspaper in Southern Pines, North Carolina, with general circulation in the Village of Pinehurst, and its extraterritorial jurisdiction, for the purpose of considering proposed amendments to the Pinehurst Development Ordinance, at which time all interested citizens, residents and property owners in the Village of Pinehurst and its extraterritorial jurisdiction were given an opportunity to be heard as to whether they favored or opposed the proposed text amendments; and

WHEREAS, the Planning and Zoning Board has recommended the Village Council amend Section 9.7.1.4 of the Pinehurst Development Ordinance; and

WHEREAS, the Village Council, after considering all of the facts and circumstances surrounding the proposed amendments to the text of the Pinehurst Development Ordinance, have determined that it is considered reasonable and in the best interest of the Village of Pinehurst and the extraterritorial jurisdiction and that it is consistent with the 2010 Comprehensive Plan that the Pinehurst Development Ordinance be further amended, making the amendments as requested;

NOW, THEREFORE, BE IT ORDAINED AND ESTABLISHED by the Village Council of the Village of Pinehurst, North Carolina in the regular meeting assembled on the 9th day of February, 2016, as follows:

SECTION 1. That the Pinehurst Development Ordinance of the Village of Pinehurst and its extraterritorial zoning jurisdiction be and the same hereby is amended by adding the following text amendment to Section 9.7.1.4, “Permitted Signage by Category”:

Section 9.7.1.4(C)

C. Attached Sign Standards

Signage shall be permitted subject to the standards in the tables below.
Additional standards for specific signage types are outlined in Section 9.7.1.5.

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
Wall Signs	VC, VCP, VMX	6 sq ft	Shall not extend above roofline of building	Signs shall only contain name and nature of business	1 sign per street frontage per tenant
	HD, NC, OP	12 sq ft <u>225 sq. ft. In the HD on Buildings 3 stories or taller</u>		Signs shall be professionally etched, or printed When 6 inch maximum protrusion, bottom of sign shall be no less than 8 ft above grade	
	H, PC, RD	24 sq ft		Additional standards and allowances apply for multi-tenant developments according to provisions of Section 9.7.1.5	
	HC	32 sq ft			

Section 9.7.1.4(D)

D. Freestanding Sign standards

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
Ground Signs	R5 – R210, RMF	16 sq ft total area (including border and molding)	4 ft	May not be used in conjunction with other permanent subdivision signage Border or molding shall not exceed 6 inch width Signs with border shall be at least 2 ft in either horizontal or vertical direction	1 or 2 sides of major entrance
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	PC, RD, NC, HC, H, HD, VCP, OP, VMX, VC	16 sq ft 12 sq ft – single-tenant commercial	5 ft In H, VC districts and in single-tenant	Border or molding shall not exceed 3 inch width Sign may be double sided. Additional standards and allowances	1 per street frontage, but no more than 2 per lot. (The Village Council may

	Permitted Location	Maximum Area	Maximum Height	Other Requirements	Maximum Number
			commercial development – 4 ft	apply for multi-tenant developments according to provisions of Section 11.6.2	allow for additional ground signs per lot in the VC zoning district.) <u>In the HD District up to 2 ground signs may be placed at each vehicular entrance.</u>

SECTION 2. That all ordinances or sections thereof in conflict herewith are hereby repealed and declared null and void from and after the date of adoption of this ordinance.

SECTION 3. That this Ordinance shall be and remain in full force and effect from and after the date of its adoption.

THIS ORDINANCE is passed and adopted this 9th day of February, 2016.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Natalie Dean, Interim Village Clerk

Michael J. Newman, Village Attorney



**DISCUSS POTENTIAL RAILROAD SIDING IN THE VILLAGE OF PINEHURST.
ADDITIONAL AGENDA DETAILS:**

FROM:

Jeff Sanborn

DATE OF MEMO:

2/4/2016

MEMO DETAILS:

Aberdeen Carolina & Western Railroad has requested Village of Pinehurst support to their efforts to secure grant money in order to construct a railroad siding along Hwy 5 between the railroad overpass and Morganton Rd. The railroad's stated intent is to accommodate passenger car and excursion purposes as well as potential vintage engine and car parking for tourism and public engagement purposes. The railroad is willing to restrict usage in a way that prevents cars or engines from being parked longer than 3 weeks, prevents standard cargo or hopper cars from being parked, and prevents conspicuous advertising not associated with the Aberdeen, Carolina & Western Railroad.

ATTACHMENTS:

Description

- ☐ Letter of Support - Version 1
- ☐ Letter of Support - Version 2
- ☐ Memorandum of Understanding - ACWR & VOP



HISTORY, CHARM, AND SOUTHERN HOSPITALITY

February 9, 2016

Mr. Robert Menzies, President
Aberdeen Carolina & Western Railway
967 NC Highway 211
Candor, NC 27229

Dear Rob,

On behalf of the Village Council of the Village of Pinehurst, I want to express our support for the Aberdeen Carolina & Western Railway's (ACWR) proposed rail siding next to Pinehurst Resort along NC Highway 5.

This new siding in the Village of Pinehurst would have the potential to greatly contribute to the local efforts to promote tourism and economic development by allowing Class 1's to transport their corporate passenger trains to Pinehurst by rail. The Village of Pinehurst also believes this project has the opportunity to provide an attractive atmosphere and enhance special events such as the annual Pinehurst Concours d'Elegance and the 2024 U.S. Open Championship.

The Pinehurst Village Council greatly appreciates the efforts of ACWR and sincerely hopes the rail siding will become a reality, and to that end, please share this letter with the appropriate decision-makers who can make this happen.

Sincerely,

Nancy Roy Fiorillo, Mayor
Pinehurst, NC

ADMINISTRATION

395 Magnolia Road • Pinehurst, NC 28374 • Telephone (910) 295-1900 • Fax (910) 295-4434 • www.vopnc.org



HISTORY, CHARM, AND SOUTHERN HOSPITALITY

February 9, 2016

Mr. Robert Menzies, President
Aberdeen Carolina & Western Railway
967 NC Highway 211
Candor, NC 27229

Dear Rob,

On behalf of the Village Council of the Village of Pinehurst, I want to express our support for the Aberdeen Carolina & Western Railway's (ACWR) proposed rail siding next to Pinehurst Resort along NC Highway 5.

This new siding in the Village of Pinehurst would have the potential to greatly contribute to the local efforts to promote tourism and economic development by allowing Class 1's to transport their corporate passenger trains to Pinehurst by rail. The Village of Pinehurst also believes this project has the opportunity to provide an attractive atmosphere and enhance special events such as the annual Pinehurst Concours d'Elegance and the 2024 U.S. Open Championship.

On Tuesday, February 9, 2016, the Pinehurst Village Council approved by motion that we would be in full support of these efforts, according to the executed Memorandum of Understanding (attached).

The Pinehurst Village Council greatly appreciates the efforts of ACWR and sincerely hopes the rail siding will become a reality, and to that end, please share this letter with the appropriate decision-makers who can make this happen.

Sincerely,

Nancy Roy Fiorillo, Mayor
Pinehurst, NC

ADMINISTRATION

395 Magnolia Road • Pinehurst, NC 28374 • Telephone (910) 295-1900 • Fax (910) 295-4434 • www.vopnc.org

MEMORANDUM OF UNDERSTANDING
BETWEEN
THE VILLAGE OF
PINEHURST AND
ABERDEEN CAROLINA & WESTERN
RAILWAY

This Memorandum of Understanding sets forth the terms and understanding between the Village of Pinehurst and Aberdeen Carolina & Western Railway for the proposed railroad siding, consistent with the concept attached in Exhibit A, along NC Highway 5.

PURPOSE

Aberdeen Carolina & Western Railroad has proposed a railroad siding along NC Highway 5 beside Pinehurst Resort. This railroad siding has the potential to greatly contribute to local efforts to promote tourism and economic development by allowing Class 1's (CSX, NS, BNSF, UP) to transport their corporate passenger trains to Pinehurst by rail. This railroad siding would also provide an attractive atmosphere and enhance such events such as the annual Pinehurst Concours d'Elegance and the 2024 U.S. Open Championship, and would allow for AMTRAK to make Pinehurst a destination for tourism and golf.

This Memorandum of Understanding is intended to solidify the support of this collaborative effort among the two parties and to define particular and agreed upon restrictions to the use of this propose railroad siding.

FUNDING

No funding is being requested by any parties involved other than staff time to apply for a North Carolina Department of Transportation grant that would fund this project in full.

PROHIBITED USES AND RESTRICTIONS

The parties agree that the proposed railroad siding along NC Highway 5 may not be used for any of the following purposes:

- Parking of cars or engines for longer than three weeks.
- Parking of standard cargo or hopper cars.
- Parking of cars that carry conspicuous advertising not associated with Aberdeen Carolina & Western Railway.

Unless previously approved by the Village Manager.

Date:
Nancy Roy Fiorillo, Mayor
Village of Pinehurst

Date:
Robert Menzies, President
Aberdeen Carolina & Western Railway

EXHIBIT A



Pinehurst Siding



North of Golf Cart Crossing:

⇒ Allows for 7 (seven) 85' passenger cars

South of Golf Cart Crossing to Morganton Road:

⇒ Allows for 11 (eleven) 85' passenger cars



Pinehurst Siding



North of Golf Cart Crossing:

- 420 feet from crossing to point of switch
 - Subtract 150' switch clearance and 100' clearance for cart crossing
- ⇒ 170' feet usable track
- ⇒ Allows for 4 (four) 85' passenger cars

South of Golf Cart Crossing to Morganton Road:

- 1,213 feet from crossing to point of switch
 - Subtract 150' switch clearance and 100' for cart crossing
- ⇒ 963 feet usable track
- ⇒ Allows for 11 (11.3269) 85' passenger cars



PRESENTATION FROM THE BEAUTIFICATION COMMITTEE ON GATEWAY SIGNS.

ADDITIONAL AGENDA DETAILS:

FROM:

Jeff Batton

CC:

Molly Rowell

DATE OF MEMO:

2/2/2016

MEMO DETAILS:

As you may recall, several years ago the Village created a sign package for gateway, wayfinding and park signs. The gateway signs were never implemented although the Village did pursue creation and installation of the wayfinding and park sign designs. The gateway signs were designed for six locations at major entry points into the Village of Pinehurst.

The Beautification Committee, in conjunction with staff, has developed some smaller, simpler designs for gateway signs for Council consideration. The attached designs are closely aligned in their styling, color scheme, material and construction type to the wayfinding and park identification signs.

The six locations identified on the attachment and are the same locations that were identified in the previous sign package.

By presenting these concepts now, the committee and staff are seeking direction with regards to possible inclusion in the FY2017 capital budget. Each sign location is estimated to cost approximately \$4,000 for the sign, installation and a minimal amount of landscaping, for a total cost of \$24,000.

Molly Rowell and I will be present to review these designs and locations with you on February 9th.

Thanks.

ATTACHMENTS:

Description

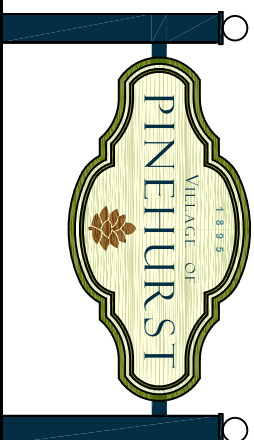
- ☐ Sign Designs
- ☐ Gateway Locations



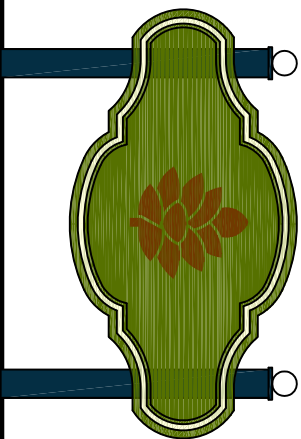
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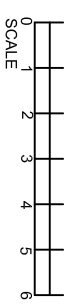
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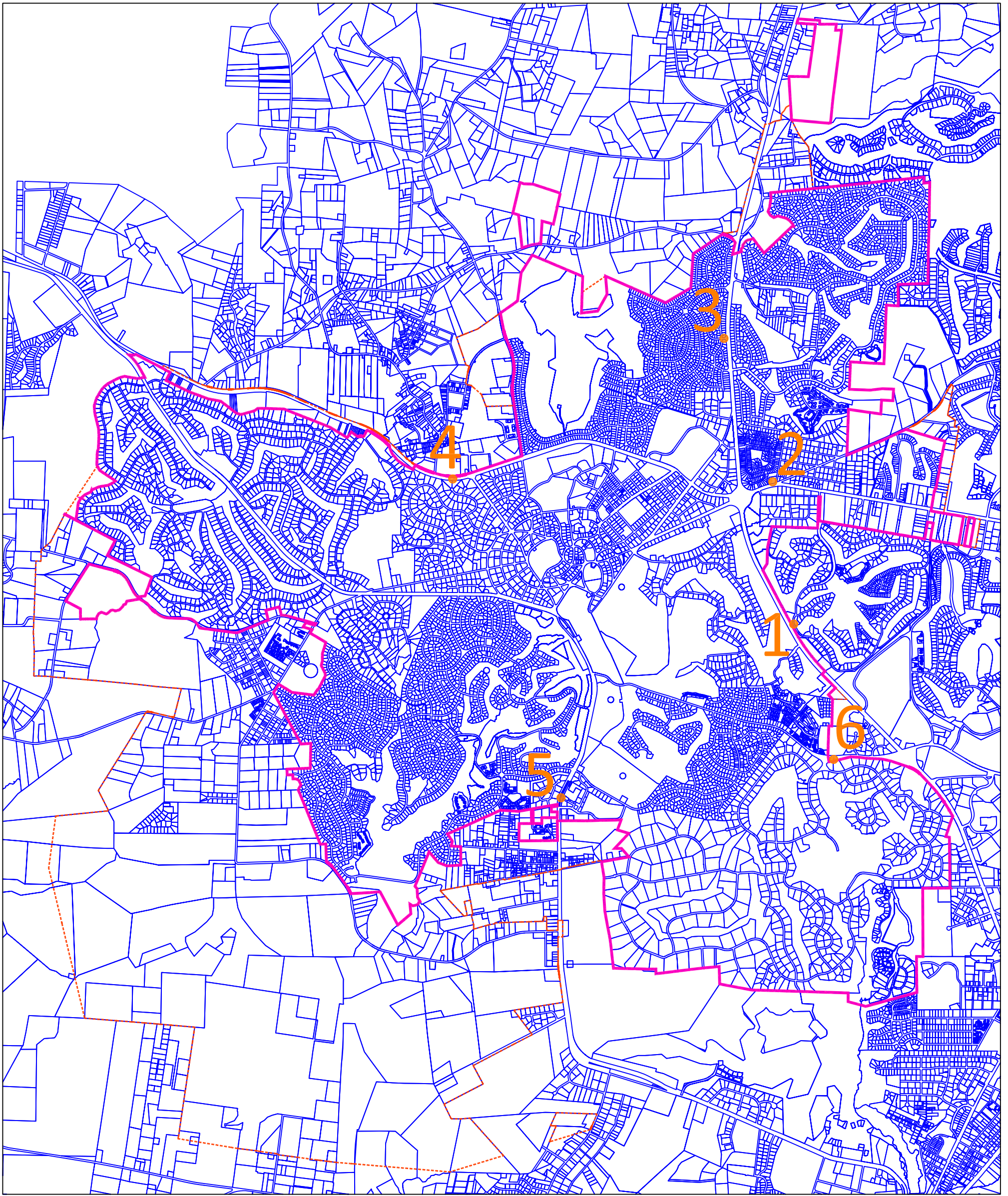


C



E





PROPOSED GATEWAY LOCATIONS



GATEWAY & WAYFINDING
VILLAGE OF PINEHURST
NORTH CAROLINA
NOVEMBER 9, 2012





PRESENTATION OF THE FY 2016 STRATEGIC OPERATING PLAN Q2 STATUS UPDATE.

ADDITIONAL AGENDA DETAILS:

FROM:

Natalie Dean

DATE OF MEMO:

1/20/2016

MEMO DETAILS:

This agenda item represents the Q2 update on the status of the implementation of the FY 2016 Strategic Operating Plan (SOP) initiative action plans. The attached PowerPoint presentation indicates the status of initiative action plans and any changes recommended by staff. Overall, staff has been successful in carrying out the plans made for FY 2016. However, in some instances, circumstances have prevented staff from implementing the FY 2016 initiative action plans as originally planned.

ATTACHMENTS:

Description

- FY 2016 Strategic Operating Plan Q2 Status Update



***FY 2016 Village of Pinehurst
Strategic Plan Status Update
As of December 31, 2015***

FY 2016 Strategic Plan Status Update

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FY 2016 Strategic Plan Status Update

Village Council



**Nancy Fiorillo,
Mayor**



**Clark Campbell,
Councilmember**



**John Cashion,
Mayor Pro Tem**



**Claire Berggren,
Councilmember**



**John Bouldry,
Treasurer**

FY 2016 Strategic Plan Status Update

Strategic Objectives by Balanced Scorecard Perspective



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

Village FY 2016 Goals



History, Charm, & Southern Hospitality

FY 2016 Strategic Plan Status Update

Overview of the Status of Strategic Initiatives at December 31, 2015



- ❑ There are a total of 37 Initiative Action Plans (IAPs) for FY 2016:
 - ❑ 10 were carried over from FY 2015
 - ❑ 27 were *NEW* IAPs for FY 2016
- ❑ *Staff recommends eliminating one IAP – Evaluate the use of solar energy for Village facilities*
- ❑ The following table indicates the status of IAPs at the end of Q2, FY 2016 (December 31, 2015):

IAP Status	# of IAPs at 12/31/15
IAP begins in a future quarter	4
IAP is in progress and on schedule	21
IAP is in progress, but not on schedule	2
IAP has been completed	10
Total	37

FY 2016 Strategic Plan Status Update

Customer Perspective – Strategic Initiatives and Status



Goal	Strategic Objective	Initiative Action Plan (IAP)	Q1 Status	Q2 Status	Q2 Comments
Safeguard the Community	Deliver effective public safety services	Expand traffic pre-emption program to additional intersections in Village limits			
		Achieve national accreditation in the Fire Department			
		Evaluate alternative methods to proactively investigate and deter crime (BIRDIE)			Scheduled to present recommendations in Q3 and/or Q4
Preserve the Character of Pinehurst & the Quality of Neighborhoods	Maintain a high level of overall appearance of Pinehurst public spaces	Evaluate the consolidation of Streets & Grounds and Buildings & Grounds (BIRDIE)			This initiative is planned to extend into FY 2017
	Achieve a high level of compliance with Village codes and ordinances	Implement the recommendations of the Code Enforcement BIRDIE Team			In progress of implementing public education components
		Evaluate the code enforcement process (BIRDIE) (PY carryforward)			
	Maintain a high level of overall appearance of Pinehurst public spaces	Re-develop the Public Services campus			Scheduled to be substantively complete by June 30 th
		Develop an "Adopt a Plant Bed" program with the Beautification Committee (ACE)			
Promote Economic Opportunity	Support economic and business development to meet the needs of Pinehurst residents and visitors	Support Pinehurst businesses through collaboration with Pinehurst Business Partners			This IAP calls for staff to attend one PBP meeting a quarter. Staff did not attend a meeting in Q2.
		Incrementally expand the Village Center into Village Place/Rattlesnake Corridor			

Legend	
	IAP begins in a future quarter
	IAP is in progress and on schedule
	IAP is in progress, but not on schedule
	IAP has been completed

FY 2016 Strategic Plan Status Update

Customer Perspective – Strategic Initiatives and Status



Goal	Strategic Objective	Initiative Action Plan (IAP)	Q1 Status	Q2 Status	Q2 Comments
Provide & promote multi-modal transportation connectivity	Provide a safe and well-maintained network of streets, sidewalks, greenways, and bike paths	Conduct Midland Road corridor study (PY carryforward)			
	Provide a safe and well-maintained network of streets, sidewalks, greenways, and bike paths	Install sidewalks and/or greenways according to the Pedestrian Master Plan			Fell behind planned schedule to notify residents of proposed routes in Nov, but project will be completed by the end of the year as scheduled
	Provide a safe and well-maintained network of streets, sidewalks, greenways, and bike paths	Install bike paths according to the Bicycle Master Plan			This initiative will need to be amended based on Council direction in February to not install the bicycle pavement markings (sharrows) as planned.
	Provide for efficient traffic flow with minimal congestion	Make intersection improvements at McKenzie Rd and Hwy 5 and Barrett Rd and Hwy 5			The scope of this project has been modified to not include improvements at Barrett Rd. and Hwy 5
Promote environmental sustainability	<i>Conserve natural resources</i>	<i>Evaluate the use of solar energy for Village facilities</i>			<i>Staff recommends eliminating this initiative because HB245 did not pass and makes the initiative impossible to pursue as planned</i>
Promote an active, healthy community	Provide adequate recreational facilities	Develop a comprehensive recommendation for a new Community Center Facility			Recommendation was presented to Council in January
	Provide adequate recreational facilities	Develop Rassie Wicker Park facilities			
	Provide recreation programs and leisure activities for all ages	Establish a P&R internship program			

Legend	
	IAP begins in a future quarter
	IAP is in progress and on schedule
	IAP is in progress, but not on schedule
	IAP has been completed

FY 2016 Strategic Plan Status Update

Internal Perspective – Strategic Initiatives and Status



Goal	Strategic Objective	Initiative Action Plan (IAP)	Q1 Status	Q2 Status	Q2 Comments
Professionally Manage a High Performing Organization	Effectively communicate with customers in a timely and consistent manner	Develop and implement a corporate communications strategy for keeping the public informed, considering a more frequent newsletter publication and eblasts post-Council meetings (PY carryforward)			
	Continually improve the effectiveness and efficiency of key processes	Develop a contract management system (PY carryforward)			
		Continue to utilize the Baldrige excellence framework to improve organizational performance			
		Develop an organization wide complaint management process -VOP 311 (BIRDIE)			Scheduled to present recommendations in Q3
		Develop a mechanism to share best practices between departments and evaluate the effectiveness (ACE)			
		Review key Village processes annually for opportunities for improvement			
		Complete Payment Card Industry (PCI) Compliance (PY carryforward)			
		Develop a method to evaluate the effectiveness of the Village Council (ACE)			Need Council direction on how/when to proceed with developing the planned performance appraisal tool
		Develop a comprehensive orientation process for newly elected officials (PY carryforward)			

Legend	
	IAP begins in a future quarter
	IAP is in progress and on schedule
	IAP is in progress, but not on schedule
	IAP has been completed

FY 2016 Strategic Plan Status Update

Internal, Workforce, & Financial Perspectives - Strategic Initiatives and Status



Goal	Strategic Objective	Initiative Action Plan (IAP)	Q1 Status	Q2 Status	Q2 Comments
Professionally Manage a High Performing Organization	Generate collaborative solutions	Identify key partners and assign a Council liaison to each partner (PY carryforward)			Completed Q3 - January
	Leverage technology to enhance Village operations	Increase capability to secure and monitor the Village computer network for legal compliance			
		Redesign Village website to add more functionality and integrate it with a mobile app (PY carryforward)			Scheduled to be completed in Q4
Recruit and develop a skilled and diverse workforce	Recruit, train, engage, and reward volunteers	Develop a comprehensive volunteer reward and recognition program (PY carryforward)			
		Develop a policy on volunteer and committee appointments (PY carryforward)			
	Train, develop, and engage employees	Review and revise the in-house TOPS training program (ACE)			Scheduled to begin in Q3
	Reward and recognize employees	Implement a reward and recognition program (ACE)			
Maintain a strong financial condition	Meet or exceed Village established financial targets	Evaluate alternative revenue sources for the Village			
		Implement the recommendations from the evaluation of the sale of Village owned land			Scheduled to begin in Q4 - deannex Juniper Lake Rd property
		Implement BIRDIE Team recommendations to ensure the financial sustainability of the Harness Track			

Legend	
	IAP begins in a future quarter
	IAP is in progress and on schedule
	IAP is in progress, but not on schedule
	IAP has been completed



**PRESENTATION OF QUARTERLY FINANCIAL STATEMENTS FOR THE
QUARTER ENDED DECEMBER 31, 2015.
ADDITIONAL AGENDA DETAILS:**

FROM:

John Frye

CC:

Jeff Sanborn & Natalie Dean

DATE OF MEMO:

2/2/2016

MEMO DETAILS:

The financial statements for the quarter ended December 31, 2015 are presented for your information and review.

Highlights and details are provided in the accompanying memo.

ATTACHMENTS:

Description

- ▣ Financial Statements Memo-FY2016_Q2
- ▣ Quarterly Financial Statements_12-31-15

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 29, 2016
Re: Financial Statements for the Quarter Ended December 31, 2015

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 under control and our revenue outlook is stable. These results should position us well to carry out the objectives outlined in the FY 2016 Strategic Operating Plan.

Financial Position:

The Village's General Fund is showing \$4.6 million in income for the first six months of the year compared to \$3.4 million the prior year. The Village budgeted for revenues to exceed expenditures by roughly \$1.9 million for the two quarters.

In terms of fund balance, the Village's fund balance is currently 70% of expenditures, which is higher than the 62% level seen the previous year at December 31.

The Village's total cash & investment balances increased by \$1,740,000, or 19% compared with the previous year. A portion of this increase is due to the increase in 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 \$10.8 million in cash and investments at December 31, 2015, \$3.0 million was held in high-quality certificates of deposit purchased under the Village's investment program. Our long-term debt balances continue to remain relatively low. The Village currently owes a total of \$1.6 million in notes payable.

Revenues & Expenditures:

General fund revenues were \$687,000, or 6% above the year-to-date budget projections. Property tax revenues were \$443,000 above the quarterly revenue estimate. This increase is mostly due to the slightly higher tax base and higher tax collection rate compared to the previous year.

You may recall that after the budget was adopted, Moore County lowered the Village's revalued tax base estimate due to pending commercial valuation appeals. That decline is not reflected in the actual tax levy for the first two quarters. The Real & Personal levy is actually 0.28% higher than the estimate the budget was based upon. Also, the real and personal property tax collection rate is 91% through the first quarter which is 0.7% higher than this time last year.

Local option sales tax revenues were \$97,000, or 6.5%, above the quarterly projection. The budget, when adopted forecast a 3% increase over the previous year.

General fund operating expenditures were \$889,000 or 11% below the quarterly budget overall. This variance is well below the expected expenditure variance of 5%. Compared to the previous year, operating expenditures were down \$631,000 year to date, mostly due to the early completion of our annual resurfacing work in the prior year.

For capital outlay, only 39% 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 Public Services redevelopment, splash pad, greenways, sidewalks, and a solid waste vehicle that is on order. One additional item, the DFI study of Village Place, was budgeted at \$50,000 in the first quarter but will not be completed. This item is being removed from the budget at the mid-year adjustment.

Financial Outlook:

The Village issued 48 residential building permits valued at \$11,499,000 during the first two quarters. Both the number of homes permitted and the total value of the homes are lower than the previous year. The average value of these homes, however, increased from \$215,000 to \$239,000, or 11% when compared to the previous fiscal year.

The amount of fund balance appropriated this fiscal year is \$1,827,000. This is comparable to the \$1,987,000 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 2016. This is positive compared to the \$456,000 loss that was estimated when the budget was originally adopted in May of 2015. This estimate will leave the ending fund balance for the General Fund at 45% of expenditures, or 5% above our policy target range.

Other Items:

During the first two quarters, the Fair Barn covered 88% of operating expenditures with operating revenues. This is higher than the 83% achieved at this point the previous year but below the balanced scorecard target of 100%. Before discounts were applied, the Fair Barn actually made an operating profit for the quarter with the ratio standing at 102%.

The Harness Track covered 108% of its operating expenditures compared to 97% 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 56%. 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, 2015

**Village of Pinehurst
Financial Statements
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Village of Pinehurst
Combined Balance Sheet - All Fund Types
December 31, 2015

	Governmental		Account Groups		Totals	Totals
	Fund Type		General	General		
	General		Capital	Long - Term	December 31,	December 31,
	Fund		Assets	Debt	2015	2014
ASSETS						
Cash & investments	\$ 10,778,447	\$ -	\$ -		\$ 10,778,447	\$ 9,038,111
Taxes receivable	861,662	-	-		861,662	924,149
Assessments receivable	173,103	-	-		173,103	77,802
Due from other governmental agencies	2,200,713	-	-		2,200,713	2,234,965
Interest receivable	788	-	-		788	-
Other receivables	352,449	-	-		352,449	308,019
Inventory	36,038	-	-		36,038	44,231
Capital assets	-	38,806,674	-		38,806,674	37,300,469
Amounts to be provided for retirement of general long-term debt	-	-		2,506,447	2,506,447	2,894,669
TOTAL ASSETS	\$ 14,403,200	\$ 38,806,674	\$ 2,506,447		\$ 55,716,321	\$ 52,822,415
LIABILITIES AND FUND EQUITY						
Accounts payable	\$ 38,235	\$ -	\$ -		\$ 38,235	\$ 9,801
Withholdings & accrued expenses	108,497	-	-		108,497	167,855
Accrued vacation	-	-	631,747		631,747	635,269
Net pension obligation	-	-	235,014		235,014	196,824
Deposits	109,788	-	-		109,788	62,127
Unavailable revenues	1,311,242	-	-		1,311,242	1,215,312
Residential assurance deposits	-	-	-		-	-
Long-term debt	-	-		1,639,686	1,639,686	2,062,576
Total Liabilities	1,567,762	-	2,506,447		4,074,209	4,349,764
EQUITY						
Investment in general capital assets	-	38,806,674	-		38,806,674	37,300,469
Fund Balance:						
Nonspendable:						
Inventory	36,038	-	-		36,038	44,231
Prepaid items	448	-	-		448	-
Restricted:						
Stabilization by state statute	3,982,733	-	-		3,982,733	2,997,281
Transportation	526,440	-	-		526,440	-
Committed:						
Capital Project fund expenditures	-	-	-		-	-
Special Revenue fund expenditures	-	-	-		-	-
Assigned:						
Designated for expenditures	1,827,290	-	-		1,827,290	1,987,155
Unassigned	6,462,489	-	-		6,462,489	6,143,515
Total equity	12,835,438	38,806,674	-		51,642,112	48,472,651
TOTAL LIABILITIES & EQUITY	\$ 14,403,200	\$ 38,806,674	\$ 2,506,447		\$ 55,716,321	\$ 52,822,415

Village of Pinehurst
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Six Months Ended December 31, 2015

	Annual Budget as of 12/31/15	Quarterly Budget as of 12/31/15	YTD as of 12/31/15	YTD as of 12/31/14	Current Year Over (Under) Prior Year	% of 2016 Budget Spent / Received YTD
Revenues						
Ad valorem taxes & penalties	\$ 9,573,000	\$ 8,124,498	\$ 8,568,020	\$ 8,625,962	\$ (57,942)	89.50%
Assessments	29,075	-	4,000	9,706	(5,706)	13.76%
Other taxes and licenses	-	-	2,660	285	2,375	0.00%
Intergovernmental revenues:						
Unrestricted	4,785,900	2,152,350	2,374,494	2,090,356	284,138	49.61%
Restricted	505,450	498,696	495,781	505,512	(9,731)	98.09%
Permits & fees	556,300	291,694	289,105	324,525	(35,420)	51.97%
Sales & service	579,000	407,890	446,608	391,970	54,638	77.13%
Other revenues	167,680	104,846	83,814	79,436	4,378	49.98%
Interest earned on investments	10,200	1,539	3,620	413	3,207	35.49%
TOTAL REVENUES	16,206,605	11,581,513	12,268,102	12,028,165	239,937	75.70%
Operating Expenditures						
Governing Body	233,248	139,623	97,742	92,908	4,834	41.90%
Administration	1,092,434	569,478	529,751	535,542	(5,791)	48.49%
Financial Services	617,930	395,476	369,906	336,011	33,895	59.86%
Human Resources	369,690	197,046	143,170	149,592	(6,422)	38.73%
Police	2,808,214	1,473,595	1,301,056	1,293,007	8,049	46.33%
Fire	2,729,578	1,433,770	1,206,665	1,189,995	16,670	44.21%
Inspections	231,685	118,094	86,153	98,825	(12,672)	37.19%
Public Services Administration	405,460	206,382	174,626	168,545	6,081	43.07%
Streets & Grounds	1,272,040	642,972	608,108	637,219	(29,111)	47.81%
Powell Bill Funds	654,000	750	182,470	637,759	(455,289)	27.90%
Solid Waste	1,384,800	689,652	598,733	582,632	16,101	43.24%
Recreation	1,363,859	703,911	598,462	624,287	(25,825)	43.88%
Library	225,000	125,000	175,000	340,000	(165,000)	77.78%
Harness Track	526,910	277,606	234,218	228,756	5,462	44.45%
Fair Barn	301,420	152,960	122,108	111,817	10,291	40.51%
Planning	695,070	386,886	251,101	250,440	661	36.13%
Community Development	201,040	118,770	86,179	114,036	(27,857)	42.87%
Debt Service	464,304	233,036	233,286	237,974	(4,688)	50.24%
Contingency	48,000	23,000	-	-	-	0.00%
Total Operating Expenditures	15,624,682	7,888,007	6,998,734	7,629,345	(630,611)	44.79%
Capital Outlay Expenditures						
Administration	68,195	68,195	9,433	46,786	(37,353)	13.83%
Financial Services	900	900	-	1,683	(1,683)	0.00%
Human Resources	450	450	-	841	(841)	0.00%
Police	141,385	16,385	-	7,668	(7,668)	0.00%
Fire	114,115	101,115	32,220	58,786	(26,566)	28.23%
Inspections	25,355	355	-	665	(665)	0.00%
Public Services Administration	486,285	236,285	111,273	537	110,736	22.88%
Streets & Grounds	309,228	204,228	161,045	215,043	(53,998)	52.08%
Powell Bill Funds	146,000	70,000	-	21,115	(21,115)	0.00%
Solid Waste	325,780	325,780	-	175,449	(175,449)	0.00%
Recreation	664,520	514,520	110,708	32,497	78,211	16.66%
Harness Track	190,790	190,790	132,779	137,464	(4,685)	69.59%
Fair Barn	65,865	365	6,149	22,297	(16,148)	9.34%
Planning	26,145	1,145	-	2,146	(2,146)	0.00%
Community Development	169,200	78,200	140,050	269,172	(129,122)	82.77%
Total Capital Outlay Expenditures	2,734,213	1,808,713	703,657	992,149	(288,492)	25.74%
TOTAL EXPENDITURES	18,358,895	9,696,720	7,702,391	8,621,494	(919,103)	41.95%
REVENUES OVER (UNDER) EXPENDITURES	(2,152,290)	1,884,793	4,565,711	3,406,671	1,159,040	

Village of Pinehurst
Statement of Revenues, Expenditures and Changes in Fund Balance
Budget and Actual - General Fund
Six Months Ended December 31, 2015

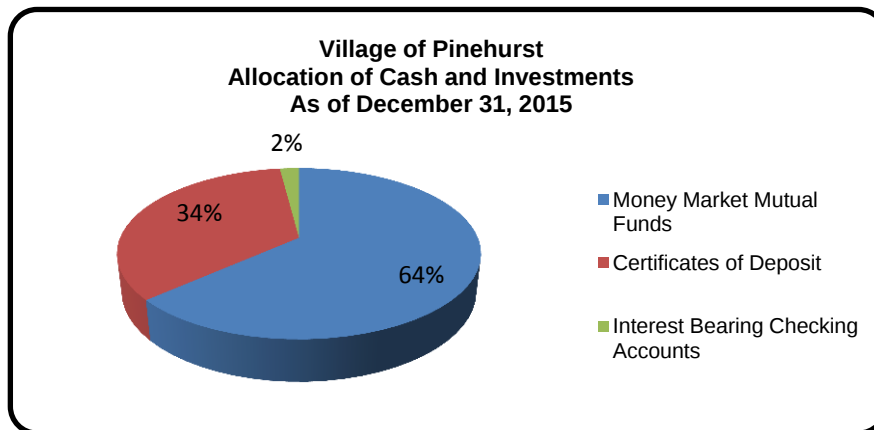
	Annual Budget as of 12/31/15	Quarterly Budget as of 12/31/15	YTD as of 12/31/15	YTD as of 12/31/14	Current Year Over (Under) Prior Year	% of 2016 Budget Spent / Received YTD
Other Financing Sources (Uses)						
Operating transfers in	\$ -	\$ -	\$ -	\$ 2,897	\$ (2,897)	0.00%
Sales of capital assets	325,000	12,500	44,625	13,771	30,854	13.73%
Total Other Fin. Sources (Uses)	<u>325,000</u>	<u>12,500</u>	<u>44,625</u>	<u>16,668</u>	<u>27,957</u>	13.73%
REVENUES AND OTHER FINANCING SOURCES OVER (UNDER) EXP AND OTHER FINANCING USES	(1,827,290)	1,897,293	4,610,336	3,423,339	1,186,997	
Appropriated Fund Balance	<u>1,827,290</u>	<u>451,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	
EXCESS OF REVENUES, OTHER FINANCING SOURCES AND FUND BALANCE APP. OVER (UNDER) EXP AND OTHER FIN. USES	<u>\$ -</u>	<u>\$ 2,348,944</u>	4,610,336	<u>\$ 3,423,339</u>	<u>\$ 1,186,997</u>	
FUND BALANCE, JULY 1			<u>8,225,102</u>			
FUND BALANCE, DEC 31			<u>\$ 12,835,438</u>			

**Village of Pinehurst
Schedule of Cash and Investment
As of December 31, 2015**

Investment	Bond/Bank Ratings	Purchase Date	Maturity Date	Cost
Money Market Mutual Funds				
North Carolina Capital Management Trust	AAAm (S&P)			\$ 7,627,687
Certificates of Deposit				
First Bank	4 star *	01/17/15	01/17/16	501,250
First Bank	4 star	07/29/15	07/29/16	1,529,990
First Tennessee Bank	5 star	08/04/15	08/04/16	1,000,000
Interest Bearing Checking Accounts				
PNC Bank Operating				118,320
Petty Cash				
				<u>1,200</u>
Total Cash and Investments				<u><u>\$ 10,778,447</u></u>
Total Cash and Investments (same quarter previous year)				<u><u>\$ 9,038,111</u></u>

Summary of Cash and Investments

Money Market Mutual Funds	\$ 7,627,687
Certificates of Deposit	3,031,240
Interest Bearing Checking Accounts	118,320
Petty Cash	<u>1,200</u>
	<u><u>\$ 10,778,447</u></u>

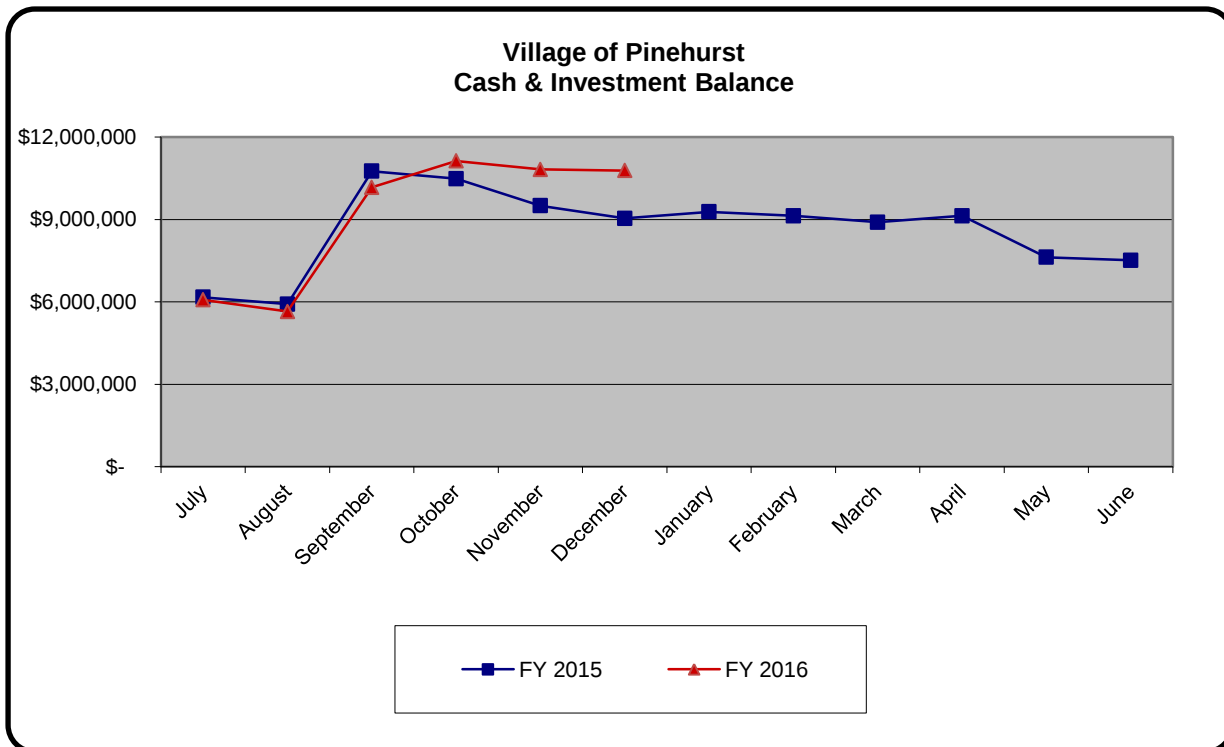


* Bank star ratings provided by Bauerfinancial.com

Village of Pinehurst Investment Yield Summary

	FY 2015			FY 2016		
	Cash Balance	Investment Earnings	Investment Yield*	Cash Balance	Investment Earnings	Investment Yield*
July	\$ 6,167,938	\$ (6,270)	-1.14%	\$ 6,074,972	\$ 591	0.11%
August	5,916,617	5,372	1.08%	5,649,499	362	0.08%
September	10,757,924	34	0.00%	10,169,143	244	0.04%
October	10,481,371	1,170	0.13%	11,126,089	508	0.06%
November	9,496,173	56	0.01%	10,822,604	660	0.07%
December	9,036,543	55	0.01%	10,777,247	1,237	0.14%
January	9,279,151	1,305	0.17%			
February	9,132,727	47	0.01%			
March	8,899,365	121	0.02%			
April	9,129,908	138	0.02%			
May	7,622,093	147	0.02%			
June	7,512,741	7,661	1.23%			
Average	<u>\$ 8,619,379</u>	<u>\$ 9,836</u>	0.11%	<u>\$ 9,103,259</u>	<u>\$ 3,602</u>	0.04%

* Investment yield is presented on an accrual basis.



**Village of Pinehurst
Schedule of Fund Balance - General Fund
December 31, 2015**

	Fund Balance at 12/31/15	Fund Balance at 12/31/14
General Fund		
Nonspendable:		
Inventory	\$ 36,038	\$ 44,231
Prepaid Items	448	-
Restricted:		
Stabilization by State Statute	3,982,733	3,053,043
Transportation	526,440	204,842
Assigned		
Subsequent year's expenditures	1,827,290	1,944,155
Unassigned	6,462,489	5,925,911
	<u>\$ 12,835,438</u>	<u>\$ 11,172,182</u>

Village of Pinehurst
Schedule of Capital Outlay by Function and Activity
Six Months Ended December 31, 2015

	Annual Budget	YTD Budget	YTD Expenditures	Remaining Balance
<u>Land</u>				
Public Services	\$ 35,500	\$ 35,500	\$ 26,809	\$ 8,691
Recreation	568,975	418,975	34,355	534,620
Harness Track	54,000	54,000	32,024	21,976
Fair Barn	10,000	-	-	10,000
Community Development	140,700	75,700	137,564	3,136
	809,175	584,175	230,752	578,423
<u>Buildings and Grounds</u>				
Administration	31,000	31,000	-	31,000
Fire	23,000	15,000	-	23,000
Public Services	364,500	114,500	31,493	333,007
Harness Track	59,800	59,800	26,796	33,004
Fair Barn	55,500	-	6,149	49,351
	533,800	220,300	64,438	469,362
<u>Equipment and Furniture</u>				
Administration	37,195	37,195	9,433	27,762
Financial Services	900	900	-	900
Human Resources	450	450	-	450
Police	39,385	16,385	-	39,385
Fire	24,815	19,815	-	24,815
Inspections	355	355	-	355
Public Services Administration	30,285	30,285	-	30,285
Streets & Grounds	61,190	61,190	23,476	37,714
Solid Waste	780	780	-	780
Recreation	95,545	95,545	76,353	19,192
Harness Track	76,990	76,990	73,959	3,031
Fair Barn	365	365	-	365
Planning	1,145	1,145	-	1,145
Community Development	28,500	2,500	2,486	26,014
	397,900	343,900	185,707	212,193
<u>Vehicles</u>				
Police	102,000	-	-	102,000
Fire	66,300	66,300	32,220	34,080
Inspections	25,000	-	-	25,000
Public Services Administration	56,000	56,000	52,972	3,028
Streets & Grounds	-	(65,000)	-	-
Solid Waste	325,000	325,000	-	325,000
Planning	25,000	-	-	25,000
	599,300	382,300	85,192	514,108
<u>Infrastructure</u>				
Streets & Grounds	248,038	208,038	137,568	110,470
Powell Bill	146,000	70,000	-	146,000
	394,038	278,038	137,568	256,470
Total	\$ 2,734,213	\$ 1,808,713	\$ 703,657	\$ 2,030,556

% of Capital Outlay Budget Expended

25.74%

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 June 30, 2016**

	Balance at 12/31/15	Balance at 12/31/14	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.	\$ 750,000	\$ 916,667	\$ (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.	325,000	375,000	(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.	83,333	116,667	(33,334)
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	158,987	(77,944)
Capital Lease			
SAN Storage; due in 3 annual payments of \$20,932 beginning on 01/14/13; final payment due on 01/14/15; interest at 5.5%; title passes to the Village at the end of the lease term.	-	19,760	(19,760)
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.	400,310	475,495	(75,185)
	1,639,686	2,062,576	(422,890)
Unfunded Pension Benefit Obligation	235,014	196,824	38,190
Accumulated Vacation	631,747	635,269	(3,522)
	866,761	832,093	34,668
	<u>\$ 2,506,447</u>	<u>\$ 2,894,669</u>	<u>\$ (388,222)</u>

Village of Pinehurst
Schedule of Budget Amendments - General Fund
For the Fiscal Year Ended June 30, 2016

As of December 31, 2015

	ORIGINAL 2015-2016 BUDGET	Amended * Qtr Ended 09/30/15	Amended Qtr Ended 12/31/15	Amended Qtr Ended 03/31/16	Amended Qtr Ended 06/30/16	Total Amendments	Amended 2015-2016 Budget
REVENUES							
Ad valorem taxes	\$ 9,573,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,573,000
Other taxes and licenses	2,826,000	-	-	-	-	-	2,826,000
Unrestricted Intergov't Revenues	1,959,900	-	-	-	-	-	1,959,900
Restricted Intergov't Revenues	505,450	-	-	-	-	-	505,450
Permits & Fees	544,300	-	12,000	-	-	12,000	556,300
Sales & Services	579,000	-	-	-	-	-	579,000
Assessments	29,075	-	-	-	-	-	29,075
Other Revenues	492,680	-	-	-	-	-	492,680
Investment Income	10,200	-	-	-	-	-	10,200
Appropriated Fund Balance	1,375,639	451,651	-	-	-	451,651	1,827,290
TOTAL REVENUES	\$ 17,895,244	\$ 451,651	\$ 12,000	\$ -	\$ -	\$ 463,651	\$ 18,358,895
OPERATING EXPENDITURES							
Governing Body	224,500	8,748	-	-	-	8,748	233,248
Administration	1,086,880	5,554	-	-	-	5,554	1,092,434
Financial Services	607,930	-	-	-	-	-	607,930
Human Resources	403,690	(24,000)	-	-	-	(24,000)	379,690
Police	2,791,945	16,269	-	-	-	16,269	2,808,214
Fire	2,699,720	17,858	12,000	-	-	29,858	2,729,578
Inspections	231,685	-	-	-	-	-	231,685
Public Services Administration	405,460	-	-	-	-	-	405,460
Streets & Grounds	1,272,040	-	-	-	-	-	1,272,040
Powell Bill	654,000	-	-	-	-	-	654,000
Solid Waste	1,381,200	3,600	-	-	-	3,600	1,384,800
Planning	677,670	17,400	-	-	-	17,400	695,070
Community Development	201,040	-	-	-	-	-	201,040
Recreation	1,352,900	8,959	2,000	-	-	10,959	1,363,859
Library	200,000	25,000	-	-	-	25,000	225,000
Harness Track	539,260	(22,350)	-	-	-	(22,350)	516,910
Fair Barn	301,420	10,000	-	-	-	10,000	311,420
Contingency	50,000	-	(2,000)	-	-	(2,000)	48,000
Debt Service	464,304	-	-	-	-	-	464,304
Total Operating Expenditures	15,545,644	67,038	12,000	-	-	79,038	15,624,682
CAPITAL EXPENDITURES							
Administration	33,195	35,000	-	-	-	35,000	68,195
Financial Services	900	-	-	-	-	-	900
Human Resources	450	-	-	-	-	-	450
Police	129,085	12,300	-	-	-	12,300	141,385
Fire	82,815	31,300	-	-	-	31,300	114,115
Inspections	25,355	-	-	-	-	-	25,355
Public Services Administration	430,285	56,000	-	-	-	-	486,285
Streets & Grounds	276,190	33,038	-	-	-	33,038	309,228
Powell Bill	146,000	-	-	-	-	-	146,000
Solid Waste	260,780	65,000	-	-	-	65,000	325,780
Planning	26,145	-	-	-	-	-	26,145
Community Development	91,000	78,200	-	-	-	78,200	169,200
Recreation	620,545	43,975	-	-	-	43,975	664,520
Harness Track	160,990	29,800	-	-	-	29,800	190,790
Fair Barn	65,865	-	-	-	-	-	65,865
Total Capital Expenditures	\$ 2,349,600	\$ 384,613	\$ -	\$ -	\$ -	\$ 328,613	\$ 2,734,213
TOTAL EXPENDITURES	\$ 17,895,244	\$ 451,651	\$ 12,000	\$ -	\$ -	\$ 407,651	\$ 18,358,895

* Includes \$434,851 that was reappropriated from FY 2014-15.

Village of Pinehurst
Schedule of Ad Valorem Property Tax Collections
Six Months Ended December 31, 2015

Real and Personal

Tax Year	Six Months Ended December 31, 2015			Six Months Ended December 31, 2014		
	Budgeted Collections	Gross Collections	% Collected Through 12/31/15	Budgeted Collections	Gross Collections	% Collected Through 12/31/14
Third Prior Year	\$ -	\$ 537	100.00%	\$ -	\$ 1,910	100.00%
Second Prior Year	-	509	100.00%	-	158	100.00%
First Prior Year	5,000	1,917	38.34%	5,000	1,866	37.32%
Current Year	9,073,000	8,286,019	91.33%	9,224,000	8,356,438	90.59%
	<u>\$ 9,078,000</u>	<u>\$ 8,288,982</u>	<u>91.31%</u>	<u>\$ 9,229,000</u>	<u>\$ 8,360,372</u>	<u>90.59%</u>

Motor Vehicles

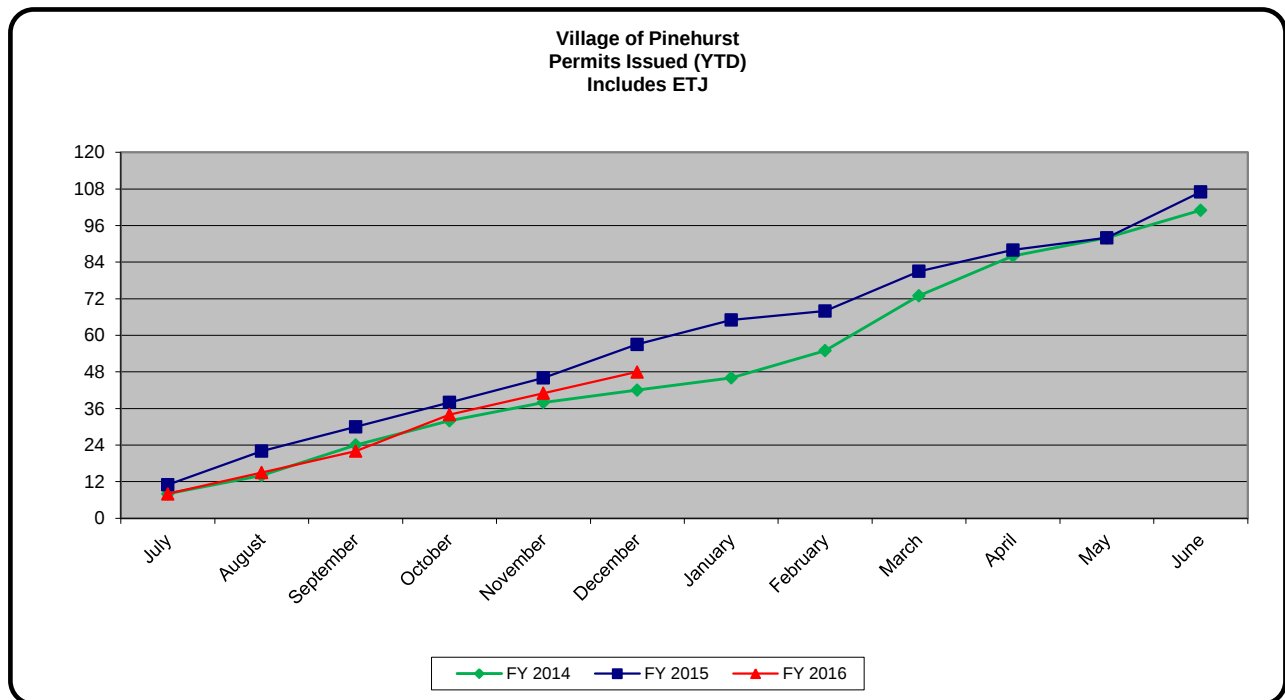
Tax Year	Six Months Ended December 31, 2015			Six Months Ended December 31, 2014		
	Budgeted Collections	Gross Collections	% Collected Through 12/31/15	Budgeted Collections	Gross Collections	% Collected Through 12/31/14
Third Prior Year	\$ -	\$ 397	100.00%	\$ -	\$ 284	100.00%
Second Prior Year	-	155	100.00%	-	184	100.00%
First Prior Year	2,000	-	0.00%	2,000	123,301	6165.05%
Current Year	493,000	280,109	56.82%	536,000	141,139	26.33%
	<u>\$ 495,000</u>	<u>\$ 280,661</u>	<u>56.70%</u>	<u>\$ 538,000</u>	<u>\$ 264,908</u>	<u>49.24%</u>

**Village of Pinehurst
Schedule of Ad Valorem Property Tax Levy
Six Months Ended December 31, 2015**

Property Valuation				
	Six Months Ended December 31, 2015	Six Months Ended December 31, 2014	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal Motor Vehicles	\$ 3,147,870,014	\$ 3,308,884,985	\$ (161,014,971)	-4.87%
	97,995,018	93,133,497	4,861,521	5.22%
	<u>\$ 3,245,865,032</u>	<u>\$ 3,402,018,482</u>	<u>\$ (156,153,450)</u>	<u>-4.59%</u>
Levy				
	Six Months Ended December 31, 2015	Six Months Ended December 31, 2014	Dollar Increase (Decrease)	Percentage Increase (Decrease)
Real & Personal Motor Vehicles	\$ 9,132,056	\$ 9,261,768	\$ (129,712)	-1.40%
	278,937	260,165	18,772	7.22%
	<u>\$ 9,410,993</u>	<u>\$ 9,521,933</u>	<u>\$ (110,940)</u>	<u>-1.17%</u>

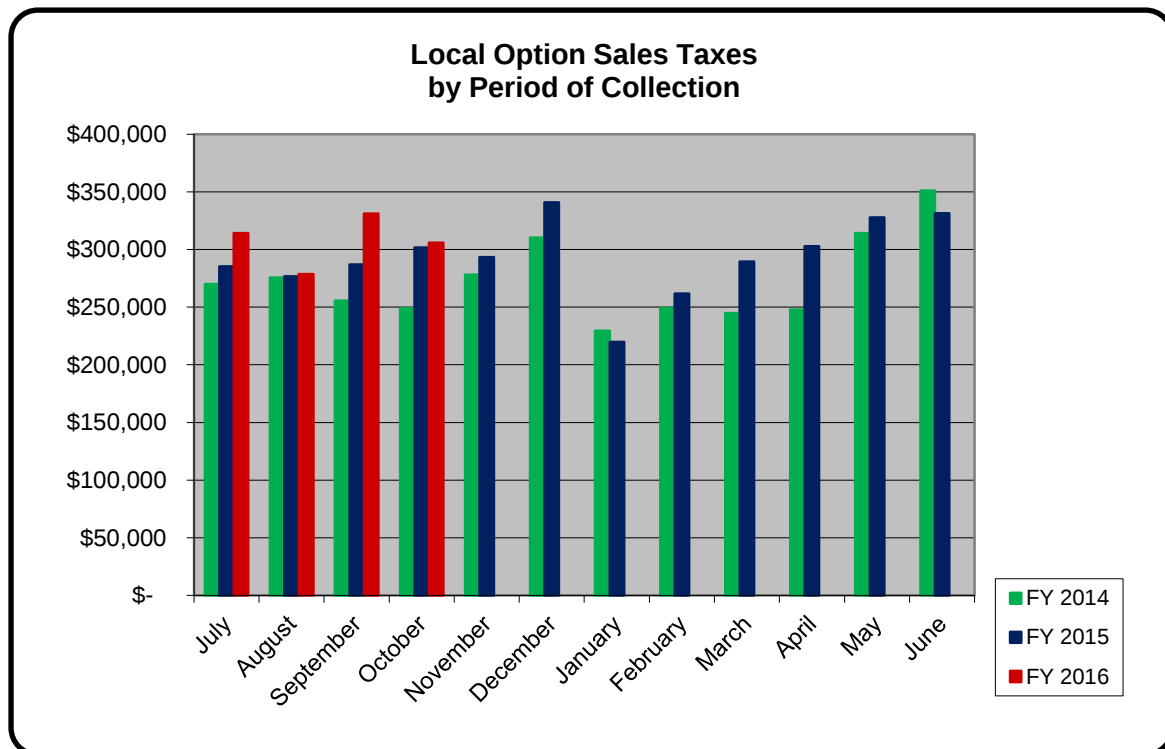
**Village of Pinehurst
Residential Building Permits - Includes ETJ**

	FY 2014		FY 2015		FY 2016		Construction Costs Percentage Change YTD
	# of	Est.	# of	Est.	# of	Est.	
	Permits Issued	Construction Costs	Permits Issued	Construction Costs	Permits Issued	Construction Costs	
July	8	\$ 1,579,000	11	\$ 2,106,000	8	\$ 1,497,225	-28.91%
August	6	1,624,120	11	2,470,488	7	1,595,098	-32.43%
September	10	1,698,171	8	1,998,500	7	1,585,920	-28.85%
October	8	3,444,648	8	1,543,000	12	3,457,175	0.21%
November	6	1,195,000	8	1,472,000	7	1,995,662	5.64%
December	4	1,141,400	11	2,667,725	7	1,367,888	-6.19%
January	4	1,216,800	8	2,628,440	-	-	
February	9	1,608,000	3	579,000	-	-	
March	18	3,864,200	13	2,913,250	-	-	
April	13	3,209,000	7	1,804,545	-	-	
May	6	1,201,000	4	1,064,841	-	-	
June	9	2,264,000	15	3,985,669	-	-	
YTD	101	\$ 24,045,339	107	\$ 25,233,458	48	\$ 11,498,968	



**Village of Pinehurst
Local Option Sales Taxes**

	FY 2014	FY 2015	FY 2016	Same Month Change From Prior Year
July	\$ 269,967	\$ 285,352	\$ 314,280	10.14%
August	275,713	276,790	278,768	0.71%
September	255,685	287,107	331,186	15.35%
October	248,959	301,580	305,904	1.43%
November	278,014	293,421	-	
December	310,229	340,776	-	
January	229,653	219,819	-	
February	249,354	261,597	-	
March	244,765	289,556	-	
April	247,995	302,660	-	
May	314,055	327,882	-	
June	351,046	331,369	-	
YTD	<u>\$ 3,275,435</u>	<u>\$ 3,517,909</u>	<u>\$ 1,230,138</u>	



Village of Pinehurst
Schedule of Fair Barn Revenues and Expenditures
Six Months Ended December 31, 2015

	Annual Budget as of 12/31/2015	Quarterly Budget as of 12/31/2015	Actual 12/31/2015	YTD as of 12/31/2014	Current Year Over (Under) Prior Year	% of 2016 Budget Spent / Received YTD
<u>Fair Barn</u>						
Revenues	\$ 188,000	\$ 128,690	\$ 124,828	\$ 113,443	\$ 11,385	66.40%
Expenditures						
Operating	301,420	152,960	122,108	111,817	10,291	40.51%
Capital	65,865	365	6,149	22,297	(16,148)	9.34%
Debt Service	65,525	32,763	33,051	34,201	(1,150)	50.44%
	<u>432,810</u>	<u>186,088</u>	<u>161,308</u>	<u>168,315</u>	<u>(7,007)</u>	<u>37.27%</u>
Net <u>Before</u> Discounts	<u>(244,810)</u>	<u>(57,398)</u>	<u>(36,480)</u>	<u>(54,872)</u>	<u>18,392</u>	<u>14.90%</u>
Event Revenue Discounts			<u>(17,354)</u>	<u>(20,268)</u>	<u>2,914</u>	
Net <u>After</u> Discounts	<u>\$ (244,810)</u>	<u>\$ (57,398)</u>	<u>\$ (53,834)</u>	<u>\$ (75,140)</u>	<u>\$ 21,306</u>	<u>21.99%</u>
Operating Revenues as a % of Operating Expenditures - Before Discounts	62%	84%	102%	101%		
Operating Revenues as a % of Operating Expenditures - After Discounts	62%	84%	88%	83%		
Target			100%			

Village of Pinehurst
Schedule of Harness Track Revenues and Expenditures
Six Months Ended December 31, 2015

	Annual Budget as of 12/31/2015	Quarterly Budget as of 12/31/2015	Actual 12/31/2015	YTD as of 12/31/2014	Current Year Over (Under) Prior Year	% of 2016 Budget Spent / Received YTD
<u>Harness Track</u>						
Revenues	\$ 277,000	\$ 222,200	\$ 256,133	\$ 222,310	\$ 33,823	92.47%
Expenditures						
Operating	526,910	277,606	234,218	228,756	5,462	44.45%
Capital	190,790	190,790	132,779	137,464	(4,685)	69.59%
	<u>717,700</u>	<u>468,396</u>	<u>366,997</u>	<u>366,220</u>	<u>777</u>	<u>51.14%</u>
Net <u>Before</u> Discounts	<u>(440,700)</u>	<u>(246,196)</u>	<u>(110,864)</u>	<u>(143,910)</u>	<u>33,046</u>	<u>25.16%</u>
Event Revenue Discounts			(2,070)	(1,040)	(1,030)	
Net <u>After</u> Discounts	<u>\$ (440,700)</u>	<u>\$ (246,196)</u>	<u>\$ (112,934)</u>	<u>\$ (144,950)</u>	<u>\$ 32,016</u>	<u>25.63%</u>
Operating Revenues as a % of Operating Expenditures - Before Discounts	53%	80%	109%	97%		
Operating Revenues as a % of Operating Expenditures - After Discounts	53%	80%	108%	97%		
Target			56%			



**PRESENTATION OF MID-YEAR FINANCIAL PROJECTIONS AND BUDGET
AMENDMENT.**

ADDITIONAL AGENDA DETAILS:

FROM:

John Frye

CC:

Jeff Sanborn & Natalie Dean

DATE OF MEMO:

2/2/2016

MEMO DETAILS:

Financial Services has projected the year-end financial results for FY 2016. Details are provided in the accompanying memo. A budget amendment is also included for your review and consideration.

ATTACHMENTS:

Description

- ☐ Memo on Mid-Year Financial Projections & Budget Amendment
- ☐ Ordinance 16-03 Mid-Year Budget Adjustments

Memo

To: Village Council
From: John Frye
CC: Village Managers
Date: January 30, 2016
Re: Projected Year-End Financial Results and Budget Amendment

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 is positive compared to the \$456,000 loss that was estimated when the budget was adopted in May of last year. This means that none of the fund balance appropriated as a revenue source in the budget will actually be used.

Total fund balance for the General Fund at the beginning of this fiscal year was \$8,225,000. I am projecting that fund balance will increase to \$8,325,000 by the close of this fiscal year. This estimate will leave the ending fund balance for the General Fund at 45% of expenditures, or 5% above our policy target range.

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

- Local option sales taxes and the related hold harmless reimbursements are trending above our original budget projections. We recommend increasing these by \$152,000 and \$11,000 respectively.
- Electricity franchise taxes continue to trend higher based on the new revenue formula. The current budget, was based on 3% increase over the prior year's budget. When the prior year was closed, we realized that this budget, as adopted was too low. We recommend increasing this revenue projection by \$300,000.
- Receipts for Harness Track stall rentals are slightly higher than anticipated. This is due to the higher occupancy rate this year. We recommend increasing this revenue projection by \$12,000.

- Fair Barn rental revenues are also running higher than original estimate. We recommend increasing this revenue projection by \$35,000.
- Recreation fees are higher due to the impact of last year's fee increases. We recommend increasing this revenue by \$26,000.
- We have received approximately \$2,000 in insurance proceeds that were not budgeted.
- The sale of Juniper Lake Road land will not take place this fiscal year. The \$300,000 in sales proceeds needs to be removed from the budget. This is offset somewhat by higher sales of other surplus assets leaving the net revenue reduction at \$275,000.

Expenditures

- Our business insurance premiums this year were higher than anticipated. We are requesting to increase these budgets by \$13,600.
- Unemployment insurance claims for the year were significantly lower than expected. A decrease of \$11,600 is proposed for this line item.
- In the Fire Department, there are several long-term employees retiring this spring. We are requesting \$18,000 to cover the associated leave time payouts.
- In Solid Waste, landfill fees are coming in lower than expected. We recommend reducing this expenditure budget by \$40,000 and transferring these funds to the Solid Waste contingency line item to use as needed if waste volume increases.
- The planned development study of the Public Services site by DFI was discontinued after the budget was adopted. We recommend removing this \$50,000 item from the budget.
- In Fleet Maintenance gas prices are significantly lower than originally anticipated. We recommend decreasing the fleet allocation in Police by \$32,000 and reducing the Streets & Grounds allocation by \$15,000.

In total, these adjustments will decrease the Village's FY 2016 Budget by \$77,000 and will reduce fund balance appropriated by \$340,500. 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.

ORDINANCE #16-03:

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 2016 for the General Fund; and

WHEREAS, the estimates for FY 2016 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 regular meeting assembled this 9th day of February 2016, 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:

<u>Account No.</u>	<u>Account Name</u>	<u>Debit</u>	<u>Credit</u>
Revenues:			
10-00-100-3260	Local Option Sales Taxes		\$ 152,500
10-00-110-3245	Hold Harmless Reimbursements		11,000
10-00-100-3231	Electricity Sales Taxes		300,000
10-80-130-3412	Harness Track Stall Rentals		12,000
10-80-130-3417	Fair Barn Rentals		35,000
10-80-130-3410	Recreation Fees		26,000
10-00-120-3805	Insurance Proceeds		2,000
10-00-120-3820	Sale of Fixed Assets	\$275,000	
10-00-190-3905	Fund Balance Appropriated	340,500	
Expenditures:			
10-00-220-5100	Business Insurance-Admin.	\$ 1,000	
10-00-230-5100	Business Insurance-Finance	1,000	
10-10-310-5100	Business Insurance-Police	4,500	
10-10-320-5100	Business Insurance-Fire	2,100	
10-20-410-5100	Business Insurance-Public Services	1,100	
10-20-420-5100	Business Insurance-Streets & Grounds	1,800	
10-30-510-5100	Business Insurance-Solid Waste	2,100	
10-00-240-4700	Unemployment Claims-HR		\$ 11,600
10-10-320-4000	Salaries & Wages-Fire	18,000	
10-30-510-5110	Landfill Fees-Solid Waste		40,000
10-30-510-9999	Contingency-Solid Waste	40,000	
10-40-710-5800	Professional Services-Planning		50,000

10-00-960-5600	Gas-Fleet Maintenance	\$ 47,000
10-00-960-3560	Charges to Other Depts.-Fleet	\$ 47,000
10-10-310-5903	Fleet Maint. ISF-Police	32,000
10-20-420-5903	Fleet Maint. ISF-Streets & Grounds	15,000

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 9th day of February 2016.

VILLAGE OF PINEHURST
VILLAGE COUNCIL

(Municipal Seal)

By: _____
Nancy Roy Fiorillo, Mayor

Attest:

Approved as to Form:

Natalie Dean, Interim Village Clerk

Michael J. Newman, Village Attorney



REVIEW AND APPROVE THE PROPOSED FY 2017 BSC TARGET PERFORMANCE LEVELS.

ADDITIONAL AGENDA DETAILS:

FROM:

Natalie Dean

DATE OF MEMO:

2/4/2016

MEMO DETAILS:

This agenda item is to discuss several items related to the development of the FY 2017 Strategic Operating Plan (SOP). As in the past, Sr. Management will use our strategic planning model to develop the FY 2017 SOP. Specifically, we would like to:

1. **Review and obtain Council consensus on the proposed FY 2017 Balanced Scorecard (BSC), including the recommended Areas of Focus.** The *“Proposed FY 2017 BSC”* attachment to this agenda item indicates Council’s goals, strategic objectives, key performance indicators (KPIs), and recommended performance targets for FY 2017 (ST) and FY 2021 (LT). Proposed Areas of Focus are highlighted in red. The recommended performance targets are based on a review of the Village’s historical performance levels relative to benchmark communities, state, and/or national averages, when the data was available and relevant. Overall, Sr. Management recommends the Village strive for excellent performance results, which is defined as greater than 90% satisfaction ratings (including neutrals). In most cases, the Village is already achieving excellent results, but there are some areas for improvement (or recommended Areas of Focus).

The recommended Areas of Focus were selected for one or more of the following reasons:

1. Performance improvement is needed to achieve excellent performance results,
2. Customer or workforce feedback indicates either dissatisfaction or desired focus, or
3. It addresses one or more of the six (6) strategic challenges identified at the December Council retreat.

The four (4) recommended Areas of Focus for the FY 2017 SOP include the following strategic objectives:

1. Improve the quality of neighborhoods,
2. Provide interconnected greenway trails, bike paths, and sidewalks,
3. Enhance community engagement, and
4. Provide a supportive and rewarding work environment.

It is important to note that not ALL of the KPIs associated with these four strategic objectives need improvement. Therefore, only the KPIs selected for recommended improvement are highlighted in red.

The recommended Areas of Focus address five of this year’s six strategic challenges that were identified at the Council retreat. The specific reasons for recommending these four (4) Areas of Focus are described in the *“Proposed FY 2017 Areas of Focus”* attachment to this agenda item.

Two KPIs of the recommended Areas of Focus that are likely to require a significant increase in financial resources over the five-year period to achieve significant improvements in performance include:

- Enforcement of codes and ordinances (KPI 2.2) and
- Availability of sidewalks (KPI 4.1).

You will see from the proposed ST and LT targets on the BSC that Sr. Management recommends the Council consider setting the LT targets (FY 2021) for these two KPIs at levels considerably higher than current performance levels. Sr. Management believes that we can achieve these LT performance targets for

these two areas (code enforcement and sidewalks) with existing financial resources in the five-year plan, which currently includes a planned \$0.01 tax increase in FY 2018. Addressing code enforcement and sidewalks will likely result in improved satisfaction ratings with Village efforts to maintain the quality of neighborhoods (KPI 2.3).

Sr. Management has identified two other KPIs for performance improvement: Public involvement in local decisions (KPI 7.2) and Employee engagement (KPI 8.3). It is not likely that efforts to improve these results will require significant additional financial resources.

2. **Discuss the proposed Initiative Action Plans (IAPs) for the five-year planning period.**

To positively impact the KPIs identified for performance improvement, to address those strategic objectives that are Areas of Focus, and to take advantage of the strategic opportunities identified at the Council retreat, the Village will need to undertake defined and measurable activities. Those activities that involve a significant amount of financial and/or staff resources OR have a significant community impact over the five year period are called Initiative Action Plans (IAPs).

Sr. Staff and the Chairs of Council appointed boards and commissions met on January 27th to develop a list of potential IAPs to address Council's strategic objectives, with particular attention to those proposed Areas of Focus. The ***"Proposed FY 2017 Five-Year IAPs"*** attachment indicates the proposed IAPs over the five-year planning period by Council strategic objective. Before being included in the SOP as a planned IAP, staff will identify the resources needed for the IAP and Sr. Management will score each IAP based on the criteria agreed upon at the Council retreat:

1. Performance - Extent to which the IAP removes the gap between current and LT KPI results on the BSC,
2. Organizational Capacity - The total # of hours needed to implement and maintain the IAP over the five year period, and
3. Financial - The net cost of the IAP.

These three criteria are weighted and staff will strive to fund as many IAPs with existing financial resources as possible.

Council will note the inclusion of a Community Center in FY 2018 and FY 2019 on the ***"Proposed FY 2017 Five-Year IAPs"*** attachment under SO 6-1. As you are aware, a BIRDIE team presented a recommendation that indicated there is a community need for this facility. As directed by the Council, another group was created to develop a recommendation on the potential size, location, and estimated cost of a Community Center facility. This recommendation was presented to the Council in January. Staff now needs direction on how the Council would like to proceed on this proposed project. This capital project is likely to require the Village to generate additional revenues, so ***Sr. Management would like Council's direction on your willingness to generate additional revenues, as identified in the Alternative Revenue Study, to have a Community Center included in the five-year plan.***

To ensure that Sr. Management develops a SOP that addresses the strategic challenges you identified, includes the resources needed to improve certain performance levels, and maintains a strong financial condition that is sustainable, we are seeking Council direction today on the items identified above. If Council is not able to reach consensus on these items at this time, staff would request clear direction from the Council no later than your February 16th Work Session to allow staff the time needed to develop the FY 2017 SOP.

For your reference the ***"FY 2017 Strategic Challenges and Opportunities"*** that were identified at the December Council retreat are attached.

If you have any questions about the proposed BSC or the proposed five-year IAPs, please feel free to give me a call at any time.

ATTACHMENTS:

Description

- ❑ Proposed FY 2017 BSC
- ❑ Proposed FY 2017 Areas of Focus

- ▣ Proposed FY 2017 Five-Year IAPs
- ▣ FY 2017 Strategic Challenges and Opportunities

Village of Pinehurst
Proposed FY 2017 Balanced Scorecard



MISSION: Promote, enhance, and sustain the quality of life for residents, businesses, and visitors. Target: 99% or residents rate the overall quality of life as good or excellent								
	Goal <i>We intend to...</i>	Strategic Objective <i>How we will...</i>	KPI #	KPI Description <i>How do we know...</i>	Actual FY 15	KPI Owner	ST Target (FY 17)	LT Target (FY 21)
Customer	Safeguard the community	Deliver effective public safety services	1.1	UCR index crime rate per 1,000 residents	7.86	EP	12	12
			1.2	% of residents whose overall feeling of safety in the Village is good or excellent	99%	EP	95%	95%
			1.3	% of residents satisfied with how quickly fire personnel respond to emergencies	99%	CC	95%	95%
	Ensure Pinehurst is a premier residential community	Maintain a high level of overall appearance of Pinehurst public spaces	2.1	% of residents who rate the overall appearance of the Village as good or excellent	99%	JB	95%	95%
		Improve the quality of neighborhoods AOF	2.2	% of residents satisfied with the enforcement of Village codes and ordinances	85%	KR	87%	90%
			2.3	% of residents satisfied with Village efforts to maintain the quality of neighborhoods	89%	JB	90%	95%
		Attract future residents to strengthen the housing market	2.4	Single family home average sales price	\$257,000	ND	\$267,000	\$289,000
	Ensure a thriving business community	Provide a business-friendly environment	3.1	1st floor occupancy rate in the Village Center	87%	ND	90%	90%
			3.2	% of businesses likely to recommend the Village as a business location	90%	ND	90%	90%
	Provide multimodal transportation systems	Provide interconnected greenway trails, bike paths, and sidewalks AOF	4.1	% of residents satisfied with the availability of sidewalks	64%	MW	68%	80%
			4.2	% of residents satisfied with the availability of greenway/walking trails	90%	MW	90%	90%
		Maintain high quality streets and right of ways	4.3	% residents satisfied with street and right of way maintenance	90%	WM	90%	90%
	Manage solid waste collection	Provide effective and efficient solid waste collection services	5.1	% of residents satisfied with solid waste services	96%	WM	95%	95%
		Reduce, reuse, and recycle resources	5.2	% of refuse diverted from the landfill	35%	WM	35%	35%
	Maintain an active, healthy community	Provide recreation programs, leisure activities, and cultural arts events for all ages	6.1	% of residents satisfied with P&R programs	95%	MW	95%	95%
			6.2	% of residents satisfied with Village sponsored cultural arts events	91%	MW	90%	90%
Internal	Professionally manage a high performing organization	Enhance community engagement AOF	7.1	% of residents satisfied with Village communications	97%	ND	90%	90%
			7.2	% of residents satisfied with the level of public involvement in local decisions	86%	ND	90%	90%
		Continuously improve operational effectiveness through quality performance, use of technology, and innovation	7.3	Full time equivalents per million \$ of revenue	8.1	JF	8.0	8.0
			7.4	% of residents satisfied with the value received for taxes paid	92%	ND	90%	90%
Workforce	Attract & retain an engaged workforce	Provide a supportive and rewarding work environment AOF	8.1	% of employees who agree that overall they are satisfied with their job	97%	AK	95%	95%
			8.2	% of volunteers satisfied with the volunteer experience	97%	ND	95%	95%
			8.3	Employee engagement index	7.97	AK	8.00	8.75
Financial	Maintain a healthy financial condition	Meet or exceed established financial targets	9.1	Unassigned GF fund balance as a % of actual expenditures	31%	JF	20%	20%
		Maintain capital assets	9.2	Capital asset condition ratio	47%	JF	47%	45%

Items in **red** are recommended Areas of Focus (AOF) based on performance levels, VOP strategic challenges, and resident priorities for FY 2017.

Village of Pinehurst
Proposed Areas of Focus for FY 2017 SOP



Strategic Objective Area of Focus (AOF)	Reasons for Proposing these Area of Focus		
	VOP Strategic Challenge Addressed	Strategic Opportunities Identified	Performance Results/Customer Feedback
Improve the quality of neighborhoods	- Addressing the needs of our neighborhoods - Clearly defining our commercial and residential identity - Developing the highest and best use for undeveloped land	- Build neighborhood sidewalks - Better enforce codes and ordinances - Increase street lighting in neighborhoods - Encourage in fill development - Use data to target neighborhood improvements - Construct bike friendly corridors	<u>Community Survey</u> - Efforts to maintain the quality of neighborhoods was identified as the TOP service priority for emphasis over the next two years in <u>ALL</u> four Community Surveys (2012-2015) - The top 5 capital improvements residents feel are most important are: 1) sidewalks, 2) street lighting, 3) bicycle lanes & paths, 4) greenway trails, and 5) street resurfacing
Provide interconnected greenway trails, bike paths, and sidewalks	- Meeting the needs of younger residents - Addressing the needs of our neighborhoods	- Build neighborhood sidewalks - Construct bike friendly corridors	<u>Community Survey</u> Continued HIGH dissatisfaction levels in <u>ALL</u> neighborhoods and <u>ALL</u> age groups with sidewalk availability (Note: There is high satisfaction with greenway trails)
Enhance Community Engagement	n/a	Increase public engagement – levels of public involvement	<u>Community Survey</u> - Significant levels of “neutrals” when we asked residents about their satisfaction with the level of public involvement in local government decisions - Council identified this as a high priority at the December Retreat
Provide a supportive and rewarding work environment	Transferring knowledge	- Succession planning - Increase employee morale	<u>Workforce Survey</u> Workforce development and workforce climate were identified as priorities for improvement based on workforce survey results



IAPs are defined and measurable activites needed to accomplish our strategic objectives that involve a significant amount of resources (staff or financial) OR have a significant community impact over the five year period.

Strategic Objective Areas of focus are shown in red	FY 2017 IAPs	FY 2018 IAPs	FY 2019 IAPs	FY 2020 IAPs	FY 2021 IAPs
SO 1-1 Deliver effective public safety services	- Traffic pre-emption program (FD) - Fire Department accreditation (FD) - Citizens on Patrol (PD) - Community Watch (PD) - PD BIRDIE Recommendations (PD)	- Traffic pre-emption program (FD) - Fire Department accreditation (FD) - PD BIRDIE Recommendations (PD)	- Traffic pre-emption program (FD)	- Traffic pre-emption program (FD)	- Traffic pre-emption program (FD)
SO 2-1 Maintain a high level of overall appearance of Pinehurst public spaces AOF	- Grounds maintenance efficiency (SG/BG)				
SO 2-2 Improve the quality of neighborhoods AOF	- Neighborhood street lighting (CD) - Neighborhood sidewalks & pathways (PR/PS) - Land use planning (PL) - Code enforcement (PL)	- Comprehensive Long Range Plan Update (PL) - Neighborhood sidewalks & pathways (PR/PS) - Code enforcement (PL)	- Comprehensive Long Range Plan Update (PL) - Neighborhood sidewalks & pathways (PR/PS) - Code enforcement (PL)	- Neighborhood sidewalks & pathways (PR/PS)	- Neighborhood sidewalks & pathways (PR/PS)
SO 2-3 Attract future residents to strengthen the housing market	- Marketing Plan (CD)	- Marketing Plan (CD)			
SO 3-1 Provide a business-friendly environment	- Land use planning (PL) - Business district streetscape enhancements (CD)	- Business district streetscape enhancements (CD)	- Business district streetscape enhancements (CD)	- Business district streetscape enhancements (CD)	
SO 4-1 Provide interconnected greenway trails, bike paths, and sidewalks AOF	- Neighborhood sidewalks/pathways (PR) - Greenways (PR)	- Neighborhood sidewalks/pathways (PR) - Greenways (PR) - Bike paths (PR)	- Neighborhood sidewalks/pathways (PR) - Greenways (PR)	- Neighborhood sidewalks/pathways (PR) - Greenways (PR) - Bike paths (PR)	- Neighborhood sidewalks/pathways (PR)
SO 4-2 Maintain high quality streets and right of ways	- Litter cleanup (PS)				
SO 5-1 Provide effective and efficient solid waste collection services	- Supplemental yard debris collection (SW)				
SO 5-2 Reduce, reuse, and recycle resources	- Tree preservation (PL)				
SO 6-1 Provide recreation programs, leisure activities, and cultural arts events for all ages	- Park development (PR)	- Park development (PR) - Community Center (PR)	- Park development (PR) - Community Center (PR)	- Park development (PR)	- Park development (PR)
SO 7-1 Enhance community engagement AOF	- Online civic engagement (AD) - Connect with Council (AD)	- Online civic engagement (AD) - Performance & financial dashboards (AD/FS)			
SO 7-2 Continuously improve operational effectiveness through quality performance, use of technology, and innovation	- PD BIRDIE recommendations (PD) - Grounds maintenance efficiency (SG/BG) - P&I automation (PL) - Performance excellence journey (AD)	- PD BIRDIE recommendations (PD) - Performance excellence journey (AD)	- Performance excellence journey (AD)	- Performance excellence journey (AD)	- Performance excellence journey (AD)
SO 8-1 Provide a supportive and rewarding work environment AOF	- Workforce plans (capacity/capability) (HR) - Learning & development system (HR/AD)	- Workforce plans (capacity/capability) (HR) - Learning & development system (HR/AD)	- Incentive reward program (HR/AD)	- Incentive reward program (HR/AD)	
SO 9-1 Meet or exceed established financial targets					
SO 9-2 Maintain capital assets					



Village of Pinehurst FY 2017 Strategic Challenges and Opportunities

The following strategic challenges and opportunities were identified at the December 2015 Council Strategic Planning Retreat.

Strategic Challenges	Strategic Opportunities
▪ Meeting the needs of younger residents (address indoor recreation) ▪ Identifying future financial resources due to limited revenue growth ▪ Addressing the needs of our neighborhoods (code enforcement, sidewalks & street lighting) ▪ Clearly defining our commercial and residential identity ▪ Transferring knowledge ▪ Developing the highest and best use for undeveloped land	▪ Build neighborhood sidewalks ▪ Increase street lighting in neighborhoods ▪ Construct bike friendly corridors ▪ Better enforce codes & ordinances ▪ Resource indoor recreation space ▪ Increase public engagement-levels of public involvement ▪ Encourage in fill development ▪ Recruit future residents ▪ Expand commercial development ▪ Succession planning ▪ Use fund balance for 1 time capital improvements ▪ ID alternative revenue opportunity sources ▪ Use data to target neighborhood improvements ▪ Increase morale